SENATE—*Thursday, June 28, 1984*

(Legislative day of Monday, June 25, 1984)

The Senate met at 10 a.m., on the expiration of the recess and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

For promotion cometh neither from the east, nor from the west, nor from the south. But God is the judge: he putteth down one, and setteth up another.—Psalm 75:6, 7 (KJV).

Sovereign Lord, we pray for the Democratic Convention. In these closing weeks of preparation, be with those who are responsible for arrangements. Guide them as logistics are finalized and grant safe travel to leadership, delegates, and the press as they journey to San Francisco and return.

Thou knowest Lord, the forces that will conspire to harass or exploit the convention and we ask that the Democratic Party may be spared any exigency or confrontation that would frustrate or embarrass. Protect all who participate from illness and bodily harm. May controversies be resolved in ways consistent with the best and finest political tradition.

Endow the leaders with wisdom, strength and patience and may the highest purposes be realized and Thy will be done. To Thy honor and glory we pray. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The distinguished acting majority leader is recognized.

Mr. STEVENS. Mr. President, I thank the Chair.

SENATE SCHEDULE

Mr. STEVENS. Mr. President, let me begin by reminding Senators that at 11 a.m. under the previous order the Senate will go into executive session to consider 16 treaties under a very short limitation of debate.

There will be four rollcall votes back to back. Those four rollcall votes will be tabulated as 16 separate votes under the orders that have been previously entered.

POSTHUMOUS PRESENTATION OF THE MEDAL OF FREEDOM TO HENRY JACKSON

Mr. STEVENS. Mr. President, President Reagan has honored the accomplishments of a great American, the late Senator Henry "Scoop" Jackson by posthumously awarding him the Medal of Freedom. Senator Jackson was a great Senator. He was also my close personal friend for almost 30 years. I remember when I first came to the Senate, Senator Jackson worked with me in almost every instance to try to work out the policies that applied to our new State. Going back 25 years, I remember so well sitting in the galleries about this time—it was really 26 years now, about this time of year—as the Senate considered the bill on the statehood for Alaska which Senator Jackson managed on the floor. It is thanks to his tremendous efforts in securing the Senate passage of that bill as it was passed by the House without any amendment that has led to Alaska now being able to enjoy its 25th anniversary as a State of the Union.

Members of the Senate will recall that Senator Jackson was involved in all of the major issues that have come before the Senate in Alaska's first 25 years as a State: the Alaska Pipeline Act, the Alaska Native Claims Settlement Act, the Alaska Lands Act, and a bill to create the 200-mile limit that we call the Magnuson Act. Without his guidance, the history that has been written so far for my State could have been quite different.

It is my belief that all of the friends of Scoop Jackson are pleased that the President has honored him by acknowledging the contributions that Senator Jackson made to our country and his significant role here in the Senate.

Mrs. Helen Jackson, Scoop's wife, and his son, Peter, his daughter, Anna Marie, were at the ceremony, and I am certain they were justly proud of Senator Jackson's many accomplishments.

I ask unanimous consent that the remarks that President Reagan made at the ceremony at which the Medal of Freedom was awarded to Senator Henry "Scoop" Jackson be printed in the RECORD at this point.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE PRESIDENT AT POSTHUMOUS PRESENTATION OF THE MEDAL OF FREEDOM TO HENRY JACKSON

THE ROSE GARDEN

The PRESIDENT. Ladies and gentlemen, honored guests, and Mrs. Helen Jackson—thank all of you for coming here today. Won't you please be seated?

We're here to honor Henry "Scoop" Jackson who was one of the great senators in our history and a great patriot who loved freedom first, last and always.

It's less than a year since his death, but already we can define with confidence the lasting nature of his contribution. Henry Jackson was a protector of the nation, a protector of its freedoms and values. There are always a few such people in each generation. Let others push each chic new belief or become distracted by the latest fashionable reading of history. The protectors listen and nod and go about seeing to it that the ideals that shaped this nation are allowed to survive and flourish. They defend the permanent against the merely prevalent. They have few illusions.

Henry Jackson understood that there is great good in the world, and great evil, too, that there are saints and sinners among us. He had no illusions about totalitarians, but his understanding of the existence of evil didn't sour or dishearten him. He had a great hope and great faith in America. He felt we could do anything. He liked to quote Teddy Roosevelt: "We see across the dangers the great future, and we rejoice as a giant refreshed . . . the great victories are yet to be won, the greatest deeds yet to be done."

Scoop came to the Congress in 1941, a year when the locomotive of history seemed wrenched from its tracks. In Europe, the ideals of the West were under siege; in America, isolationists warned against involvement. Scoop watched history unfold. He watched Norway, the country of his immigrant parents, fall to Hitler. He came to see some conclusions about the world. And from then until the day he died, he rejected isolationism as an acceptable way for a great democracy to comport itself in the world. This view sprang from the heart of the FDR tradition of foreign policy. We accept our responsibilities in the world; we do not flee them.

Henry Jackson absorbed within himself the three great strains of thought that go to the making of a noble foreign policy: the love of freedom, a will to defend it and the knowledge that America could not and must not attempt to float along alone; a blissful island of democracy in a sea of totalitarianism.

Scoop Jackson was convinced that there's no place for partisanship in foreign and defense policy. He used to say, "In matters of national security, the best politics is no politics." His sense of bipartisanship was not only natural and complete—it was courageous. He wanted to be President, but I think he must have known that his outspoken ideas on the security of the nation would deprive him of the chance to be his

● This "bullet" symbol identifies statements or insertions which are not spoken by the Member on the floor.

party's nominee in 1972 and 1976. Still, he would not cut his convictions to fit the prevailing style.

I am deeply proud—as he would have been—to have Jackson Democrats serve in my administration. I am proud that some of them have found a home here.

Scoop Jackson believed in a strong defense for only one reason: Because it would help preserve the peace by deterring military violence.

He believed in arms control because he wanted a more secure world. But he refused to support any arms control initiative that would not, in his judgment serve the security interests of the nation and ensure the survival of the West. His command of the facts and his ability to grasp detail were legendary. At Congressional hearings, people often learned more from his questions than they did from anyone else's answers.

And, it was very much like Scoop to see that there was a growing problem in Central America—and to see that the challenge of protecting freedom and independence there would require the commitment of Democrats and Republicans alike. He conceived the Bipartisan Commission on Central America and became one of its most active leaders.

He knew that stable, democratic institutions cannot be achieved in that region without the security that American assistance can provide. He saw the Commission's work completed, and, if he were alive today he would be working tirelessly to get its recommendations accepted by the Congress.

Scoop helped shape national policy on dozens of complex issues—on strategic planning and arms control, on the Soviet Union and Central America, on human rights, and Israel, and the cause of Soviet Jewry.

His support for Israel grew out of his knowledge that political decisions must spring from moral convictions. It wasn't some grand geopolitical abstraction that made him back the creation of Israel, it was seeing the concentration camps first hand at the end of the war. At Buchenwald he saw the evil, as he said, "written on the sky"—and he never forgot.

He said the Jews of Europe must have a homeland. He did everything he could to strengthen the alliance between the United States and Israel, recognizing that we are two great democracies, two great cultures, standing together. Today both nations are safer because of his efforts.

He never stopped speaking out against anti-semitism in the Soviet Union. And he was never afraid to speak out against anti-semitism at home. And he—Scoop Jackson just would not be bullied.

He conceived and fought for the Jackson Amendment to the Trade Act of 1974. There's hardly a soul among the hundreds of thousands of Soviet Jews who later found freedom in the West who was not sustained in the struggle to emigrate by the certain knowledge that Scoop was at his side.

Scoop was always at the side of the weak and forgotten. With some people, all you have to do to win their friendship is to be strong and powerful. With Scoop, all you had to do was be vulnerable and alone. And so when Simas Kudirka was in jail in Moscow it was Scoop who helped mobilize the Congress to demand his release.

When Baptists in the Soviet Union were persecuted, it was Scoop who went again and again to the floor of the Senate to plead their cause. When free trade unionists were under attack in Poland, Scoop worked with the American Labor Movement to help them.

A few years ago, he was invited to visit the Soviet Union. The invitation was withdrawn when he said he could not go without calling on Andrei Sakharov. If Scoop were here today, I know he would speak out on behalf of Sakharov—just as Sakharov, a man of immense courage and humanity stood up in Moscow and hailed the Jackson Amendment as a triumph of "the freedom loving tradition of the American people."

Scoop Jackson was a serious man. Not somber, or self-important, but steady and solemn. He didn't think much of the cosmetics of politics. He wasn't interested in image. He was a practitioner of the art of politics, and he was a personage in the affairs of the world. But there was no cause too great or too small for his attention.

When he wasn't on the floor of the Senate, or talking to the leaders of the world, he was usually in his office on the phone—consoling a constituent in a moment of grief, tracking down a lost social security check, congratulating an honor student, or helping a small businessman who was caught up in red tape.

The principles which guided his public life guided his private life. By the time he died, dozens of young men and women had been helped through school by a scholarship fund that he established and sustained. No one knew the money came from Scoop, until a change in the financial disclosure laws many years later forced him to 'fess up. He had never told the voters; he'd never even told his own staff.

Other people were embarrassed when the disclosure laws revealed their vanities. Scoop was embarassed when it revealed his virtues.

One night last September, Scoop worked a long day and went home with a cold. There he fell into the sleep from which he never emerged. The next day, it was as if Washington had changed. Something was missing, some big presence.

A few days later, in a eulogy for Scoop, it was pointed out that there's a room in the Senate where members of the public are greeted. And on the walls of that room are the portraits of five of the greatest U.S. Senators, men chosen by the members of the Senate to reflect the best that chamber ever knew. There's Robert Taft, who, like Scoop, was Mr. Integrity, and LaFollette, who like Scoop, often swam against the tide. There's Calhoun, who loved the South as Scoop loved the West, and Webster, who tried, like Scoop, to be a force to hold the nation together, in spite of its differences. And there's Henry Clay, a gifted man, who, like Scoop, would have been a great President.

It happens that there is no appropriate space on the walls of that room for another portrait.

So I'm joining those who would suggest to the Majority Leader that the Senate make room and commission a portrait so that Scoop Jackson can be with his peers. And when it's all done and in place, I'd be very proud to be among those who would go to the Senate and unveil it, Republicans and Democrats alike, a bipartisan effort in memory of the great bipartisan patriot of our time.

And, now, I am deeply honored to present to you, Mrs. Helen Jackson, the Medal of Freedom in honor of your husband, Senator Henry Jackson of the State of Washington.

Let me read the citation: "Representative and Senator for more than four decades, Henry Martin-Jackson was one of the greatest lawmakers of our century. He helped to build the community of democracies and worked tirelessly to keep it vigorous and secure. He pioneered in the preservation of the nation's natural heritage, and he embodied integrity and decency in the profession of politics. For those who make freedom their cause, Henry Jackson will always inspire honor, courage and hope." (Applause.)

Mrs. JACKSON. Mr. President, I'm proud to accept this great honor the nation has bestowed on my husband.

I accept this award not only on behalf of Anna Marie, Peter and myself, but also on behalf of all of those who worked with Scoop and shared his causes and convictions over the years.

As Scoop used to say, "If you believe in the cause of freedom, then proclaim it, live it and protect it, for humanity's future depends upon it."

Mr. President, we thank you for today from the bottom of our hearts. (Applause.)

FEDERAL ELECTION CAMPAIGN ACT, AS AMENDED—SEMIANNUAL REPORT

Mr. BAKER. Mr. President, the FECA, as amended, requires that political committees authorized by or for Senate candidates not active in 1984 elections (i.e., committees authorized by candidates who ran for Federal office prior to 1984 or candidates who are involved in future elections) file a semiannual report by July 31, 1984. These reports should be filed with the Senate Office of Public Records, 232 Hart Building, the office designated to receive these reports as custodian for the Federal Election Commission. For further information, please contact that office at 224-0322.

FEDERAL ELECTION CAMPAIGN ACT—JULY 15 QUARTERLY REPORT

Mr. BAKER. Mr. President, the Federal Campaign Act, as amended, requires that the Principal Campaign Committee of each Senate candidate seeking election in 1984 must file a quarterly report by July 15, 1984. Reports sent by registered or certified mail must be postmarked no later than July 15, 1984. Reports hand delivered or mailed first class must be received no later than the close of business July 15, 1984. The Senate Office of Public Records, the office designated to receive these reports as custodian for the Federal Election Commission, will be open Saturday, July 14, from 10 until 2, and Sunday, July 15, from 12 until 3, for the purpose of accepting these filings. The Public Records Office is located in suite 232 of the Hart Building. If further information is needed, please contact that office directly on 224-0322.

THE EXECUTIVE CALENDAR

Mr. STEVENS. Mr. President, I would like to inquire of my good

friend, the distinguished Democratic leader, if he would now be agreeable to go into executive session for the purpose of considering nominations on the Executive Calendar, commencing with calendar No. 664 through the nominations on that calendar to and including calendar No. 699 on page 16.

Mr. BYRD. Mr. President, I am happy to respond to the question by the distinguished acting majority leader. I am glad to say that those nominations, beginning with No. 664 and going through calendar No. 699, have been cleared on this side.

EXECUTIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate go into executive session for the purpose of considering the nominations on the Executive Calendar from calendar No. 664, on page 7 of the calendar, through and including calendar No. 699, on page 16 of the calendar.

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

Mr. STEVENS. Mr. President, I ask unanimous consent that all the nominations I have indicated be considered en bloc.

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

Without objection, the nominations are considered and confirmed en bloc.

The nominations confirmed en bloc are as follows:

U.S. ARMS CONTROL AND DISARMAMANT AGENCY

Thomas H. Etzold, of Rhode Island, to be an Assistant Director of the United States Arms Control and Disarmament Agency.

AIR FORCE

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Bernard P. Randolph, [redacted], United States Air Force.

The Following-named officer under the provisions of Title 10, United States Code, Section 601, to be reassigned to position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Lt. Gen. John T. Chain, Jr., [redacted], United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. David L. Nichols, [redacted], United States Air Force.

The following-named officer for appointment in the grade of lieutenant general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. James W. Stansberry, [redacted], United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assign to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Melvin F. Chubb, Jr., [redacted], United States Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. George D. Miller, [redacted], United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be reassigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Lt. Gen. William J. Campbell, [redacted], United States Air Force.

The following-named officer for appointment to the grade of general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be general

Gen. Billy M. Minter, [redacted], United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Charles L. Donnelly, Jr., [redacted], United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Charles J. Cunningham, Jr., [redacted], United States Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of Sections 593, 8218, 8373, and 8374, Title 10, United States Code:

To be major general

Brig. Gen. Alfred B. Cole, [redacted], Air National Guard of the United States.

Brig. Gen. Richard J. Geehan, Jr., [redacted], Air National Guard of the United States.

Brig. Gen. John L. Matthews, [redacted], Air National Guard of the United States.

Brig. Gen. Robert W. McDonald, [redacted], Air National Guard of the United States.

To be brigadier general

Col. Ernest Z. Adelman, [redacted], Air National Guard of the United States.

Col. Vernon E. Baldeshwiler, [redacted], Air National Guard of the United States.

Col. Donald B. Barshay, [redacted], Air National Guard of the United States.

Col. Edward A. Belyea, [redacted], Air National Guard of the United States.

Col. Robert G. Chrisjohn, Jr., [redacted], Air National Guard of the United States.

Col. Richard M. Eslinger, [redacted], Air National Guard of the United States.

Col. Francis E. Hazard, [redacted], Air National Guard of the United States.

Col. Stanley V. Hood, [redacted], Air National Guard of the United States.

Col. Homer H. Humphries, Jr., [redacted], Air National Guard of the United States.

Col. Otto K. Korth, Jr., [redacted], Air National Guard of the United States.

Col. Edward S. Mansfield, [redacted], Air National Guard of the United States.

Col. James R. Mercer, [redacted], Air National Guard of the United States.

Col. John L. Smith, [redacted], Air National Guard of the United States.

Col. Arthur P. Tesner, [redacted], Air National Guard of the United States.

Col. William R. Turnipseed, [redacted], Air National Guard of the United States.

Col. Revere A. Young, [redacted], Air National Guard of the United States.

The following-named officer for appointment to the grade of general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be general

Gen. James V. Hartinger, [redacted], United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be general

Lt. Gen. Robert T. Herres, [redacted], United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Duane H. Cassidy, [redacted], United States Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Charles G. Cleveland, [redacted], United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be reassigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Lt. Gen. Kenneth L. Peek, Jr., [redacted], United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Thomas C. Richards, [redacted], United States Air Force.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by

the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. Edward L. Tixier, XXX-X... XXX-X..., United States Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. David E. Grange, Jr., XXX-X... ..., (Age 59), United States Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Lt. Gen. Joseph T. Palastra, Jr., XXX-X... ..., United States Army.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be reassigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. William H. Schneider, XXX-X... ..., United States Army.

The following-named officer for appointment in the United States Army to the grade indicated under the provisions of Title 10, United States Code, sections 611(a) and 624:

Col. John L. Fugh, XXX-XX-XXXX, Judge Advocate General Corps, United States Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of Title 10, United States Code, Section 1370:

To be lieutenant general

Lt. Gen. Joseph K. Bratton, XXX-XX-XXXX, (Age 58), United States Army.

The following officers for appointment as Reserve Commissioned officers in the Adjutant General's Corps, Army National Guard of the United States, Reserve of the Army, under the provisions of Title 10, United States Code, Sections 593(a) and 3392:

To be brigadier general

Col. Nathaniel G. Troutt, XXX-XX-XXXX.

Col. Edward D. Baca, XXX-XX-XXXX.

The following-named officer under the provisions of Title 10, United States Code, Section 601, to be reassigned to a position of importance and responsibility designated by the President under Title 10, United States Code, Section 601:

To be lieutenant general

Maj. Gen. James M. Rockwell, XXX-X... XXX..., United States Army.

NAVY

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Robert E. Kirksey, XXX-X... XXX..., U.S. Navy.

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be vice admiral

Rear Adm. William F. McCauley, XXX-X... XXX..., U.S. Navy.

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Joseph Metcalf, III, XXX-X... X..., U.S. Navy.

The following named officer, under the provisions of Title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under Title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Henry C. Mustin, XXX-XX-XXXX XX..., U.S. Navy.

The following named officer, to be placed on the retired list in the grade indicated under the provisions of Title 10, United States Code, section 1370.

To be vice admiral

Vice Adm. Gordon R. Nagler, XXX-X... XXX..., U.S. Navy.

DEPARTMENT OF STATE

Clint Arlen Lauderdale, of California, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Cooperative Republic of Guyana.

Owen W. Roberts, of New Jersey, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Togo.

John William Shirley, of Illinois, a Career Member of the Senior Foreign Service, Class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Tanzania.

Leonardo Neher, of Maryland, a Career Member of the Senior Foreign Service, Class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Upper Volta.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the nominees were confirmed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask that the President be notified immediately of the confirmation of his nominees.

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

LEGISLATIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate return to legislative session.

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

ORDER OF PROCEDURE

Mr. STEVENS. Mr. President, I wish to put the Senate on notice that we are attempting to clear a change in the existing order pertaining to the 16 treaties. We are hopeful that we can get an agreement, in view of the long day that is ahead of us, that we have one vote rather than four votes on those matters. If that occurs, that one vote would occur as scheduled at 11:10 a.m. It would be my hope that all Senators would agree to that change so that we can proceed to try and dispose of a rather heavy calendar ahead of us, and terminate the work of the Senate fairly early today.

The order provides for a period for 10 minutes of debate on the treaties beginning at 11 o'clock, so the rollcall vote would actually take place following that debate. It is our hope that we can have just one vote.

I am pleased that my good friend from West Virginia, the distinguished Democratic leader, is attempting, along with us, to clear that change. There will be an announcement on that later.

Mr. President, I yield the floor.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER. The minority leader is recognized.

Mr. BYRD. I thank the Chair.

Mr. President, I agree with the distinguished acting majority leader. I think it would be to the advantage of everyone if these four votes could be compacted into one rollcall vote.

Under the order as it now stands, the first of the four rollcall votes would begin about 10 minutes after 11. Senators have been put on notice for at least the last 2 days, I think, that these four votes would occur with the first one beginning at 11:10 a.m. I would think that all Senators who are going to be here today will be here at 11:10 a.m. I would hope that we can get agreement on both sides to proceed with one vote only to count for the four votes.

Mr. President, if we consider the time usually taken on a rollcall vote, a minimum of 15 minutes, the Senate would save 45 minutes, or all Senators would save 45 minutes.

I hope the request will be allowed. I will be back with the distinguished assistant Republican leader very shortly to inform him of the results on our side.

Mr. President, I would be very happy to yield to the distinguished acting Republican leader.

Mr. STEVENS. I thank my good friend.

Mr. President, I suggest that we turn to the special orders at this time.

RECOGNITION OF SENATOR QUAYLE

The PRESIDING OFFICER. Under the previous order, the Senator from Indiana [Mr. QUAYLE] is recognized for not to exceed 15 minutes.

TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

Mr. QUAYLE. Mr. President, today, I am publishing notice that the Temporary Select Committee to study the Senate committee system will hold hearings on July 31 and August 2. I would like to call to the attention of Senators the fact that this select committee has quite a broad jurisdiction and that we are certainly very amenable to suggestions on the path that individual Senators think we should embark upon.

I have conversed with the majority leader and other Senators. I am pleased that the majority leader will be the first to testify. The Senator from Kentucky is cochairman of the select committee. I hope the minority leader will also come forth.

Mr. President, I think what is important is that we all have an idea of how the committee will operate. It will take the time of individual Senators to come forth with specific ideas. I believe we are going to see certain reforms enacted. We will have to work to try to develop a consensus which I think can be achieved.

I think all Senators want reform; we are all concerned about proliferation of committees and subcommittees; we all have trouble running from one meeting to another and being unable to be in several places at the same time; we all deplore the regurgitating of speeches as we debate the same issue time after time as it comes to us from one committee after another. While we share in the problems, we have very different ideas of the solutions and we all know that many solutions are propounded but few are adopted.

Senators will recall that, in the language of the resolution establishing the Temporary Select Committee, our assigned task is to conduct a thorough study of the Senate committee system, the structure, jurisdiction, number and optimum size of Senate committees, the number of subcommittees, committee rules and procedures, media coverage of meetings, staffing and other committee facilities.

By December 15, the Select Committee is to submit to the Senate a final report of its findings, as well as recommendations which promote optimum utilization of Senators' time, optimum effectiveness of committees in the creation and oversight of Federal programs, clear and consistent procedures for the referral of legislation falling within the jurisdiction of two or more committees, and workable methods for the regular review and revision of committee jurisdictions.

Mr. President, this is not a subject that we Senators can, should or want to delegate to our staffs. This is a subject that requires our personal attention and consideration. I urge all of my colleagues to participate in the process of institutional reflection so that the Select Committee's recommendations for the new Senate convening next January will truly represent this body's perspective on committee reorganization.

In the broadest sense, Mr. President, the members of the Select Committee must seek to represent the interests of the entire Senate; 12 of us are at your service: Senator FORD is our cochairman; Senators MATHIAS, GARN, WALLOP, KASTEN, and RUDMAN are from this side of the aisle, while Senators LONG, MATSUNAGA, JOHNSTON, MELCHER, and DIXON are the minority members of the Select Committee.

The Select Committee has had two meetings and one theme has emerged very clearly: We want to make recommendations that reflect a broad spectrum of consensus and that have some reasonable chance of actually being implemented. To develop that consensus we actively solicit the participation of every Senator in our venture. We want to hear from our colleagues—whether through testimony at our hearings, the submission of written views or through more informal contacts with the members of the committee.

Many proposals for the reform of the committee system have been made, and I am attaching a brief summary of recent recommendations prepared by the CRS. We plan to examine past proposals carefully to see if we would recommend again what has been proposed before. But we are also interested in new proposals and we have discussed four possible ways of proceeding. These are by no means exclusive but are shown here just to enable Senators to understand the kinds of decisions that the committee will be making.

These 2 days of hearings will certainly give us a good start in the direction that we ought to go. I suppose that, looking at this situation, there are basically four ideas we could explore, as I said.

We may examine the jurisdiction of Senate committees and recommend merger, abolition or redrawing of jurisdiction boundaries.

We may examine the number of assignments of Senators to committees and subcommittees and recommend methods for limiting the number of assignments.

We may examine the assumption of need for separate authorization, appropriations and budget committees and recommend merger or restructuring of the separate jurisdiction over these processes.

We may examine the causes that have led the Senate to reject consolidation of jurisdictions and reduction of numbers of assignments and recommend methods means of reducing the barrier to enactment of such proposals dealing with the barriers to enactment.

While the Select Committee has resolved not to begin drafting its report and recommendations until after the November 6 elections, we do plan to start sorting through the options presented to us in testimony or in person next month immediately so that by September we can provide the Senate some sense of the direction it seems to want to go. At that point, we will seek further input as we approach the stage of refining the proposals the Select Committee will make by December 15.

I appreciate the Senate's attention to this important matter. If Senators have any questions about earlier reorganization plans, or if Members want to disseminate organizational concepts or detailed blueprints, I hope they will contact the Select Committee's members or our staff director, Bob Guttman, who will be working out of our office in SR-B42 (224-2740).

Mr. President, the word "reform" sort of takes on a life of its own. I think reform means different things to different people. But I think this will be the first serious look by the Senate since the Stevenson-Brock committee by sitting Senators at the committee structure. It will also be the first serious look at the process and the committee structure we have had since the initiation and the institution of the budget process.

I am hopeful that we shall be able to have as much input in the discussion as possible. I know I have talked to a lot of individual Senators on both sides of the aisle in the last week or 10 days concerning this topic. I think it goes without saying that there is a lot of interest, particularly a lot of interest in what in fact may be done. But we certainly are not there yet. There are no plans that have been submitted.

I presume that certain plans and ideas would be forthcoming in the testimony, at least the 2 days of testimony that we are going to have, by individual Senators and others who are interested in the issue.

Mr. President, I have a report by the Congressional Research Service of selected proposals for revising the Senate committee system. I ask unanimous consent that those proposals be printed in the RECORD. I think examining these proposals will certainly give us some food for thought, some ideas of where we may want to go or may not want to go.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

SELECTED PROPOSALS FOR REVISING THE SENATE COMMITTEE SYSTEM

(Compiled by Roger H. Davidson, Walter J. Oleszek)

The purpose of this compendium is to provide Members and staff with an inventory of recent proposals to revise the structure and procedure of Senate committees. Many are recommendations presented to the 1976–77 Stevenson-Brock Committee (the Temporary Select Committee to Study the Senate Committee System) and the 1983 Pearson-Ribicoff Study Group Report (after former Senators James Pearson and Abraham Ribicoff). In addition, there are recommendations suggested by individual Senators and others.

This inventory of committee revisions is neither exhaustive nor inclusive; rather, it is designed to highlight some of the major topics that fall within the Select Committee's purview and to stimulate and encourage Senators and staff aides to offer suggestions of their own. The listing deliberately omits recommendations to change Senate floor procedure, such as the filibuster, enforcement of germaneness, or multiple consideration of the same subject. Such matters are beyond the mandate of the Select Committee, except as they directly affect the Senate committee system.

Edward M. Davis III assisted in preparing an earlier compilation from which this present listing is adapted. Needless to say, these proposals do not constitute recommendations of the compilers or of the Congressional Research Service.

A. COMMITTEE JURISDICTIONS

1. Functional jurisdictions

Consolidate existing committees into 12 or 13. Those committees proposed for merger would be: Budget (functions absorbed by Appropriations and Finance), Veterans Affairs (subsumed by Armed Services), Small Business (Banking, Housing and Urban Affairs), Special Aging (Labor and Human Resources), Select Ethics (Rules and Administration), Select Indian Affairs (Energy and Natural Resources), and Select Intelligence (Appropriations, Armed Services, and Foreign Relations). All joint committees would terminate, with their functions taken over by standing committees with legislative jurisdiction. (Pearson-Ribicoff Study Group, 1983)

Reduce the number of committees and organize them around functional categories. (Stevenson Committee.)

Restructure committee jurisdictions to coincide with the functional categories of the budget. (Stevenson Committee.)

Require a restatement of committee jurisdiction each Congress. (Stevenson Committee.)

Reorganize existing committees into 12 legislative committees with a total membership of 100. (Stevenson Committee.)

Reduce the fragmented and overlapping jurisdiction of committees. (Senator Boren, The Washington Post, July 13, 1983, p. A19.)

Reorganize the Senate committee system so that functions now divided among several committees could be combined into one panel. (Senator Kennedy, The Boston Globe, January 23, 1983, p. 2.)

2. Transportation

Consolidate all transportation matters within the jurisdiction of the Committee on Commerce, Science and Transportation. (Stevenson Committee.)

3. Environment

Consolidate all environmental matters within the jurisdiction of the Committee on Environment and Public Works. (Stevenson Committee.)

4. Social Security and Medicare

Transfer jurisdiction over Social Security, Medicare, and Medicaid from the Senate Finance Committee to the Committee on Labor and Human Resources. (Stevenson Committee.)

5. Regulation

Create a Select Committee on Regulatory Commissions and the United States Economy. (Stevenson Committee.)

Create a Select Committee on Federal Responsiveness and Accountability. (Stevenson Committee.)

6. Narcotics control

Create a Select Committee on Narcotics Abuse and Control in order to investigate drug abuse and related problems and to review Presidential recommendations for their solution. The Committee would have no legislative authority. (S. Res. 29, 97th Congress.)

7. National Security Committee

Establish a National Security Committee by merging the committees on Armed Services and Foreign Relations. (Stevenson Committee.)

Establish a Joint Committee on National Security. This body would perform policy review and coordination (paralleling the National Security Council), provide central linkage to the President and the NSC, and oversee the intelligency community. (Commission on the Organization of the Government for the Conduct of Foreign Policy, 1975.)

8. Science and technology

Create a Science and Technology Committee to parallel its counterpart in the House. (Stevenson Committee.)

9. Employment policy

Establish a single committee to oversee employment policy, bringing together authority scattered among Labor and Human Resources, Public Works, and Finance. (Senator Kennedy, The Boston Globe, January 23, 1983, p. 2.)

10. Health

Create a Health Committee that would have authority over both the financing of health care and the quality of health care. (Senator Kennedy, The Boston Globe, January 23, 1983, p. 2.)

11. Appropriations

Realign Appropriations subcommittee jurisdictions to coincide with the functional categories used by the House and Senate Budget Committees. (Stevenson Committee.)

12. Joint committees

Abolish all joint, temporary, special, and select committees and merge their jurisdictions with the appropriate standing committees. (Stevenson Committee.)

Consolidate the jurisdiction of the Joint Economic Committee with the Committee on Banking, Housing and Urban Affairs. (Stevenson Committee.)

13. Rules Committee

Create a Committee on Rules, the membership of which would be limited to the majority and minority leaders, the party whips and secretaries, and the President pro tem. (Stevenson Committee.)

The Senate needs something like the House Rules Committee. (Senator Bumpers, Congressional Quarterly Weekly Report, September 4, 1982, p. 2182.)

14. Review of jurisdictions

Direct the Committee on Rules and Administration to undertake a periodic review of committee jurisdictions and require the Committee to report its findings prior to a day certain after the beginning of a new session of Congress. (Stevenson Committee.)

Maintain a Permanent Select Committee on Committees with rotating membership in order to effect a continuous review of the committee system. (Stevenson Committee.)

15. Organization

Require a two-thirds vote of the full Senate in order to create a new standing committee. (Stevenson Committee.)

B. COMMITTEE ASSIGNMENTS

1. Committee size

Equalize the size of the standing committees of the Senate. (Stevenson Committee.)

2. Select committee membership

Provide that membership in a select committee shall not qualify as a determinant of the total number of committees on which a Senator may serve. (Stevenson Committee.)

Prohibit continued service on any standing, special, select or joint committee if a Senator has served on that committee for any eight of the previous twelve calendar years. (Stevenson Committee.)

3. Committee representativeness

Base the appointment of Senators to standing committees on the concept of geographical representativeness. (Stevenson Committee.)

4. Limitations

Limit the service of Members on a committee to a certain number of years. (Stevenson Committee.)

Limit Members to three committees—one from each of three groups fashioned so that each Senator would be appointed to committees that have across-the-board representation. (Pearson-Ribicoff Study Group, 1983.)

5. Minority chairmanships

Authorize members of the minority party to chair subcommittees. (Stevenson Committee.)

6. Rotating chairmanships

Require the periodic rotation of committee chairmanships. (Stevenson Committee.)

Require the periodic rotation of committee chairmanships and membership, providing a minimum period of time before a Member can return to the committee or committees from which he or she has been rotated. (Stevenson Committee.)

7. Reassignment by party leaders

Grant party leaders new tools of influence, such as the freedom to reassign Senators who will not go along with the party's program. (Senator Biden, Congressional Quarterly Weekly Report, September 4, 1982, p. 2182.)

8. Chairmanship limitations

Reduce the number of committees and subcommittees on which a Member can serve to 8 instead of 11, the division being service on 2 major and 1 minor committee while allowing 2 subcommittee assignments for each major committee and one subcom-

mittee assignment for each minor committee. (Stevenson Committee.)

Prohibit all standing committee chairmen from chairing any subcommittee. (Stevenson Committee.)

Prohibit chairmen and ranking minority members from serving on any other committee (except Budget). These Members could not serve as subcommittee chairmen on the full committee they chair, but would hold ex officio membership on all committees. (Stevenson Committee.)

9. Expansion of chairmanships

Allow every Senator, regardless of party, to chair one committee or subcommittee. (Stevenson Committee.)

C. COMMITTEE STAFFING

1. Nonpartisan/minority staff

Appoint all committee staff on a non-partisan basis. (Stevenson Committee.)

2. Staff exchange

Permit the exchange of staff between and among committees. (Stevenson Committee.)

3. Limitations

Strictly limit the hiring of any further staff until the number of staff have fallen to 80 percent of current levels. (Stevenson Committee.)

4. Pooling

To save money, find ways to pool staff resources so there are experts available to all Members instead of each Senator individually. (Committee on Rules and Administration. Television and Radio Coverage of Senate. Hearings, 97th Congress.)

5. End staffed subcommittees

Prohibit subcommittees from employing separate staffs and processing legislation. This would mean that subcommittees would be staffed by the full committees, to the extent they needed staff support. (Pearson-Ribicoff Study Group, 1983.)

D. COMMITTEE ADMINISTRATION, RULES, AND PROCEDURE

1. Committee activity reports and calendars

Require committees to provide written summaries of meetings and hearings on a daily basis. Authorize the Rules and Administration Committee to create a central office for the compilation and distribution of these summaries. (Stevenson Committee.)

Require all committees to publish semi-annual calendars containing a tentative schedule of planned activities. (Stevenson Committee.)

Require committees to make public all information regarding their activities, including roll call votes. (Stevenson Committee.)

2. Codification

Codify and make uniform all rules pertaining to committee procedures. (Stevenson Committee.)

3. Proxy voting

Abolish proxy voting on any matter considered in committee. (Stevenson Committee.)

4. Reports

Insure that all committee reports contain a pro-con analysis of the measure being reported and highlight areas of controversy. (Stevenson Committee.)

5. Disposition and control of committee records

Require that legislation terminating committees provide for the disposition of their records so as to insure availability to Members and committees of both Houses of Congress. (Stevenson Committee.)

In consultation with the Secretary of the Senate, the Senate Historical Office, and the Archivist of the United States, require each committee to establish a schedule for transferring non-current records to the Archives, provide guidelines to insure proper labeling and indexing, and permit disposal of purely routine material. (Stevenson Committee.)

Adopt a resolution allowing public access to archived, non-current committee records after a certain period of time, twenty-five to thirty years after their creation, except where a committee decides that personal privacy or national security would be endangered by doing so. Require the publishing of committee policy governing access to non-current records. (Stevenson Committee.)

6. Hearings

Require that at least one Senator be present at every subcommittee or full committee hearing, even if witnesses are not giving sworn testimony. (Congressional Quarterly, 10/24/81, p. 2070.)

The Senate should encourage committees to hold more hearings in all parts of the country. (Senator Baker, The New York Times Magazine, April 1, 1984, p. 69.)

E. SUBCOMMITTEES

1. Ad hoc subcommittees

Allow for the creation of ad hoc subcommittees consisting of the members of two or more standing committees to consider cross-jurisdictional matters. (Stevenson Committee.)

2. Subcommittee longevity

Restrict the life of subcommittees to the length of the Congress in which they are established. (Stevenson Committee.)

3. Subcommittee limitation

Reduce and limit the number of subcommittees. (Stevenson Committee.)

4. Ex-officio membership

Authorize the participation of any member of a committee in the activities of any of that panel's subcommittees provided that the Member notify the subcommittee chairman and that his presence shall not be used in order to establish a quorum. (Stevenson Committee.)

5. Jurisdiction of subcommittees

Require committees to establish subcommittees with legislative jurisdictions. (Stevenson Committee.)

Prohibit subcommittees from processing legislation, limiting their functions to "the conduct of hearings, compilation of data, and resumes of proposed legislation." (Pearson-Ribicoff Study Group, 1983.)

6. Agendas

Require committee chairmen in collaboration with subcommittee chairmen to establish subcommittee agendas. (Stevenson Committee.)

7. Staff

Allow subcommittee chairmen the right to hire staff. (Stevenson Committee.)

F. REFERRAL OF LEGISLATION

1. Multiple referrals

Authorize the Presiding Officer to divide single measures which involve multiple subjects into two or more bills for referral to the appropriate committees. (Stevenson Committee.)

Allow bills to be referred to more than one committee any time after the second reading. (Stevenson Committee.)

Designate one panel as a lead committee in joint or sequential referrals so that all reports would be directed through it for synthesis and coordination. (Stevenson Committee.)

Allow Senators more time to review measures which are scheduled for joint referral under unanimous consent procedure. (Stevenson Committee.)

2. Time limit

Establish a time limit within which sequential or split referrals of legislation must be reported. (Stevenson Committee.)

Provide that bills received from the House of Representatives which were passed by at least a three-fourths vote of that body shall be referred to committee for a period of time not to exceed 90 calendar days. (Stevenson Committee.)

3. Referral by title

Refer measures by title or section. (Stevenson Committee.)

G. COMMITTEE SCHEDULING

1. Block scheduling

Devote certain days of the week exclusively to committee business and other days exclusively to Senate floor sessions. (Culver Commission.)

Set aside certain times during the week when only major committees will be allowed to meet, allowing minor committees to meet exclusively during the remainder of the week. (Stevenson Committee.)

Schedule all committee work before 1:00 p.m. and all legislative floor sessions after 12:00 noon. (Stevenson Committee.)

Reserve one day each week for committee meetings, with no floor sessions except in extraordinary circumstances. The Majority leader would be permitted to adjust this schedule as directed by the demands of floor business. (Stevenson Committee.)

Begin each session of Congress by reserving three days of each week for committee meetings and two for floor proceedings, altering the number of committee and floor days as the session progresses and allowing the Majority leader to suspend the rule when necessary. (Stevenson Committee.)

2. Scheduling conflicts

Prohibit any committee from scheduling a formal meeting when at least three of its members cannot attend due to other committee meetings previously scheduled for the same time. (Stevenson Committee.)

3. Agendas

Establish target schedules in each committee and subcommittee at the start of the session. These schedules should list prospective business meetings, hearings, markups, and oversight activities. (Culver Commission.)

Require all Senate committees to act according to "an announced agenda agreed to at the beginning of each Session." Committees would remain free to hold hearings on any subject and could file written reports recommending legislation for the Senate to take up in the future; but committees could not report legislation outside the agreed-upon agenda unless a motion to report such a matter was agreed to. (Pearson-Ribicoff Study Group, 1983.)

H. COMMITTEE OVERSIGHT

1. Oversight of agency rulemaking

Require that a Senate committee, within 30 days of any executive rule or regulation which the affected committee deems has exceeded statutory authority, make reports so stating and recommend appropriate action by Congress. (S. Res. 281, 94th Congress.)

2. Departmental question period

Provide a period of time in each session during which Senators may question heads of executive departments and agencies. (S. Res. 136, 94th Congress.)

3. Legislative veto

Establish a procedure for congressional review and approval of newly promulgated or revised departmental and agency rules allowing a specified period of time for such review and approval before the rule in question is allowed to lapse. (H.R. 1776, 97th Congress.)

4. Oversight subcommittees

Require each standing committee of the Senate to establish a subcommittee on legislative review. (Stevenson Committee.)

Prohibit the creation of legislative oversight committee on standing committees. (Stevenson Committee.)

5. Methodology

Require the Comptroller General, in consultation with the Congressional Budget Office and the Senate Governmental Affairs Committee, to develop a standard oversight methodology to be used by Senate committees (except Budget and Appropriations) in order to examine the programs they have authorized. (Stevenson Committee.)

6. Sunset

Initiate a process for the systematic review of executive departments, agencies and specific programs in order to modify, terminate or justify their continued existence. (H.R. 2, 97th Congress; S. 2, 96th Congress; H.R. 5858, 96th Congress.)

7. Information gathering

Require each standing committee to submit a questionnaire to the Federal departments and agencies within its jurisdiction in order to obtain information on the effectiveness of various programs. (Stevenson Committee.)

8. Oversight of budget outlays

Delegate oversight authority for all budget outlays to the Senate Budget Committee. (Stevenson Committee.)

9. Oversight reports

Require committees to publish annual reports of proposed oversight activities at the beginning of each session of Congress and report on its oversight findings upon the completion of each session. (Stevenson Committee.)

10. Hearing officers

Allow designated staff to conduct non-legislative oversight investigations in public session. (Stevenson Committee.)

11. Oversight agendas

Develop a coordinated legislative oversight agenda at the beginning of each Congress by requiring the publication of committee oversight plans and the reporting of results. (Stevenson Committee.)

12. Leadership investigation of oversight issues

Require the joint leadership in consultation with the chairmen and ranking minority members of the standing committees to examine on a regular basis those legislative areas where oversight should be undertaken, recommending action accordingly. (Stevenson Committee.)

I. THE BUDGET PROCESS

1. Basic alterations

Abolish the Budget Committee and shift its functions to a subcommittee comprised of Members from the Appropriations and Finance committees. (Pearson-Ribicoff Study Group, 1983.)

Consideration might be given to whether or not the Senate really needs a separate authorization and appropriations process, and whether their consolidation might not result in a reduction in the congressional workload, and in more cohesive and clear statements of legislative intent. (Senator Tower, Congressional Record, March 6, 1984, p. S2371.)

Revise the committee system by establishing one committee to handle authorizations, appropriations, and budget matters. Called the Appropriations Committee, the panel would have 11 subcommittees that absorb the current Class A authorization committees. In addition, there would be four other committees: Finance, Foreign Relations, Governmental Affairs, and Judiciary. This plan focuses only on the Class A committees and does not address the Class B and C committees. (William Hildenbrand, National Journal, June 16, 1984, p. 1167.)

2. Two-year cycle

Institute a two-year budget authorization process. (H.R. 1010, 97th Congress; S. 1683, 97th Congress; Pearson-Ribicoff Study Group, 1983.)

3. Staggered authorizations

Stagger the authorization process over a number of years so that only a few committees would be required to report authorizing legislation in any given year. (Task Force on Budget Process. Budget Act review. Hearings, 96th Congress.)

4. Multiyear budget targets

Establish multiyear budget targets as a suplement, where applicable, to the annual budget process. (See Task Force on Budget Process. Budget Act review. Hearings, 96th Congress.)

5. Reporting dates

Change the current reporting dates required by the Congressional Budget Act. (S. 1683, 97th Congress; H.R. 1010, 97th Congress.)

J. MISCELLANEOUS PROPOSALS

1. Reduction of the 3-day rule

Reduce from three to two the number of days during which committee reports must be made available to Members before they may be considered in the Senate, that number to include Saturdays, Sundays and legal holidays if the Senate is in session on such days. (S. Res. 9, 96th Congress.)

2. Reports coincident with committee jurisdictions

Require that provisions of a reported bill which are within the jurisdiction of a committee or committees which did not report the measure would be subject to a point of order or a motion that would strike them from the bill. Such provisions then would be referred to the appropriate committee or committees. (Stevenson Committee.)

3. Committee amendments

Limit committee amendments to areas within the jurisdiction of the reporting committee. (Stevenson Committee.)

ORDER FOR DEBATE ON EXECUTIVE TREATIES AND FOR ONE ROLLCALL VOTE

Mr. STEVENS. Mr. President, I ask unanimous consent that the previous order pertaining to the vote on executive treaties be changed so that there be a period of 10 minutes of debate commencing at 11 a.m., equally divided between Senators PERCY and PELL; and that, following that period of debate, there be one rollcall vote which will count as 16 votes on the 16 treaties which are listed in that previous order.

Mr. BYRD. Mr. President, reserving the right to object, will the distinguished assistant majority leader add to his request that no motions other than the motion to reconsider and the motion to table the motion to reconsider, no debate other than during the 10 minutes, and no other nominations other than those that have been set forth in the previous order be in order?

Mr. STEVENS. Mr. President, I am happy to amend my request. That was our understanding previously. I am happy to make certain that that is the new order. I ask unanimous consent that my request be so amended.

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

Mr. BYRD. Mr. President, I withdraw my reservation. I thank the distinguished Senator.

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

Mr. STEVENS. Mr. President, the Senate is awaiting a Senator who has a special order. I remind the Senate that there will be a period for the transaction of routine morning business until the hour of 11 a.m. following the special order that will occur shortly.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin is recognized for 15 minutes.

Mr. PROXMIRE. I thank the Chair.

STAR WARS—WHAT IS THE ASTRONOMICAL COST OF THIS EXTENSION OF NUCLEAR WAR?

Mr. PROXMIRE. Mr. President, some call President Reagan's strategic defense initiative or SDI Star Wars. Some call it an antiballistic missile defense. As this Senator has recently discussed in detail in another speech on the floor of the Senate, this Reagan nuclear weapons proposal has its appealing justification. In analyzing the justification given by the administra-

tion for SDI, this Senator did not discuss the cost of the program in detail. Today I will do just that. The cost of Star Wars is the subject of this speech.

General Abramson and other witnesses have told the Appropriations Committee what the cost of initiating major research on SDI will be in 1985.

General Abramson, by the way, is the head of the Star Wars operation. He knows more about it. He has been their champion. He has been their principal advocate before the Senate.

The administration asked for about $2 billion for next year for SDI. That would have constituted a 71-percent increase in spending for this purpose for 1984. Neither General Abramson nor his assistants were able to cite a single program of this size in the Defense Department that received such a big recommended percentage increase in spending in 1985. Both the Senate and the House reduced this increase but the close to 50-percent increase that will emerge from conference will still constitute far and away the biggest percentage increase in spending any Government program that spends more than $1 billion. Spending on SDI research would race ahead in the next 5 years if the administration has its way. They are asking the Congress to appropriate $25 billion during this period just for research on this strategic defense initiative.

Now, keep in mind that this $25 billion would not produce any defensive nuclear weapons nor deploy such weapons. How big a splurge is this compared to other programs for spending money in space? The entire cost of the Apollo project that put Americans on the moon and brought them back—the greatest space spectacular in history—was $25 billion. But Star Wars would spend that same sum just as a research starter without producing a single weapon and with zero deployment. What will it cost for producing and deploying an antimissile arsenal, a full SDI system?

Mr. President, not only does no one know, unfortunately, no one connected with the program even wants to guess. But should we not know? Should we not at least have some idea? Will it cost several hundred billion? A trillion? Several trillion? What will the Congress be called on to spend per year when spending on this program hits its maxmium? Fifty billion a year? A hundred billion a year? Two hundred billion? More? We do not know. No one knows. We should find out.

Mr. President, the most authoritative basis for the administration's estimates of the cost of this program a summary report entitled: "Ballistic Missile Defenses and U.S. National Security" by Fred S. Hoffman.

The report has one section on costs that I will quote in its entirety. Here it is—get this:

> We do not yet have a basis for estimating the full cost of the necessary research program nor the cost of systems development or various possible defensive deployment options. It is clear, however, that costs and the tradeoffs they require would present important issues for defense policy. While not insignificant, total system costs would be spread over many years. There is no reason at present to assume that the potential contributions of defensive systems to our security would not prove sufficient to warrant the costs of deploying the systems when we are in a better situation to assess their costs and benefits.

Talk about a copout. Star Wars makes the SST fiasco seem like a practical moneymaking cinch. What the administration is telling us is that they do not have the slightest idea how much this operation will cost. They do not even know how much the research, which eventually will tell us how much the cost will be, will cost us. But so what? They even tell us we do not have any reason to suspect that the eventual cost, which they cannot even begin to guess, will be too great to justify Star Wars benefits.

Mr. President, how long would you keep a purchasing agent on your payroll who told you he intended to buy something for your company whose cost would be as deep as the ocean, as high as the sky but he could not even guess at how much it would be? The administration wants this Congress to commit itself to spend $25 billion over the next 5 years without the slightest understanding of what the ultimate costs or benefits might be, not even an outside estimate.

All of us are concerned about the massive Federal deficits that threaten such economic havoc for this country over the next 5 or 10 years.

I do not think anybody in the Senate has done more to hold down spending than the present Presiding Officer, Senator HUMPHREY of New Hampshire. He has been in the forefront of voting against extravagant spending programs.

We fear the distortion of interest rates flowing from these continuous huge deficits. We recognize the burdensome and depressing effect of increased taxes if we let Federal spending continue to race ahead and simply hike taxes to reduce the deficit. So what's the key to escaping this dilemma? It's obvious. We have to hold down spending. And here is precisely where the cost of SDI or Star Wars comes in. Many economic experts recognize that we have locked in much of our Federal spending tightly. We have made annual increases virtually inevitable. We cannot realistically control much of it. We will not reduce it. This is true of social security pensions, most of the cost of medicare and medicaid, and veterans' pensions. We also have a massive conventional Military Establishment whose cost we know will in all likelihood continue year after year to increase relentlessly. And on top of all this now comes the SDI or Star Wars nightmare. The cost will be so big that even those closest to it will give us no idea how massive a burden it will impose.

Now, Mr. President, this Senator intends to vigorously oppose this monstrous spending maching, regardless of its cost, for reasons I have previously set forth. But certainly this time even the proponents of the program should agree that we should know where we are going in spending before we set out. We should have some limits beyond which we will not go.

After all, this SDI program does not purport to stop nuclear war. At its best—in the very unlikely, one-in-a-hundred possibility it could prevent all enemy ballistic missiles from striking America—it would still do nothing to stop cruise missile or other nuclear attacks. And if it did stop intercontinental missile attacks, for how long would it work before a new technology overwhelmed it? Five years? One year? Six months? We should not fund this program until we have some idea-at least the outside limits—of what it will cost.

THE PLIGHT OF THE FALASHA JEWS

Mr. PROXMIRE. Mr. President, the Falasha Jews have a long, a tragic history in Ethiopia, and have endured persecution, poverty, and slaughter. The very name "Falasha" reflects how the non-Jewish populace feel toward the black Jews of Ethiopia. In the native Ethiopian language Falasha means "stranger" or "intruder," despite the fact that the Falashas have been in the region 3,000 years. The Falashas themselves prefer to be called Beta Israel, or of the house of Israel.

Before the 17th century, the Falashas were rulers of an extensive section of Ethiopia. Prolonged warfare among Christian, Muslim, and Jewish kings of Ethiopia took its toll on the Falashas. One Christian king even called himself "The Exterminator" of the Jews. The Falashas became defeated and isolated. Thousands were killed. All Falashas were forbidden to own land, and large numbers were made to work as tenant farmers. Others were forced to become artisans, and since many Ethiopians look upon artisans as sorcerers, the Falashas were feared and hated.

Conservative estimates number the Falasha population of the 19th century at a quarter of a million. At the turn of this century there were 100,000. Those killed were victims of torture and annihilation. Nearly 7,000 lost their lives during the Marxist takeover in 1974, when the Jews became trapped between revolutionary and counter-revolutionary crossfire. In

1982 there were less than 25,000 Falashas.

Treatment of the Falashas has not improved under the Marxist regime. The authority in the Gondor region, where most of the Falasha Jews are living, has a specific anti-Semitic policy which he labels "Ethiopia First." The Falashas are pressured to assimilate. This pressure sometimes has taken the form of rape, mutilation, and sale into slavery. The Jewish schools and synagogues have been closed as a warning that the pursuit of Jewish beliefs and teachings is not acceptable to the authorities. Falasha families are torn apart by the conscription of young men into the armed forces. They are never heard from again.

The case of the Falashas shows us that attempts to destroy the Jewish faith didn't end with the Holocaust. The Falasha Jews presently are attempting to emigrate to Israel, a goal made difficult by the Ethiopian regime. Though many have escaped Ethiopia and now are either in Israel or in the Sudan awaiting immigration rights, the 14,000 left in Ethiopia still face religious persecution. Those captured trying to escape Ethiopia are tortured and beaten.

It is tragic that once again Jews are singled out for inhumane treatment and that they are not allowed to practice their religion. We should show our disapproval for such persecution any way we can. Ratification of the Genocide Treaty would be a strong statement this Senate could and should make to condemn all violations of religious freedoms. That's why I urge this body to move toward ratification of this most important treaty.

Mr. President, I yield back my time.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. There will now be a period for the transaction of routine morning business to not extend beyond 11 a.m.

JOBS FOR THE FUTURE: BLUEPRINT FOR RENEWAL

Mr. PELL. Mr. President, I am pleased to join in cosponsoring the comprehensive jobs for the future bill introduced yesterday by the minority leadership. This legislation is a blueprint for national revitalization. It is noteworthy because it addresses what might be termed the forgotten problems of today's economy: The workers displaced by technological advances and foreign competition; unemployed youths who need basic skills; new citizens who need literacy training; middle-aged workers who need new skills, and all those who for whatever reason have been passed over and neglected by current programs and policies.

As a participant on the task force which produced this legislation, I appreciated having the opportunity to contribute several sections which deal with human resources, recognizing that economic strength and vitality rests on a work force which is literate, skilled, and educated to its maximum potential.

Title III of this legislation stresses the need to upgrade and improve our educational system as an integral and overall part of strengthening our national economy.

First, we propose that the chapter I program of educational assistance to children from economically disadvantaged families be expanded to cover programs at the secondary level. Federal compensatory educational assistance is, today, largely confined to the early elementary grades. Yet, study after study has disclosed a very desperate need to make sure that Federal aid for basic skills instruction is one of the most critical, unmet needs in our Nation's secondary schools.

Second, we urge the retargeting of vocational education so that the Federal law includes a much greater emphasis upon the needs of disadvantaged youth and the training and retraining of the adult worker. In this regard, I am very encouraged that the proposals contained in this bill have been incorporated to a very considerable degree in the provisions of S. 2341, the Vocational Education Act of 1984. That bill has been reported out of the full Committee on Labor and Human Resources, and I am very hopeful that it will be given favorable Senate floor consideration when we return in July.

Third, our bill proposes an increase in the authorization for adult education. The provisions of S. 2496, the Adult Education Act Amendments of 1984, include an increase in the authorization in the first year and room for the figures supported in this legislation in the out years. S. 2496 has also been reported out of the Committee on Labor and Human Resources, and is now awaiting consideration by the full Senate. As in the case of the vocational education legislation, I am hopeful that my colleagues will act quickly and favorably on this bill when it reaches the floor.

Fourth, we propose two programs to assist gifted students. One of these would be a Federal merit scholarship program at the postsecondary level and the other would be a gifted and talented education program at the elementary and secondary levels. These programs are very necessary if we are to address adequately the needs of those young people who, in years ahead, we will turn to for leadership in all aspects of this Nation's economic, political, and cultural life. To fail to provide the assistance these students need to develop their potential would not only be wrong but would also rob our Nation of the full benefit of their talents.

We also propose two measures to improve instruction in science, math, and foreign languages. One would provide a special forgiveness incentive in the Guaranteed Student Loan Program for students who enter the teaching profession in math and science. The other is emergency legislation to improve science, math, and foreign language instruction at the elementary and secondary levels. Major provisions of this proposal have already been incorporated in S. 1285, the Education for Economic Security Act, which was approved by the Senate yesterday.

Title IV of the comprehensive bill contains a separate provision with considerable promise for innovation in vocational education and job training. This is the training technology transfer bill, which would facilitate the transfer and conversion of computerized training programs developed by Federal agencies which can be used to train the civilian work force, particularly for the benefit of small businesses. A hearing is scheduled tomorrow, June 28, before the Education Subcommittee on an independent version of this legislation, S. 2561, which I introduced on April 11.

Finally, I might note that the comprehensive bill includes in title VI, on international competitiveness, a section directing the Agency for International Development to encourage the application and use of American technology to promote service industries and infrastructure programs in Third World countries. I am happy to report that this section has already been incorporated into S. 2582, the foreign assistance authorization bill now pending on the Senate calendar.

Mr. President, the jobs for the future bill is far-reaching and visionary, but it stops short of unwarranted intervention in the free market economy. The fact that several of its component parts are already moving through the legislative process is indicative of the need for this type of legislation. I congratulate the distinguished minority leader and the distinguished senior Senator from Massachusetts, who chaired the task force, for their efforts and vision in developing this legislation and placing it before the Senate.

REAR ADM. JONATHAN T. HOWE

Mr. PERCY. Mr. President, it is with mixed emotions that I report to the Senate the departure of Rear Adm. Jonathan T. Howe from the State Department's Bureau of Politico-Military Affairs. He has served his country exceedingly well in that important position.

Admiral Howe has appeared before the Foreign Relations Committee on

many occasions. His testimony and his answers to our questions were always candid, accurate, and insightful. He has a clear grasp of politico-military affairs and the interrelationships among the many diverse issues. He has been a solid supporter of our needed force modernization programs and a balanced, sensible arms control agenda.

His dedication to our Nation's security, his objectivity in analyzing the full range of politico-military issues that now confront our Government, and his persistence and success in pursuing solutions has been amply demonstrated. His contribution has been invaluable. We will all miss him.

Admiral Howe is leaving Washington in early July to assume command of Cruiser-Destroyer Group 3 in San Diego. This is an enormously important assignment with great responsibility and clearly demonstrates that the Navy also recognizes the value and potential of Jon Howe.

Mr. President, I wish to express my personal thanks to our friend Jon Howe and, on behalf of the Foreign Relations Committee, I wish him the very best in the future. In a different way, Jon Howe will continue to make his distinctive and vital contribution to our Nation's security.

TRIBUTE TO JAMES H. ROWE, JR.

Mr. BAUCUS. Mr. President, the force of Jim Rowe's hand was felt in American policies and politics for nearly half a century. His contributions will manifest themselves far into the future. For those who knew Jim personally, his memory will remain an important part of our private lives and our professional endeavors.

Jim's career transcended so much of America's history. From his clerkship to Supreme Court Justice Oliver Wendell Holmes, to his more recent role as a trusted adviser to America's Presidents, Jim retained his unique capability to communicate at all levels. His early years in Butte, MT gave him a sense of individualism that Washington found refreshing and powerful. Jim had the capacity to bring his western outlook to the most urbane situations, and his candor always went to the heart of any discussion.

Those who learned to listen to Jim's counsel found an intelligence tempered with a historical perspective unlike any I have ever encountered. Thinking back over the meetings I attended with Jim, I found that he was usually the last to arrive, and the first to leave. But despite his lack of patience for lengthy meetings, Jim spoke the least, and said the most.

Judicial nominations were one of the areas where I benefited most from Jim's advice. With reputations and professional careers on the line, he always gave sensitive and probing perspectives while fiercely fighting to uphold high standards for the legal profession he loved.

Jim's son captured the essence of his father's career and private life in his eulogy last Thursday morning. The Rowe family has made remarkable contributions to our Nation, and I mourn with them the loss of a unique man. I ask unanimous consent to have printed in the RECORD young Jim Rowe's eulogy, along with an abbreviated collection of Montana and National Press articles.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JAMES H. ROWE, JR., 1909-84

WASHINGTON NATIONAL CATHEDRAL, JUNE 21, 1984

Good morning. On behalf of the Rowe family, I want to thank you all for joining us to pay tribute to my father, James H. Rowe, Jr.

Before I begin, I have a personal message for my wife and my sisters. They have all told me that I must be short. Well, the other lady in my life has overruled you. Mom has asked her favorite son to take his time. So put your stopwatches away and relax.

Dad loved this cathedral. Although he was not a particularly religious person, he felt a strong attachment here, for it was on these grounds that all of his children were educated and his daughter Betsy was married downstairs in Bethlehem Chapel. After suffering a major heart attack in 1962, dad would circle the cathedral and Cleveland Park as he successfully regained his health. This regimen of walking in solitary splendor represented his own personal thanksgiving.

Dad's home is down the street from here on a sleepy alley named Highland Place. The Rowes have lived there for a third of a century in that rambling, whiteframe house. It has been and will remain our vantage ground.

I remember coming home from school one day in tears. "Mom", I cried, "politics stinks!" "Why?", she said. I explained that a favorite classmate would soon be leaving town because his father, a Congressman, had just been defeated. "That happens" she replied as she tried to console her 10-year old son with the prospect of summer rendezvous. "I'm glad that dad has never run for office and I hope he never will" I exclaimed. Mom responded, "wouldn't you even like the idea of daddy being the President and living in the White House?" "No", said I, "It's in the wrong neighborhood."

Our open door policy at home has been a magnetic force in this city. Individuals of all ages and backgrounds have camped there. Discussing and debating. Playing cards and playing charades. Hunting Easter eggs and hitting home runs. Campaigning and counseling. Celebrating and crying. The Bundys, the Whites, the Gesells. Mom and dad reigned but everyone was treated fairly. In talking about President Roosevelt's greatness, dad would always point to F.D.R.'s way with people. He said that "the boss" created a bilateral relationship with anyone he saw more than once. This was the rule at Highland Place.

This too has been a historical house:

The Kennedy administration trying to hush up Alfred, "Uncle Al", Friendly's scoop of the Cuban missile crisis during my parent's 25th wedding anniversary party;

President Johnson captivating us on Christmas Day 1968 and confirming once again dad's description of him being the most brilliant of Presidents that he had known;

Vice presidential candidates-to-be Humphrey and Muskie being quietly examined in an empty house after dad so thoughtfully exiled us to Cape Cod;

Senator Mansfield, his earliest friend and dad's most dedicated contemporary, weighting the position of majority leader with his fellow Montanan;

And Grace Tully, that most gallant of ladies, telling for the last time her memories of that fateful day in Warm Springs when she kissed F.D.R. goodbye.

I leave to historians dad's New Deal accomplishments and his political significance.

Dad was first and foremost a Montanan, a true man of the West. Independent. Skeptical. Proud. Irish. These were the characteristics of his parents, James and Josephine, and his sister Helen. His birthplace, Butte, Montana would flourish during his adolescence. Its population would exceed 100,000 by 1920 with 20,000 miners digging on what was called the "richest hill in Earth". After excelling in high school, his father sent him to a Jesuit preparatory school for seasoning. Worried that the priesthood might not be his son's best vocation, senior Rowe sent the younger east for college.

Dad arrived in Cambridge in 1927. Years later dad would thrust his 50th class reunion report in my face and tell me to turn to a certain page. "Oh no," said I, "Harvarditis has set in again!" "No, no," said he, with more that the customary twinkle in his eye. I was perplexed for I saw that he had marked not his own entry but the closing sentence of one of his classmate's entries which read—

"[T]he only classmate I've seen is Jim Rowe, whom some of us in McKinlock Hall in the freshman year of 1927-1928 came to know as that wild-eyed cowboy from Montana."

Dad did encounter some initial academic setbacks. His father quickly sent off a letter to the freshman dean stating, "my son is fairly big and he'd probably make a good truck driver. Do you think he'd be a better truck driver. Tell me and I'll take him out of there." This needling encouragement from afar contributed to his seven glorious years at the college and then the law school.

Dad's career was the law. He served as Justice Oliver Wendell Holmes last secretary. Justice Holmes had fought in the Civil War and talked to another soldier who had fought in the Revolutionary War. Imagine—our country's entire history has been witnessed by these three men. Dad and his beloved colleague Thomas "Tommy the Cork" Corcoran were with the Justice at his death. Later these two comrades would team together again in private practice.

Dad called his administrative practice "boring" and perhaps that is understandable for one who had drafted, executed and administered the laws of the New Deal. But for me, a trip downtown to 15th and K was a rare treat. Dad would practice law there for 37 years, in the same cubbyhole of an office. The hallways seeped with history but were utterly without pretension. Today a young associate would turn his nose up at such digs. But even, as a small boy, I knew that no other firm around had the infectious charm and brilliance of these special

practitioners. Lady Bird Johnson, the best of first ladies and the finest of friends, visited our family twice during these last few days. She would call Corcoran, Youngman and Rowe "a firm of stars blessed with singular men."

Dad's love for the people in the companies he represented gave him his joy. In return he received unwavering loyalty from his clients. They too loved him as much as we do. He never retired.

Our childhood days at home were hardly tranquil. In his 25th class reunion report dad would describe us "as three entirely too young children, who alternately delight us and drive us to the outer edges of irritation and despair." Dad was no bargain either. At times he could be, as we all know, more than a little difficult. Although he may have first developed his distinctive bark during his "bird dog" days of the New Deal, he certainly honed his tongue on his offspring. The daily inquisitions at the dining room table were only made bearable by Rennie's and Ollie's cooking and mom's grace. Our school lessons paled in comparison to his masterly probing. He was silenced only by our asking him, "Parlez-vous Francais?" French was truly pa's greatest failing.

His older daughter, Betsy, however, soon stunned her father with her academic achievements. She too has already enjoyed a distinguished legal career. Like her mother she would marry a handsome and rugged westerner who came East for schooling and high governmental service. Together, Betsy and Doug Costle, would produce two grandchildren, Caroline and Douglas. Each brought dad much joy. "I have lived too long" he would say. "Imagine, my granddaughter has been named a Ronald Reagan academic scholar." Her decision, however, to go to Harvard next fall more than made up for it. "Douglas" he would boast to his classmates is a "superjock, the first in our clan."

His other daughter, Clarissa, whom I only half jokingly call "the favorite" child, would inherit dad's lighthearted and left-handed ways. From mom, she got her true eye for beauty and her passionate concern for the great outdoors. She married Stephen, an educator, soon to be businessman, and they brought Jessica Batzell into our lives. This delightful two-year old brightened dad's last years with her Shirley Temple curls and joyous personality. We pray, however, that Jessica possesses her mother's leftist leanings and not Shirley's political views.

I too would share dad's fondness for law, government and, most importantly, people. I too have benefited greatly from the needling and loving encouragement of a proud father. Not surprisingly, I married a beautiful, independent and demanding woman. On my wedding day, dad would whisper, "you too have married above yourself." Lisa's Yale education and banking background brought her much amiable ribbing from dad. She quickly atoned, however, by providing him with chocolates and by moving to Washington.

His godson Bardyl would resemble his second father with his thoughtful generosity, striking demeanor and zestful personality.

Dad's greatest accomplishment, bar none, was his marriage to mom. Adjectives can not begin to describe this magnificent lady. She first met dad almost 50 years ago at a party on Connecticut Avenue. As she recalled that meeting again last week", she said that they stayed up talking for hours. "At that time," mom would chuckle, "only Republicans could afford to throw parties. We were surrounded by them that night and it was as if father and I spoke Greek to one another." Her sister Jean gave us a few more details this week. Jean Friendly, the younger half of the glamorous Ulman girls, "it was scandalous. Jim and Libby sat on a bathtub and talked until dawn." Mom and dad continued to talk in their own special language for 46 years of married life.

Mom's career is also well known in this city. As a journalist, labor leader and urban planner, she too made history. In keeping with his liberal views, dad encouraged mom's work and was always her biggest supporter. She would turn down her fondest of friends, President Johnson, when he asked her to run the city of Washington. For at the same time, she oversaw what she so aptly called "the buttoning and unbuttoning" of dad's life, which by itself, was a full-time job.

Dad's handling of the practicalities of life never changed over the years. His old roommate judge, Reilly would pack the groom's belongings for my parents' trip to Montana to show off the bride. Thinking that the porter would expect a young man on the way up to have at least two bags, Uncle Gerry purchased a second suitcase and lovingly filled it with his old tennis balls. In return, dad told Reilly that it was time for him to leave his bachelor digs in order to keep an eye on dad's new marriage quarters. Reilly arrived on the doorstep for a needed rest and unlocked the door. The house was bare—father's only acquisition had been the extra key.

Mom and dad were true companions but physical proximity was not a necessary ingredient in this magnificent union. On dad's 70th birthday, mom would look on contentedly from afar as dad was surrounded at the head table by a representative sampling from his legion of younger female admirers.

During these last years of the Carter and Reagan administrations, dad would grumble that he had been relegated to the role of "accompanying spouse." this was particularly true when mom's position on the White House Historical Association would enable him to return to his old domain. Fortunately in the recent years mom and dad took the time "to smell the roses along the way," especially as they circled the globe together. Few men have ever travelled in such style.

As their children, we loved nothing more than their storytelling. The stories of their past experiences gave us many lessons for the future but our parents shared instead an intense curiosity about the here and now. As dad lay dying those last few days, he pointed to the Post and the Journal for the news of today and not at older tomes or clippings. This newspaper fetish would be remembered by all but most particularly by his children's spouses. They would wonder whether this idiosyncrasy arose from pa's surprising shyness or from his everlasting affection for news.

It is fitting that dad will be laid to rest at Arlington National. He rarely spoke about his war experiences and never mentioned his medals. At age 36, he left his second-ranking post at the Justice Department, his wife and young child for the Pacific Theatre Operations. Once again he experienced history first hand. One of his aircraft carriers, the U.S.S. *Sewanee*, was the first ship to be hit by Kamikazes, some 40 years ago during the battle of Leyte Gulf. His gun crew was decimated but dad survived to lead the fire-fighting that saved many lives and salvaged the ship. He would go on to receive two Presidential Citations for bravery, eight Battle Stars and a Naval Commendation Ribbon.

This remarkable valor would reappear later in life. First, as he survived a 6-week stay on the critical list after his heart attack and later, with his lengthy battle with congestive heart failure. He never ever complained about his physical ailments. After outliving by two weeks his doctors' and family's expectations, he drifted off in peace, surrounded, as he knew, by his family in the home he loved so much.

The only maxims he handed down to his children were the ones he said he had received from his father. First, never get in a fight with a policeman. Second, never bet against the Yankees.

Well, I learned from and listened to this marvelous man over the years. The lessons for my future children are these:

First, institutions change over time and the Yankees are no exception;

Second, do not let your ambition cloud your judgement;

Third, never retire;

Fourth, and most important of all, family and friends mean much more than power and praise.

Dad, to paraphrase your old mentor, Justice Holmes, "You touched our hearts with fire." You also touched our minds. You exemplified life as Justice Holmes defined it in another speech. He said: "I think that, as life is action and passion, it is required of a man that he should share the passion and action of his time at peril of being judged not to have lived."

My, how you have lived. Goodbye you wild-eyed cowboy. We love you. We shall miss you. Today we salute you. Tomorrow we shall begin to glory in your memory.

[From Great Falls Tribune, Jan. 15, 1938]

BUTTE MAN ASSISTANT TO PRESIDENT'S SON

James Roosevelt's job as liaison between the president and dozens of independent federal agencies has reached such proportions that a full-time assistant has been employed.

He is James H. Rowe Jr. of Butte, Mont., who will begin work in a few days. Now an attorney in the securities commission, he came here to join the NRA.

[From Great Falls Tribune, July 13, 1939]

PRESIDENT APPOINTS BUTTE MAN—JAMES H. ROWE, JR., IS ON ADMINISTRATIVE ASSISTANTS' STAFF

WASHINGTON, July 12.—President Roosevelt today named Lauchlin Currie of Maryland, William R. McReynolds of Michigan and James H. Rowe, Jr., of Butte, Mont., as three of the six administrative assistants authorized under the government reorganization act.

Currie now is an economist with the federal reserve board.

McReynolds is administrative assistant to Secretary Morgenthau in charge of treasury personnel.

Rowe is assistant to Brig. Gen. Edwin M. Watson, presidential secretary. He was formerly secretary to James Roosevelt, when the president's son was a member of the White House secretarial staff.

White House officials said they did not know when the three other aides might be selected.

The appointments do not require senate confirmation. The positions pay $10,000 a year.

The White House said however, that McReynolds is a civil service employee and would remain on civil service rolls, drawing his present salary while on duty at the White House in order not to lose civil service status and retirement privileges.

[From Great Falls Tribune, July 1, 1948]

MENTION ROWE TO SUCCEED GAEL SULLIVAN

WASHINGTON, April 30.—James H. Rowe, Jr., former White House staff member and government attorney, was reported today among those being considered for the job of executive director of the Democratic national committee.

Gael Sullivan has resigned the post, effective May 10, to become executive vice president of the Theater Owners of America.

Rowe, 38, is now a member of the Hoover commission investigating reorganization of the government departments.

He served in many capacities in the Roosevelt administration. For two years before the war he was an administrative assistant to the late president. A native of Butte, Mont., Rowe was on the Democratic committee staff during the 1936 campaign.

[From Great Falls Tribune, Apr. 3, 1983]

YOUNG MONTANAN HELPED F.D.R., BECOME D.C. "INSIDER"

Butte native James Henry Rowe, Jr., 73, is a well recognized Washington, D.C. "insider" who came to the city in 1934 as a law clerk for the retired Supreme Court Justice Oliver Wendell Holmes and was one of the bright young men who helped President Franklin Roosevelt implement the New Deal.

Rowe's father ran a real estate and insurance business as Lawlor and Rowe in the Rialto Building at the corner of Park and Main in Butte. He was also in the paint business on Granite Street. He owned the Rialto Theater.

Rowe, still active in the practice of law, finished high school at a Jesuit prep school in Santa Clara, Calif., after a Butte High School teacher's suggestion that he go to school there.

He went to Harvard and got a law degree, returning to Butte only during the summers to work as a reporter for the old Butte Daily Post where he did most every kind of job available. "Wasn't everyone a reporter at one time?" he asked in a telephone interview.

After law school in 1934 he went to work for Frank Walker, a Butte native who had become a lawyer and theater owner in New York City and was running the National Emergency Council, Roosevelt's coordinating group to keep all the new agencies straight.

Later that year he went to Holmes' office on the recommendation of Felix Frankfurter, a Harvard law school faculty member and later a member of the high court himself.

"It was great working for a man like that: he was a wise old man." Rowe said of Holmes, who was in his 90s. "We talked a great deal about the Civil War in which he was a combat officer."

When Holmes died in 1935 Rowe was invited to join the Reconstruction Finance Corp, the federal agency involved in economic development, by another of Holmes' former law clerks Thomas G. Corcoran, who became known as "Tommy the Cork," a well known architect of much of Roosevelt's regulatory legislation.

It began an association with Corcoran that ended with Corcoran's death in 1981.

After World War II Rowe joined Corcoran in private law practice.

Other jobs Rowe held during the Roosevelt years included working for the Democratic National Committee during the 1936 campaign, assistant to James Roosevelt, FDR's oldest son then secretary to the president in 1938, and administrative assistant and confidant to F.D.R. from 1939-1941.

He also worked at Department of Labor, Public Works Administration, Department of Justice and Securities and Exchange Commission during the Roosevelt years.

"Lawyers moved from one agency to another quickly," he said.

Rowe served in the Navy on aircraft carriers in the Pacific as a lieutenant during World War II.

When he returned from the war he served as a technical adviser at the Nuremberg trials of war criminals accused of mass murdering Jews. Then he worked on the government reorganization effort known as the Hoover Commission as an attorney.

Rowe chuckled about his appointment to the commission by House Speaker Sam Rayburn, noting that a New Dealer like himself was probably a thorn in former president Herbert Hoover's side.

He started in the private practice of law in 1948 and then entered the partnership with Corcoran and since has been what the Washington Post calls a "back-room power" in Democratic politics.

Rowe recently gained renewed public attention with the publication of Robert Caro's biography "LBJ: Rise to Power." In the book Caro tells how Rowe befriends a young, ambitious Texas congressman in the late 30s, getting him access to Roosevelt and thereby helping launch Lyndon Johnson's eventual rise to the presidency. "When Johnson wanted to see the president he started with me," said Rowe.

The book shows Johnson as a double-crossing, conniving politician with little substance, fueled only by the desire to become president of the United States, with a drive that would stop at nothing to attain that goal. Rowe has nothing but contempt for the book and Caro. "I can't say enough bad about him (Caro)," he said.

During Johnson's presidency Rowe said he spoke often with the president and was offered positions which he turned down.

Rowe credits his position in the FDR administration to the president's lack of prejudices against the young. "He would try anything and he tried not to be bound up by the Civil Service," said Rowe.

Although Rowe always has held lofty position or great influence since leaving Montana, he never has forgotten his roots.

He has stayed in touch with the state's congressional delegation and returns occasionally. The most recent visit was a year ago to Butte while on a trip to Seattle. He said he stopped to see friends including Jack and Bob Corette (retired Montana Power Co. officials) and Jack McCaffery, a Butte lawyer.

He no longer has any family in the state nor any property however.

Rowe also has raised money for Montana congressional candidates over the years.

Rowe recalls growing up with Montana's former U.S. Sen. Mike Mansfield, who became majority leader and is now ambassador to Japan.

"He (Mansfield) will tell you I was manager of his campaigns," said Rowe. "But he never needed a manager. I raised money for him and we were very close while he was here and I have visited him in Japan."

He believes Mansfield will hold onto the ambassador job despite rumors that he plans to resign. "The job is not as tough as being in the Senate," he said.

Rowe thinks the late U.S. Sen. Lee Metcalf was the brightest representative Montana has sent to the Senate in his time.

His feelings about the late U.S. Sen. Burton K. Wheeler are mixed. "He was a very good senator in the earlier days. I didn't think much of him in the later years although his children are friends of mine. He turned against Roosevelt and was wrong in his foreign policy." Wheeler fought U.S. entry into World War II.

Although Montana has been blessed with strong Senate delegations, the current senators, Max Baucus and John Melcher, don't measure up to senators of the past, he maintains. "Take a Metcalf and a Mansfield at the same time. That's hard to beat," he said.

Rowe thinks that Reagan's economics are "a lot of nonsense." "I don't understand Reaganomics and I don't think Reagan does," he said.

He thinks the economy is heading in the direction of a depression and believes that government should react to it in the way Roosevelt did by creating public works programs. He was encouraged by passage of a Civilian Conservation Corps bill backed by Reagan but doesn't think there are enough jobs in it.

Rowe said he doesn't know who will be the Democratic nominee for president in 1984; "I'd say Mondale but I'm not certain." He thinks Mondale would be the best candidate for Montana because of the similarities between Montana and Minnesota.

He thinks Senate Minority Whip Alan Cranston, D-Calif., is the most able candidate running for president however.

JAMES HENRY ROWE, JR.

"I was 28 when I first went in the White House," James H. Rowe Jr. recalled in an interview last year about his life and times in Democratic politics since the New Deal. "Roosevelt said, 'Your job is to be a bird dog.' I said, 'What does that mean?' 'Just run around town and find out what's happening.' So that's what I said. . . . Pretty good job." And quite an understatement, as any veteran of the Washington political scene knows. Mr. Rowe, who died Sunday at the age of 75, did "run around town" for more than 40 years, from the back rooms of party power to those centers of the capital city where legislative ideas were brewing in the charged atmosphere of the New Deal.

Political Washington was quite different then, Mr. Rowe would note, describing the tight White House circle in which FDR's trusted assistants with "a passion for anonymity" worked long and furiously on legislation, rules, regulations—and the votes to put them on the books, which was one of the missions Mr. Rowe executed with polish and results. "There were three secretaries and, I think, one assistant secretary. . . . While we were building the arsenal for democracy and getting ready for the war, it started expanding. It's never stopped since."

Together with his colleague in the White House then and in law practice later, the late Thomas G. Corcoran, Mr. Rowe relied on a combination of personal contacts, charm and exchanges of valuable information to brief presidents and to road-test presidential ideas. To Democrats, he would become, and remain until his death, a respected "professional politician" whose commitment to his party's progressive interests

and its long-term strength did not yield to the passing fancies of any wing. Mr. Rowe was a man marked by humor, loyalty and great generosity—and one who affected a certain curmudgeonly, almost playful crankiness, lest anyone say what a nice guy he really was.

He once noted of young congressman Lyndon Johnson, "He had tremendous energy, swept around, knew everybody." This, of course, was precisely what Mr. Johnson and countless other colleagues, friends and admirers of Jim Rowe cherished over the years—and one of the things those who survive him will remember and greatly miss.

[From the Washington Post, June 19, 1984]

JAMES H. ROWE, LAWYER, AIDE TO FDR, DIES AT 75

(By J.Y. Smith)

James H. Rowe Jr., 75, who served in the White House under President Franklin D. Roosevelt and went on to play an influential but largely unheralded role in the political and governmental life of the capital for more than 40 years, died of a heart ailment June 17 at his home in Washington.

Mr. Rowe, a Harvard-trained attorney from Butte, Mont., came to Washington in 1934 as the New Deal was taking form. He contributed to the political, social and economic programs that gave it meaning and in the process sharpened his own perceptions of the people, events and power play in Washington. Thus his counsel was sought by occupants of the White House even though his formal government service lasted little more than a decade. By reason of his judgment, his influence was greater than the positions he held.

In addition, Mr. Rowe, to one degree or another, knew or worked for all of Roosevelt's successors. His own opinion was that Roosevelt was the greatest and Lyndon B. Johnson the brightest.

Mr. Rowe started as an attorney with the National Emergency Council. Soon after, he became the secretary to Associate Supreme Court Justice Oliver Wendell Holmes Jr., as great as honor as any that could befall a young lawyer at that time. A previous occupant of that position was Thomas. G. Corcoran, an innovator and power in New Deal circles and a man with whom Mr. Rowe was to be associated until Mr. Corcoran's death in 1981.

After a year with Holmes, Mr. Rowe worked for the Reconstruction Finance Corp. Later he was on the staffs of the Securities and Exchange Commission and the Public Works Administration, where he dealt with matters involving public utilities. Colleagues he met along the way, in addition to Corcoran, included Ben Cohen, an intellectual who shared FDR's vision of government for people, not interests; William O. Douglas, a member of the SEC and later an associate justice of the Supreme Court; Abe Fortas, a brilliant student of Douglas at Yale Law School whom Lyndon Johnson sent to the Supreme Court many years later; Rexford Guy Tugwell, a power in planning and agriculture; Raymond Moley, who later made a mark in journalism, and many others.

The issues were plain. In an interview with The Washington Post in 1983, Mr. Rowe recalled that "Rex Tugwell used the phrase that got him into trouble, saying 'We will roll up our sleeves and make America over." The press raised hell about it, and business. We privately thought that was just what we were doing, and it was clear that there was a black-and-white situation.

"The businessmen and bankers were bastards and we knew it, and something had to be done. And they thought we were bastards. We worked all the time on legislation or rules and regulations."

One of the important bills Mr. Rowe worked on was the Public Utilities Holding Company Act of 1935. He helped Corcoran and Cohen draft it. The sponsor of the bill in the House was Sam Rayburn of Texas, the speaker and a close friend of Mr. Rowe. The issue of public power was a rallying point for many of the warriors, young or old, of the New Deal.

The issue also was of prime importance to Lyndon Johnson, who won a special election to Congress in 1937. His job was to ensure the construction of the Marshall Ford Dam on the Colorado River and to provide electric power to the farmers and ranchers of the Texas hill country. He sought help from Corcoran, Fortas, Mr. Rowe and others.

By this time, Mr. Rowe had gone to the White House. Through Corcoran, he had garnered a job as a speech writer for James Roosevelt. This brought him to the attention of the president, who hired him as an assistant with an order to keep his eyes and ears open. In time, Mr. Rowe took charge of FDR's appointments.

It was because he could invoke the name of the White House that he was able to help Johnson not only with the dam, but with Johnson's work as chairman of the House Democratic congressional campaign committee. LBJ took over this work for the 1940 election. He dispensed money to Democratic candidates and saw that they got other favors, such as public works projects for their districts. On orders from FDR, Rowe used his access to cabinet departments and other agencies to see that these projects were forthcoming.

In "The Years of Lyndon Johnson: The Path to Power," a brilliant biography published in 1982, Robert Cargo gives a memorable picture of Mr. Rowe and Johnson awaiting returns on election night in 1940 and then sharing the good news with Roosevelt on the telephone from Hyde Park.

Mr. Rowe always described Roosevelt as a man of enormous charm. A favorite anecdote concerned a time that Mr. Rowe, then 29, advised the president to handle a personnel problem a certain way. The president said he would do as suggested, but do it in his own way. When Mr. Rowe persisted, the president replied, "I do not have to do it your way and I will tell you the reason why. The reason is that, although they may have made a mistake, the people of the United States elected me president, not you."

In 1941, after three years at the White House, Mr. Rowe went to the Justice Department as an assistant attorney general. During the latter part of World War II, he served in the Navy. In 1945 and 1946, he was an official of the Nuremberg war crimes tribunals.

He then returned here and went into a private law practice with Corcoran. He never retired.

Throughout his years in private life, Mr. Rowe remained a man known to the world of power and influence. His experience commanded respect and his views carried weight. In 1967, he headed a committee for the reelection of Johnson. When Johnson announced that he would devote full time to searching for peace in Vietnam and that under no circumstances would he seek reelection, Mr. Rowe gave his help to Vice President Hubert H. Humphrey, the eventual Democratic nominee.

But by his own account there never was a time in his life quite like the years of the New Deal.

"When Tommy Corcoran died I did his eulogy in the church," Mr. Rowe told this newspaper in 1983. "I said something about, 'With the possible exception of the Founding Fathers there's never been [such] a period.' And I'm not so damned sure about the Founding Fathers, but I didn't say so. They were pretty good, I admit."

Mr. Rowe's survivors include his wife, the former Elizabeth Holmes Ulman, whom he married in 1937, of Washington; three children, Elizabeth Rowe Costle of Falls Church, Clarissa Rowe of Arlington, Mass., and James H. Rowe III of Washington, and three grandchildren.

[From New York Times, June 19, 1984]

JAMES ROWE, NEW DEAL AIDE AND AN ASSISTANT TO ROOSEVELT

(By Seth S. King)

WASHINGTON, June 18.—James H. Rowe Jr., a lawyer and former special adviser to President Franklin D. Roosevelt, died Sunday night at his home here after a long illness. He was 75 years old.

Mr. Rowe, who was born in Montana, was one of the first and most active of the corps of young Harvard-trained lawyers, known as the Brains Trust, who streamed into Washington at the beginning of Roosevelt's first term.

As one of the original New Dealers, Mr. Rowe quickly became a familiar and prominent figure in Depression-era Washington as he marched through the layers of the new bureaucracy. His New Deal career started with the post of attorney for the National Emergency Council, which became the creative center for the myriad New Deal agencies, and ended in 1943, when he began a two-year hitch as a Navy lieutenant in the Pacific.

His peak of influence and prominence in the Roosevelt years was reached in 1938, when he served in the White House as a special assistant and policy-maker.

HEARTS TOUCHED WITH FIRE

A warm, witty man who often drew laughs with his self-deprecating humor, Mr. Rowe may have best described himself in the eulogy he delivered at the funeral of Thomas G. Corcoran, another of Roosevelt's Brains Trust and Mr. Rowe's postwar law partner. Mr. Rowe quoted from a Memorial Day speech of Justice Oliver Wendell Holmes, saying the following phrase could well be applied to the young New Dealers as well as to Mr. Holmes' old Civil War comrades: "Through our great good fortune, in our youth our hearts were touched with fire."

In the years from 1934 until his war service, Mr. Rowe detoured for a brief period in 1935 to serve as secretary to Justice Holmes and again in 1936 to work for the Democratic National Committee.

In the other years of the New Deal, Mr. Rowe served with the Reconstruction Finance Corporation, which provided emergency loans to thousands of small businesses failing in the Depression; with the Public Works Administration, the agency that helped start the New Deal's hundreds of public works projects, and with the Securities and Exchange Commission.

After serving as a technical adviser to the International Military Tribunal that tried

Nazi leaders at Nuremberg, Germany, Mr. Rowe began a successful private law practice in Washington with Mr. Corcoran.

Soon after, Mr. Rowe cheerfuly admitted to friends that he and many of his New Deal colleagues had stayed on to Washington to do very well indeed financially. "But quite frankly," he said, "a lot of us are bored to death."

Confessions of boredom seemed strange to Mr. Rowe's acquaintances who watched him serve on scores of Federal boards and commissions, including the first Hoover Commission on Government reorganization and the Foreign Service Selection Board. He was also chairman of the joint United States-Puerto Rican Commission to advise the island's people on the impact of remaining a commonwealth or seeking statehood. From 1965 until 1971 he also was a member of Harvard's Board of Overseers.

In 1960 he managed Senator Lyndon B. Johnson's unsuccessful campaign to win the Democratic Presidential nomination. In 1968 Mr. Rowe was Vice President Hubert H. Humphrey's Presidential campaign manager.

He is survived by his wife, Elizabeth, former chairman of the National Capital Planning Commission; two daughters, Elizabeth Costle of Washington and Clarissa Batzell of Boston; a son, James H. Rowe 3d of Washington, and four grandchildren.

A memorial service is to be held Thursday at 11:30 A.M. at the National Cathedral here.

[From the Washington Post, June 24, 1984]

UNDER THE INFLUENCE OF JAMES ROWE

(By David S. Broder)

James H. Rowe Jr. was a member in good standing of the Washington Establishment. When he died last week at the age of 75, the obituaries—particularly a touching reminiscence by Cokie Roberts on National Public Radio's "All Things Considered"—made the appropriate point that he was almost the last of a generation.

He was a law clerk to Supreme Court Justice Oliver Wendell Holmes Jr., a young staff man at Franklin D. Roosevelt's White House, the draftsman and lobbyist for some of the key legislation of the "second New Deal." He was a Justice Department official, a member of the prosecution staff at the Nuremberg war crimes trials and the principal author of the original draft of the famous political strategy memo for Harry S. Truman's 1948 election upset. As an influential Washington lawyer, he was the personal and political counselor to Lyndon B. Johnson, Hubert H. Humphrey and a host of other Democratic officeholders, plus the occasional Republican who had the good sense to seek his advice.

As a Washington insider, he was an object of suspicion by class, if not by name—to a wide variety of the city's critics. He exemplified what Ronald Reagan derided as "the Washington buddy system," what Jesse L. Jackson calls "the power structure," and what Gary Hart terms "the old arrangements," as a source of corruption to the democracy.

For 50 years, Jim Rowe was a walking refutation of those suspicions. He moved among—and became one of—the politically influential without ever losing the down-home directness and instinctive democracy he brought east with him from his home in Butte, Mont. Harvard Law School did not saddle his speech with legal or bureaucratic euphemisms. He was as candid in his expressions and as devoid of flattery as his long-time friend from home, former senate majority leader Mike Mansfield, for the last eight years the venerated U.S. ambassador to Japan.

I met Jim Rowe at a Midwest Democratic conference in Milwaukee in 1959, where he was undertaking some volunteer missionary work for his friend Humphrey in advance of the 1960 presidential campaign. Inside the first five sentences, he was telling this totally inexperienced reporter that the rather prominent Democratic politician I had been interviewing "isn't worth a damn. He's as dumb as dirt." He was right.

That conversation began a friendship and informal political tutorial that continued until his death. The last conversation—during the spring—focused on the fumblings of Walter Mondale's campaign, the fortunate political circumstances of President Reagan, and the parallels, real and imagined, between 1984 and Truman's 1948 upset year.

Thinking back over the hours of talk over the 25 years, I realize that the first comment was characteristic. If there was one thing Jim Rowe could not tolerate, it was political incompetence. Amateurism offended him. His establishmentarianism was nonelitist. He reminded everyone that the New Deal—which he regarded as a political creation second only to the original Constitution—was the handiwork of young and previously unknown people. Long after his own generation had reached and passed the pinnacle of power, he would ask, "Who's good among the new people? Do you see any new stars?"

But he understood clearly that it takes a special order of intelligence and skill to make the American political system operate at its highest levels and at its full potential, and that the proper training ground for that leadership is politics itself.

In a 1983 interview, he told Robert G. Kaiser of The Washington Post: "I've always felt that we ought to pick our presidents from a very narrow class. They all ought to be professional politicians. They should have spent their lives at it. You can see that in Roosevelt. I think the most important part of his life, that people never watch, was the eight years here as assistant secretary of the Navy. He knew everything about Washington before he became president. He was governor of the largest state and therefore had to be a good administrator. He had one campaign as vice president under this belt. He was a very experienced, professional fellow."

He was equally clear-eyed on the limitations of experience. Though Johnson and Humphrey and Mansfield were among his closest friends, he was anything but romantic in his view of the U.S. Senate and its products. "If you gave me one amendment to the Constitution I could draft, pass and ratify myself," he once remarked, "it would be: No Senator of the United States shall be eligible for the office of President. . . . Those fellow can't run anything."

I mourn the loss of a friend and teacher. This city and this country have lost a great citizen.

[From the Washington Post]

DEMOCRATS ARE RUNNING HARD BUT MAY HAVE LOST THEIR WAY

(By Haynes Johnson)

Of Jim Rowe's funeral it can be said that it served as a perfect celebration of past achievements mixed with sorrow at a passing political era that he represented superbly.

Everything combined, as it should have, to produce a sense of the changing of the guard.

The day itself marked the shifting of seasons from spring into summer. The setting inside the grand Washington Cathedral was appropriately stately. The mourners evoked a sense of fleeting time: the ranks of the old New Dealers assembled to pay last respects to one of the best of their breed were notably and visibly diminished.

His minister contributed to the feeling by reading, from Ecclesiastes, the famous verses beginning: "To every thing there is a season, and a time to every purpose under the heaven: A time to be born, and a time to die. . . ." His son, in a eulogy, touched chords of history. He recalled that his father, as a young attorney newly come to Washington from Harvard by way of Montana, had been secretary to Oliver Wendell Holmes Jr. in 1934.

That great Supreme Court justice, grievously wounded as a Union officer during the Civil War, liked to tell his young assistants of his acquaintance with a Revolutionary War soldier. And Rowe, in the recounting, would wonder aloud at his good fortune to know an extraordinary man whose experience spanned all of American history—just as he himself would become so closely associated with another great public servant, Franklin D. Roosevelt, whose political leadership profoundly affected American life long after his death.

It was a splendid service and, for this observer at least, something else: a requiem for the present sad state of the Democratic Party that James H. Rowe Jr. served so well.

Democrats, despite the popularity of the Republican White House occupant, enter this presidential election campaign with numerous advantages.

They remain the majority political party. They have increased their hold over the nation's statehouses and claim 35 of the 50 governors. They continue to control city halls by a vast margin. They have added to their overwhelming superiority in the House and stand a fair chance of regaining control of a Senate they have lost only once in two generations.

Unlike Republicans, whose ranks are composed primarily of elder, wealthier, white men, Democrats have politically positive demographics: more women, professionals, workers, minorities and more "average" Americans.

They have, in fact, about every advantage but one, and that is the crucial, fatal, missing factor. They don't stand for anything.

At no point in recent political history have Democrats so resembled a collection of miscellaneous groups bound largely by one guiding principle, self-interest.

Their three leading figures after the primary process speak to three different constituencies: Jesse Jackson for the blacks; Gary Hart for the successful, well-educated young, Walter Mondale for struggling older citizens. The task, it is said, is for them to "unite" when they convene in San Francisco next month. But unite around what? What is the glue, the cement, that binds them? Aside from parceling out more individual rewards for blacks, unions, women, gays, Hispanics, teachers, the elderly, what specifically do they represent?

Democrats lack a cause, a passion, a sense of identity and clearly definable political purpose that Americans can understand and support.

Even voters who say they will support the Democratic presidential nominee this year often are motivated by a negative spirit. They are against Ronald Reagan more than they are for the Democrats.

A recent letter from a woman in Virginia, disputing a point made here about Reagan, was a case in point.

"I think you're wrong," she writes, "as many others are, too, when you say many people are affected by the president's choking back tears, pumping iron, making patriotism fashionable again, etc. These things have nothing to do with arms control, fairness, the national debt and interest rates! I feel sure there are many people out here who feel the same way. Time is running out on me (73 yrs.) I've voted for over 50 years, but once again, like so many other times, I'll be voting *against* someone (Reagan). Just one more time, I'd like to vote *for* someone!"

At this point in their history, the same question can be asked of the Democrats. What are they *for?* Unless they convincingly answer that question, they will not regain control of the White House, nor will they deserve to.

On the day before Jim Rowe's funeral, a political trip took me to Bridgeport, Conn., a Democratic stronghold. It provides an example of the kinds of political problems dividing and weakening Democrats.

One Democrat there offered an analysis of the party's condition worth passing on. He's Tom Bucci, 36, a liberal attorney and political activist whose grandfather immigrated from Italy to Bridgeport. When it comes to political philosophy, Bucci has no doubt about where he stands. He says the FDR progressive tradition of the Democratic Party deeply influenced his parents and continues to affect him.

Jim Rowe, who helped craft much of the best of that FDR New Deal record, would have been pleased at Bucci's words and passionate political convictions.

"The party's still recoiling from Reagan's defeat of Carter," Bucci said intensely, gesturing vigorously. "It's in a quandary—not a state of flux—a quandary. A state of self-doubt, you might say. We have to move forward, but we also have to go back to traditional Democratic principles. We're here to serve the people, and we're interested in fairness. In the last off-year elections, the Democrats hit on the theme that Reaganomics was not fair. We've lost that thread. That should be our unifying cry. The fairness of the Reaganomics and the Reagan policies have to be attacked. We can unify behind that.

"We have to be sure the policies of the Democratic Party are attuned to the present times and present conditions. But we don't have to be apologetic or defensive about our principles. They're still good: government is there to serve the people and help the people, and it's not there just to serve private industries and corporations and business and to fine-tune the tax code for their benefit and their purposes."

Bucci won't be at the Democratic National Convention in San Francisco next month, and that's a pity. The delegates, and the entire party, could profit from his views.

They ought to invite him there to speak. I'll bet Jim Rowe would be the first to cheer if he could.

REMARKS BY MINISTER FARRAKHAN

Mr. GLENN. Mr. President, earlier this month I took the floor of this Chamber to denounce an irresponsible attack on the character of my Senate colleague from Ohio. Today I rise to condemn an equally irresponsible attack by a man who has affiliated himself with my own political party.

Last Sunday, Nation of Islam leader Louis Farrakhan described Judaism as—and I quote—"a gutter religion" and further suggested that those nations, including the United States, which helped to create Israel and which now support her are—and again I quote—"criminals in the sight of Almighty God".

Nor is this the first time that Minister Farrakhan's rhetoric has transcended the bounds of propriety and decency. A few weeks ago, he described Adolph Hilter—the butcher responsible for the slaughter of 6 million Jews—as—and again I quote—"wickedly great". Prior to that, Mr. Farrakhan threatened the life of a journalist whose only crime was to have reported the truth.

What has emerged here, Mr. President, is a pattern; an ugly pattern of racist rhetoric and incendiary language—and a pattern of behavior that has no place in the political process of our Nation.

Now I recognize that there are those who insist that Minister Farrakhan is merely exercising his right to freedom of speech. Others may say that his words have been taken out of context. But let us be honest with one another. There is no context which could possibly justify these remarks—and no excuse which could possibly explain them away. And in my judgment, the fact that Mr. Farrakhan has attached himself to the Presidential campaign of a prominent Democratic candidate impels our party to repudiate those remarks in the strongest possible terms.

Indeed, if there is one thing we Democrats have long stood and spoken for, it is for an end to bigotry, hatred, and intolerance.

What we need now in the United States is not more hostility between races or religions.

What we need now is not more reckless talk that sows suspicion between blacks and whites or Jews and Gentiles.

And what we need now is not more self-appointed spokesmen for Democratic candidates who call into question Israel's fundamental right to exist in freedom and security.

What we need now are those who will reassert our commitment to Israel and who will reaffirm our call for racial and religious harmony.

What we need is, in the immortal words of Dr. Martin Luther King—

> To speed up that day when all God's children, black men and white men, Jews and Gentiles, Protestants and Catholics, will be able to join hands and sing in the words of the old Negro spiritual, "free at last, free at last, thank God Almighty, free at last."

Mr. President, that is the kind of society the Democratic Party must seek—and that is the kind of society that "in the sight of Almighty God"—God willing, we shall one day have. Toward that end, I am today calling upon all Democrats of conscience to repudiate the vicious remarks of Minister Farrakhan—and I call upon Minster Farrakhan to cease his outrageous assaults upon the deeply held values and convictions of the Democratic Party.

PAUL NIPKOW TELEVISION AWARD

Mr. PERCY. Mr. President, 1984 marks the 100th anniversary of an invention which literally transformed the way we look at our world. In 1884, a German inventor, Paul Gottlieb Nipkow, received a patent for the first complete television system.

Mr. Nipkow created an electronic scanning device, since known as the Nipkow disk, which revolutionized the development of television. He showed in principle for the first time how a picture could be transmitted electrically, and he developed the necessary technology to realize his vision. His idea was to dissect pictures with a light-sensitive cell, a lens, and a rotating scanning disk. As a result of his breakthrough, Paul Nipkow received a patent in 1884 in Germany for a complete television system. In February 1928, the Nipkow disk was used to send a picture 3,000 miles by radio from London to New York City.

The Los Angeles Center of Television Study of the National Association for Better Broadcasting has proclaimed 1984, "Nipkow Centennial Year; Development of the First Television System," in tribute to the achievement of this remarkable German inventor. The Greater Los Angeles Press Club has joined in honoring Paul Nipkow in 1984. The purpose of the Nipkow Centennial Year celebration is to "stimulate accelerated worldwide study of television history and to provide an opportunity to undertake a review and analysis of television's impact on society."

Starting this year, the Los Angeles Center of Television Study will provide annual awards called the Paul Gottlieb Nipkow Memorial Awards. The awards will be given to individuals who have contributed significantly to the world communications field.

I commend the Los Angeles Center of Television Study and its director and my friend, Syd Cassyd, for creating the Nipkow Award. As we recognize the 100th anniversary of television, we should pay tribute to Paul Gottlieb Nipkow, whose knowledge and insight has so greatly affected the way we look at our world. I ask unanimous consent that the proclamation

by the Los Angeles Press Center be inserted in the RECORD.

There being no objection, the proclamation was ordered to be printed in the RECORD, as follows:

[By The Greater Los Angeles Press Club]

NIPKOW CENTENNIAL YEAR

A PROCLAMATION

The Center of Television Study of the National Association for Better Broadcasting has proclaimed 1984 Nipkow Centennial Year; Development of the First Television System. Its purpose is to stimulate accelerated worldwide study of television history and to provide an opportunity to undertake a review and analysis of television's impact on society.

Television systems have taken on an increasingly vital role in every facet of economic, political and social programs. It has expanded in entertainment, medicine, education and government. While there have been remarkable advances in both the technology of television and its applications few people give much thought to the pioneers such as Paul Gottleib Nipkow, whose name and contributions to the art and science of television is known to very few people.

Experimentation in the combination of light-sensitive materials and electrical force were made as early as 1873, historians tell us, and Mr. Nipow laid down his principles of television operation in 1884. This became the basis for all television developments until television tube patents were applied for in the United States in 1923. Nipkow's invention was used for that first 50 years of television.

Through partnership of all elements of the television arts and sciences, we now have an opportunity to promote a greater understanding of science and mass communications.

Now, therefore, in keeping with the goals of the Greater Los Angeles Press Club, through its Foreign Press Relations, in expanding the role of the press, we join in saluting this Nipkow Centennial Year 1984.

JO MOSHER, *President.*

DEMOCRACY AND HUMAN RIGHTS IN TAIWAN

Mr. KENNEDY. Mr. President, Chiang Ching-kuo was inaugurated on May 20 in Taipei for his second term. He pledged to "advance constitutional democracy by communicating more openly with the people concerning their wishes." Mr. Lee Teng-hui was sworn in as Vice President. This was an historic first—the first time a native-born Taiwanese who had never lived on the Chinese mainland assumed this post.

Sunday, May 20, also marked another occasion—the 35th anniversary of the Kuomintang's declaration of a state of emergency and the imposition of martial law on the island. Many Taiwanese have been in jail cells for years and are in prison today because martial law continues.

The inauguration of a president could have been an occasion for compassion. Apparently it was not. It could have been an occasion for magnanimity. Regrettably, it was not.

For those in military prison, Sunday instead was another bleak anniversary of martial law. Three weeks ago a dozen prominent opposition leaders—both in and outside prison—staged a hunger strike to protest the lack of democracy, and to urge the release of political prisoners and an end to martial law.

The time has long since passed to lift all martial law restrictions. Unlike in 1949, there is no serious threat of military invasion. Taiwan has developed a capable defense force. Democratic government, however, can never flourish under the repressive measures associated with martial law. They suppress legitimate debate and restrict participation in the political process. They violate fundamental human rights. And they undermine Taiwan's relations with the United States.

Taiwan is no longer a society on a war footing. Its economic achievements have been hailed throughout the world. Per capita gross national product is the fourth highest in East Asia. It is our sixth largest trading partner. Inflation and unemployment have been kept at low levels. Land reform and other policies have narrowed dramatically the gap between the rich and poor on the island.

But progress toward democracy and restoration of respect for human rights has not kept pace. Martial law is an obstacle on the path toward genuine civil liberty in Taiwan. Because of continued reliance on martial law and its associated provisions, basic liberties are still denied on Taiwan. Restrictions remain on press and political freedom. Formation of such basic institutions of democracy as new political parties is banned. Political and religious leaders remain subject to arrest and imprisonment. Military tribunals mete out tough sentences to civilian defendants. When security forces step in under martial law provisions to counter what they consider "subversion," as they did in Kaohsiung City on December 10, 1979, the results are harsh.

Legislative and religious leaders—including Rev. C.H. Kao, the courageous leader of the Presbyterian Church, and Assemblyman Lin Yi-hsiung—remain imprisoned.

Some progress has been made. Native Taiwanese dominate local elections and now constitute over 80 percent of the ruling Kuomintang Party. Restrictions have been reduced in practice on freedom of speech and assembly. Last year nine long-term political prisoners were released from military jail; and seven civilians imprisoned on lesser charges in connection with the Kaohsiung Incident were released from civil prisons.

But these steps do not lessen the urgency of releasing political and religious leaders and ending abuses to human rights, which many members of the legislature on Taiwan have courageously advocated.

Ties between the United States and the people on Taiwan are based on a clear American commitment to their security and well-being. I am proud of my own role in the Senate as a principal sponsor of the Taiwan Security Resolution, now part of the law of the land. In that resolution, Congress reassured the people on Taiwan about our concern for their security and prosperity and for lasting peace in the area.

The legislation on which our ties are based also reaffirm as an American objective "the preservation and enhancement of the human rights of all the people on Taiwan." Political repression on Taiwan blight our mutual interest and strains that friendship. Only the full restoration of individual liberty is a sound basis for continued, close ties between our two peoples. Our relationship deserves nothing less.

On this 35th anniversary of martial law on Taiwan, I renew my call for the release of political and religious prisoners. I renew my call to the authorities on Taiwan to guarantee basic human rights and liberties—including freedom of speech, freedom of assembly and freedom to organize political parties. I renew my call to broaden further participation in the Government by all inhabitants of the island. And I renew my call for an end to the repressive reign of martial law and associated emergency provisions.

DEMOCRACY IN PANAMA

Mr. KENNEDY. Mr. President, the people of Panama recently held a national election for the Presidency of that country. The election was very close, and it was hotly contested. Although some groups have claimed that there were certain irregularities in the counting of the votes, one thing is clear and beyond dispute: the candidates ran robust, open, genuinely competitive campaigns. The voters of Panama were free to participate openly and aggressively, and the issues were fairly presented to the electorate.

The people of Panama deserve congratulations for their commitment to the democratic process. We know that the democratic process is frequently untidy and often frustrating. But it is also the single best hope for maintaining human freedom and achieving peaceful change.

Now that the results have been certified, the people of Panama should unite behind their new President, Nicholas Barletta. We know Mr. Barletta to be a dedicated public servant and a committed democrat, and I believe that he will be a great leader of the Panamanian nation. The real test for the people of Panama will now be to look beyond narrow partisan interests and to work together on behalf of

the greater good, for the common welfare of the people of Panama.

I recently met with an old friend, Ambassador Gabriel Lewis, from Panama. My colleagues will remember the pivotal role that Ambassador Lewis played in negotiating the Panama Canal Treaty. He also played an important and influential role in securing the release of our hostages from Iran.

In the course of my meeting with Ambassador Lewis, we discussed the hopes and aspirations of the Panamanian people. While great progress has been made in Panama in recent years, there is much yet to be done. The future stability of Panama depends upon the ability of the Panamanian people to continue their extraordinary record of economic growth and development. The people of the United States should be ready, willing, and able to extend a helping hand to the people of Panama in these next few years, as they embark on a new administration and a new experiment in democratic government. We wish them good luck and Godspeed.

INTERNATIONAL WEEK OF SOLIDARITY WITH ETHIOPIAN JEWS

Mr. PERCY. Mr. President, this week, June 24–July 1, is the International Week of Solidarity with Ethiopian Jews. Throughout the week, friends of Ethiopian Jews around the world have joined to show support for the dwindling Ethiopian Jewish community. In my State of Illinois, a number of rabbis who are members of the Chicago Board of Rabbis have held special events and dedicated special prayers to mark the occasion.

Only 14,000 to 17,000 Jews remain in Ethiopia, which once hosted a vital Jewish community of half a million people. In spite of centuries of oppression and forced assimilation, the Jews of Ethiopia have managed to preserve their faith and their heritage for 2,750 years. Today, they are faced by the problems of civil war, severe drought, disease, and continuing restrictions on the free practice of their religion.

The American Association for Ethiopian Jews, whose national office is located in Highland Park, IL, has worked tirelessly on behalf of the oppressed Jews of Ethiopia. I commend their leadership, including Nathan Shapiro and Marilyn Diamond, and I join them in the hope that the Jewish community of Ethiopia will be saved. In this week of solidarity, let us all demonstrate our unity with this unique people who have preserved their tradition with such tenacity and strength.

U.S. AIR FORCE CONTRACT PROMOTES AFFIRMATIVE ACTION FOR THE CATHOLIC MINORITY IN NORTHERN IRELAND

Mr. KENNEDY. Mr. President, earlier this year, Shorts Bros. of East Belfast in Northern Ireland won a multiyear $600 million contract from the U.S. Air Force for 18 Sherpa transport aircraft and support services to facilitate troop deployments in NATO. The contract was awarded after a lengthy international competition—and after a commitment by Shorts to pursue an affirmative action program to hire additional Catholic workers and to insure that the benefits of this major contract will flow more fairly to both the Protestant and Catholic communities.

The Shorts plant is located in a Protestant section of Belfast and has an overwhelming Protestant work force. After the contract was awarded, however, there were indications that one of the steps the firm might take to meet Catholic recruiting goals was an expansion of its operations into West Belfast, the Catholic section of the city.

Earlier this week, the Irish News, a Catholic newspaper in Belfast, revealed that Shorts does intend to expand employment opportunities for Catholic workers by establishing a factory in West Belfast. I welcome this promising development and I ask unanimous consent that the article may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Irish News, June 26, 1984]

WEST BELFAST CHOSEN FOR NEW SHORTS FACTORY

(By William Graham)

BELFAST.—Announcement is expected within the next few days that planemakers Shorts are to open a factory in West Belfast—initially employing 200 workers—it was learned last night.

The opening of a West Belfast plant will supplement Shorts' main operation in the east of the city.

Reliable sources told The Irish News last night that negotiations between Shorts' management and top officials from Northern Ireland's Industrial Development Board regarding the setting up of the factory are now at an advanced stage.

Sites for the operation have already been looked at and it is understood that the training section at the De Lorean factory may prove suitable.

Politically it is known that the important decision to establish a West Belfast plant is not unconnected with Shorts' winning a multi-million pound contract to build Sherpa aircraft for the U.S. Air Force.

Last night SDLP leader John Hume, when asked to comment on the expected announcement by Shorts, said he had always believed that the winning of the U.S. contract by the Belfast aircraft makers would be of benefit to all the people of Northern Ireland.

Shorts won the U.S. order in March against stiff international competition and in spite of a campaign by the American-based Irish National Caucus, who attempted to block it on the grounds that the firm allegedly discriminated against Catholics.

The U.S. contract is for 18 Sherpa aircraft for the USAF, with an option on another 48 planes, plus support services, which could add up to a total of 460 million pounds. Shorts spent more than 500,000 pounds in tendering for this order, which involved the preparation of 27 separate volumes totaling 10,500 pages.

In the teeth of Irish National Caucus opposition, Shorts received solid support from some key American politicians such as Tip O'Neill (Speaker of the House of Representatives) and Senators Edward Kennedy and Daniel Moynihan.

It is known that these politicians gave their backing after consulting SDLP Leader Mr. Hume, who had given his full support to the contract.

The Northern Secretary of State Mr. Prior and the management of Shorts were highly appreciative of work done to achieve the USAF contract, but there was an insistence by some leading American politicians, including Tip O'Neill, that Shorts had to show, through employment practices, indications of a more broad recruitment policy.

It is speculated that one of the reasons for locating in West Belfast was Catholics have been apprehensive of going to work at the Shorts factory in overwhelmingly protestant and loyalist East Belfast.

One way of getting over this problem was to look for a site in the west of the city and it is understood that Shorts' management were quite keen to do this.

A study by the Fair Employment Agency some years ago showed that only 4.5 percent of the firm's skilled workers were Catholics. The report pointed out that the company blamed lack of suitably skilled Catholics and pointed to the poorer rate of applications from Catholics for apprenticeship. Following this an FEA survey of recruitment to Shorts over the six months to September, 1983 showed improvement at recruiting level with a Catholic success rate of 7.84 percent of applications to a Protestant rate of 6.02 percent.

After the original FEA investigation, Shorts agreed to operate a program of affirmative action to increase the proportion of Catholics in the firm. In March, after Shorts landed the USAF contract, Mr. Prior expressed confidence that the aerospace company would employ more Catholics in its existing work force as well as in its future operations.

Also, at that time, company Chairman Sir Phillip Foreman described the U.S. contract as the best possible news for every one of the 6,000 workforce and probably the most significant order the company has ever received.

He said: "We always felt that we had the best aircraft for the job and that we would win if the contract was awarded on merit." This has been borne out by the fair way in which the U.S. authorities have conducted the negotiations with all the competitors.

However, in March, the Irish National Caucus Director, Mr. Sean McManus, suggested that the British government had won the contract because they were able to deceive the U.S. administration by quoting the FEA. This claim was rebutted by Terry Carlin, Northern officer of ICTU who pointed out that "Part of the company's bid included a commitment to honor fair employment practices in job creation."

In the U.S., the Caucus had circulated a report showing under-representation of Catholics in 21 categories of employment at Shorts.

CHAMPIONS OF ENDING WORLD HUNGER

Mr. CRANSTON. Mr. President, I am pleased to bring to my colleagues' attention the efforts of a group working to eliminate world hunger, World Runners International Foundation. By running an international relay race this summer, World Runners will draw attention to the tragedy of hunger and malnutrition. Along their route the runners intend to build the support of individuals and communities for working to end hunger-related deaths in the world.

The runners are already underway. Relay 1984 began June 12 from the United Nations in Geneva, Switzerland. The run through Western Europe and across the United States will take 54 days and include 9 countries—Switzerland, Austria, Germany, France, The Netherlands, Great Britain, Canada, Mexico, and the United States. The runners will carry a message, proclaiming that "Hunger is Unacceptable."

The efforts of World Runners exemplify the growing worldwide concern for the problems of starvation, malnutrition and disease caused by global food shortages. I commend the enthusiasm and hard work the World Runners are devoting to peace by working to end poverty and famine.

EDUCATION FOR ECONOMIC SECURITY ACT

Mr. BINGAMAN. Mr. President, I am very pleased to be a cosponsor of S. 1285, the Education for Economic Security Act along with 39 of my colleagues. This legislation reflects a strong bipartisan effort, incorporating the work of several Senators. Each ought to be commended for their contribution. The collective work represents the Senate's effort in the improvement of the quality of teaching and instruction of math, science, and foreign languages.

This bill is not the total answer, but it is a first step toward what I hope will be a sustained Federal interest and commitment for quality math and science instruction. The stakes are high. Amidst the mass of statistics decrying our comparative educational disadvantages with other countries, the Federal Government has the obligation to provide leadership and to curb further educational decline. As the National Commission on the Excellence in Education states:

> The educational foundations for our society are presently being eroded by a rising tide of mediocrity that threatens our very future as a nation and a people.

S. 1285 comes before us at a time when there is a demonstrable need for curative action in the math and science area. This is supported by education study after education study deploring the current state of American education. The acute shortage of trained math and science teachers and the qualitative decline in math and science instruction has repeatedly been highlighted as a critical area that needs our immediate attention.

I serve on the Armed Services Committee and continually see how our scientific and technological literacy impacts on our economic well-being both nationally and worldwide, and how it impacts on our national defense.

The future job market will require that young people have scientific and mathematical skills. For example, within the next 7 years it can be anticipated that the number of data processing mechanics is expected to grow 148 percent by 1990, computer analysts by 108 percent, programmers by 74 percent, computer operators by 88 percent, and office machine service personnel by 81 percent. Projections by futurists anticipate that by 1990 between 40 to 50 percent of the American work force will use electronic technical equipment on a daily basis.

The need for a technically trained work force bears directly on our national security and defense. I understand that the military services are presently having difficulty finding qualified technically trained individuals. Fifty-seven percent of present civilian vacancies in the Air Force are for engineers, and the Navy reports that it could only fill 53 percent of its needs for entry level engineers. According to Department of Defense officials, the armed services will experience need for individuals with an aptitude for math and science, and technical ability.

The National Commission on Excellence in Education concluded we must improve out educational standards to put back excellence in our children's education. S. 1285 seeks to do just that by improvement of teacher competency.

Title I of the bill allocates money to the National Science Foundation to conduct programs in summer teacher institutes, material development, excellence in teaching awards, congressional merit scholarships, and faculty exchanges. Title I continues successful teacher training concepts employed by the NSF in prior years.

The majority of funding under S. 1285 is pursuant to title II's directive of improving math and science instruction at the elementary and secondary levels by teacher training and retraining, plus inservice training opportunities. Seventy percent of title II funds go to local education agencies with the remaining 30 percent to institutions of higher education. Title II would assist teachers in obtaining state of the art technical knowledge in their respective fields.

Title III establishes the concept of partnerships in education whereby the NSF will award matching grants to cooperative efforts between local and State officials, educators, and business and industry leaders. The formula requires the private sector to contribute 30 percent of the cost, the local education agencies 20 percent with the balance, matched by the Federal Government.

Title IV of the act authorizes the President to make awards to individuals in the teaching profession who have demonstrated outstanding ability and extraordinary dedication in the math and science area.

Mr. President, in my State of New Mexico, this legislation is of particular relevance because of the high concentration of science and technology and the State's growing interest in the high-tech area. Two national laboratories are located in New Mexico, Los Alamos and Sandia Laboratories. At a math and science hearing held early last year in New Mexico, I heard testimony by the deputy director of Los Alamos National Laboratory, Dr. Robert Thorn. He stated:

> How well the Laboratory is able to continue competing for well trained and technically competent staff depends in good measure on the ability of secondary schools to graduate students with skills adequate to meet college level and technical-training entrance requirements in a time of drastically increasing demand.

At the same hearing, New Mexico State Senator Tim Jennings, testified that New Mexico education requirements for math and science, and foreign languages were in need of review and improvement.

More stringent high school graduation requirements seem to be in order for New Mexico and other States. Statistics bear this out when at present only one-third of the 17,000 school districts require graduates to take more than 1 year of mathematics or science. Even more appalling, seven States require no mathematics. S. 1285 provides impetus toward improved coordination so that qualified secondary and post secondary graduates keep pace with private sector demands.

S. 1285, I am pleased to note, has throughout an emphasis on programs designed to increase access and achievement of women and minority groups in the math and science areas. New Mexico has a sizable Mexican-American and American Indian population. The need is especially critical with American Indians where according to recent statistics only 0.3 percent Indian individuals have Ph.D's in engineering and physical sciences respectively; 0.4 percent in math; and 0.5 percent in science education. S. 1285

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would assist in improved representation of minority groups in the scientific community.

Overall, S. 1285 is a laudible first step, and I encourage my colleagues to support its passage.

S. 2731, AMERICAN FOOTWARE ACT OF 1984

Mr. SYMMS. Mr. President, on Friday, June 22, the Finance Committee held a hearing on S. 2731, the American Footware Act of 1984. This bill would restrict the importation of nonrubber footware to a level of 400 million pairs annually. The provisions of this legislation concern me, and I have been moved to prepare this statement. The loss of jobs to unfair foreign competition is something we in the Senate must guard against. Our responsibility to the American worker in this regard is not something this Senator takes lightly. And yet we must also guard against unnecessary intervention which would hamper mutually beneficial trade. We must protect the free flow of goods which binds the global community.

The proponents of this bill speak of an industry on its last legs. They present an image of closed factories and unemployed Americans.

Yet, Mr. President, my observations reveal something quite different. This industry is not dying, but is an example of American ingenuity and adaptability. This is an industry which increased its profits as a percentage of net from 6.8 to 8.8 percent, between 1979 and 1983. In this same period, the profit percentage for all U.S. manufacturing fell from 7.7 to 5.9 percent.

This is also the industry which underwent a rigorous International Trade Commission [ITC] section 201 investigation which found unanimously—5 to 0—that no injury had resulted from imports, and that protectionist measures were, therefore, uncalled for.

It is necessary that we do not underestimate the importance of this decision. We must remember that the ITC was created for the precise purpose of establishing an independent, expert and dispassionate process for evaluating the merits of these complex and often emotional issues.

While it cannot be argued that the level of imports is up in recent years, we must examine how this affects our domestic footwear producers. In examining the impact of these imports I discovered that there are two footwear markets in the United States. One is a medium- to high-priced brand name market which is dominated by domestic producers. In fact, domestic production accounts for 70 percent of this market. The second market is for low cost unbranded footwear which is dominated by imports. It is this group which accounts for the vast majority import escalation. This fact reveals that imports are not significantly displacing domestic production.

In light of this it becomes clear that the implementation of S. 2731 will not notably improve employment in the footwear industry. Passage would instead result in a 40-percent increase in the price of imported footwear. This additional cost would aggregate to over $6.4 billion in the first 5 years. A price increase of this kind on nonluxury items is felt more acutely by those who can least afford it, the poor. This bill also creates an environment in which retaliatory quotas are more than a possibility; they are a probability.

In addition, this bill would increase a scramble among retailers for the limited supply of imported shoes. In this scramble the large retail chains, with direct access to manufacturers would have a decided advantage over the small independent retailers. Large companies would benefit at the expense of the small.

The passage of S. 2731 would not improve employment in the domestic nonrubber footwear industry. It would instead create a series of unaddressed problems. S. 2731 would have the effect of subsidizing a profitable industry.

The domestic nonrubber footwear industry is not in dire straits. It is not on the verge of collapse. Our domestic footwear industry, in the words of ITC Commissioner Paula Stern, "Has not only coped, but it has succeeded."

For this reason, I am in opposition to S. 2731.

ACES OF THE FIRST AIR WAR, 1914-18

Mr. HELMS. Mr. President, the eyes of the Nation, indeed the world, were focused early this month on the 40th anniversary of D-day, June 6, 1944, a grateful nation remembered the sacrifices made on that day, and the days that followed, in the liberation of Western Europe by Allied forces.

In August we will be observing another anniversary. Seventy years ago, World War I, "the war to end all wars," began. Before it was over, American blood stained the fields of France. Like the men, a generation later, who stormed the beaches of Normandy, they were willing to give their lives so that others might live in freedom. Just repeating the names like the Marne, Chateau-Thierry, Belleau Wood, and the Argonne is enough to conjure up the horror of that conflict.

But, Mr. President, that war also spawned a new breed of warrior, one who sometimes was locked in single combat far above the impersonal mass slaughter on the ground. He was, of course, the airman. Aviation was in its infancy. The first sustained flight by a heavier than air powered craft took place on December 17, 1903, when the Wright brothers' *Flyer* took off at Kitty Hawk. The first aeroplane for possible military use was not delivered to the U.S. Army until August 1909. At the start of World War I the aeroplane was generally viewed as being of dubious military value. But in 4 years it had become a powerful strategic weapon. Aviation at the time was novel enough, and dangerous enough, to excite universal admiration. Still, it was the "Ace," the individual flyer who was able to achieve five confirmed victories over his opponents in the air, that stood out above all others. Despite the seriousness of their work, some viewed it as a game. They were lighthearted youths who, because of the often individualistic nature of their contests, were dubbed "Knights of the Air." They were also among the real pioneers of aviation and this country owes these men a great deal.

Now their ranks are thin. Like so many of their doughboy counterparts on the ground, the final rollcall has sounded for most of our first air aces. Soon they all will be gone and their names, and the feats they achieved, will slip into the history books along with their comrades from earlier wars. Those aces from the first air war who remain today are truly remarkable men. This Nation should be proud of them and find a way to honor them for the contributions they have made to our country and to the progress of aviation.

Fortunately, Mr. President, in recent years those American aces who are still living have received some recognition for what they achieved over the skies of France in that long-ago war. This has been due to a small band of dedicated men who have organized meetings and reunions for them and who have worked hard to make sure they have not been forgotten. I would mention three examples of what they have done and what could well serve as a model for what I believe the Nation as a whole should do for those few who remain.

Over Armistice Week, November 7-12, 1981, in Paris, the first meeting of World War I aces from all nations was held. Never before had former allies and former enemies met together. On this occasion they met together. On this occasion they met in a spirit of peace and friendship, enemies no more. They came from Canada, France, Germany, Great Britain, Hungary, Italy, South Africa, and the United States; 35 of the some 60 known surviving aces of World War I were able to attend. Since then, a number of them have passed on. Seven American aces were there. They were A. Raymond Brooks, Douglas Campbell, Charles G. Grey, Duerson Knight, Kenneth L. Porter, Robert M. Todd, and George A. Vaughn. Although not officially an ace, the last

living member of that famous volunteer group, the Lafayette Escadrille, Charles H. Dolan, was a specially invited guest. Sadly, he died within 2 months after his return from this reunion.

The original idea of such a meeting of all World War I aces came from Col. Francis Lombardi, at that time the last surviving World War I ace from Italy. Colonel Lombardi had tried to organize this get together in Italy during 1978 but because of the Moro assassination and political unrest in Italy at that time he was unable to have the meeting. The organizing group for the Paris gathering called themselves the "Aces of the First War, 1914-18 Committee," carried out Colonel Lombardi's dream.

Among the other World War I aces attending was the distinguished Lord Balfour, Under Secretary of State for Air during the Churchill war years. Lord Balfour served as master of ceremonies at the aces final banquet the evening of November 11.

The prime mover for this gathering was John M. Kent who is an active United Airlines captain. He was ably assisted by a committee that included two American World War I aces, Ken Porter and George Vaughn, in addition to the other members: Roland Giuntini, James J. Parks, M.D., Rick Glasebrook, Neal W. O'Connor, Leonce Lansalot-Basou, John Gordon, John T. McCoy, World War II ace Robert S. Johnson, Charles C. Dent, Doris and Rip Munger, Murray Warren, Robert J. Newson, David S.M. Glasebrook, James E. Lockridge, World War II British ace Robert Stanford-Tuck and World War II German ace Karlfried Nordmann. All expenses for transportation, hotels, and meals were met by contributions of participating corporations and individuals who wanted to make it possible for this one last "Gathering of Eagles" from all the countries involved in World War I.

Several airlines including United Airlines, Air France, Air Canada, Eastern Airlines, and South African Airways provided transportation including red carpet service for the air heros. Donations were received from W.R. Grace & Co., Combs Learjet, Trust Houses Forte Hotels, and Grand Metropolitan Hotels in addition to contributions from interested friends of the aces. However, without the personal interest and generous support of HRH Prince Bandar Bin Sultan and HRH Prince Bandar Bin Faisal, both fighter pilots from the Saudi Arabian Air Force, the meeting would have most likely been canceled. Prince Bandar is now the Saudi Arabian Ambassador to the United States.

Mr. President, the second gathering to honor our flyers from the 1914-18 War occurred in Denver and at the U.S. Air Force Academy in Colorado Springs, August 25-28, 1983. Primarily it was to honor the surviving members of the Lafayette Flying Corps which comprised American volunteer pilots in French service and which was formed when the original Lafayette Escadrille could not hold all those who wished to serve. The impetus behind this reunion was Dr. James J. Parks who had also been a vice-chairman of the meeting in Paris. His main coorganizers were John Kent, who had been so instrumental in the Paris gathering of aces, and Col. Russ Tarvin.

There were then nine known surviving members of the Lafayette Flying Corps. But only three, Henry Forster, Charles G. Grey, and Reginald Sinclaire, were able to attend. Their ranks were bolstered, however, by the presence of five of the U.S. aces who had attended the Paris reunion. They were Ray Brooks, Doug Campbell, Ken Porter, Bob Todd, and George Vaughn. Again, support for this event came from private sources. Two days were spent at the Air Force Academy where there was ample opportunity for the old flyers to trade experiences with today's new generation of birdmen.

Finally, I would like to mention an event that is taking place in New York City at the Wings Club today, June 28. The noted aviation artist, John T. McCoy, who also assisted in the Paris reunion, has created four paintings which are to be first in a series entitled "American Aces of the First Air War." Mr. McCoy's works have appeared in many magazines, in private and corporate collections, and at the Air Force Academy, in the Air Force Museum in Dayton, and the National Air and Space Museum in Washington. Each of these paintings depicts the exact moment when four of our living American flyers from World War I became an ace and these, too, will ultimately hang in the Air Force Museum. The paintings will be unveiled to the public for the first time on this occasion and the four men, each of whom is the subject of one of the paintings, will be on hand and will be honored at a reception to follow. The four aces are Ray Brooks, Doug Campbell, Ken Porter, and George Vaughn. Let me speak briefly about each of these remarkable men and outstanding patriots.

Ray Brooks was serving in the 22d U.S. Aero Squadron and became an ace on September 14, 1918, when in a single dogfight he downed two German fighter planes for his fourth and fifth confirmed victories. He went on to attain a total of six victories during the war. One of the Spad fighters he flew has been in the Smithsonian Institute since 1919.

Doug Campbell holds two distinctions. He was both the first all-American trained flyer to down an enemy plane in World War I and he also was the first all-American trained flyer to become an ace. Campbell served in the famous "Hat-in-Ring" 94th U.S. Aero Squadron, along with the U.S. "ace of aces," Capt. Eddie Rickenbacker. In the combat in which he gained his sixth confirmed victory, he was seriously wounded which sidelined him for the rest of the war.

Ken Porter was a flight commander in the 147th U.S. Aero Squadron and scored his fifth victory on the morning of October 12, 1918. He also ended the war with six official victories but unofficially had several more aircraft and balloons to his credit.

George Vaughn actually saw his first combat with a veteran British unit, the No. 84 Squadron of the Royal Air Force, in which he scored a total of six victories. He then transferred to the 17th U.S. Aero Squadron where he gained seven more. His total of 13 confirmed victories rank him as our country's highest scoring living American ace.

Mr. President, all four of these men were decorated with the Army Distinguished Service Cross, our Nation's second highest award for extraordinary heroism in action against an enemy. In addition, for his record while serving with the British, Vaughn received their Distinguished Flying Cross and Campbell and Porter were awarded the French Croix de Guerre.

But these honors were long ago and apart from the kind of recognition they have recently received thanks to the dedicated individuals who have organized the reunions and meetings that I have mentioned. These aces, and the names of the handful of other American aces from the first air war who are still with us, are all but forgotten today.

As we honor the brave men of D-day, as we pay homage and respect to those who served in Vietnam as we did recently in the impressive ceremonies surrounding the burial of the Unknown Soldier of that conflict, so should these gallant warriors of an earlier time be remembered.

Mr. President, Congress should establish a World War I Aces Day this fall and bring these men and their families to Washington where they can receive the national acclaim they so richly deserve.

It is an old debt that we would pay and we should do it before the opportunity is lost forever.

WILDLIFE HABITAT CANADA

Mr. BAKER. Mr. President, I would like to take this opportunity to note the recent creation in Canada of an organization dedicated to the preservation of Canadian wetlands. Wildlife Habitat Canada is a foundation whose primary purpose is to reverse the de-

cline of wetlands acreage across Canada.

Many people value wetlands for their intrinsic qualities. They may wish to preserve those areas as a legacy to future generations or as a bar to the development of the final vestige of natural areas. Others value the varied and abundant flora and fauna that may be found in the wetlands, and the opportunities for hunting, fishing, boating, and other recreational activities. While these recreational benefits may be quantified to some extent, the other intrinsic values of the wetlands are, for the most part, intangible. For this reason, the justification for protecting wetlands has often focused on the importance of the ecological services or resource values that wetlands provide, which are more scientifically and economically demonstrable than intrinsic qualities. These ecological aspects include floodpeak production, ground water recharge, water quality improvement, shoreline stabilization, food-chain support, and food and habitat.

The relative values and services provided by wetlands often can vary widely between wetland areas and from one region of the country to another. Some wetlands may provide benefits which are primarily local or regional in character; others may be national or even international in scope. Because of the wide variation among individual wetlands, the significance of their ecological services and intrinsic values must be determined on an individual or regional basis.

Having said all that, Mr. President, I wish to congratulate our neighbors to the North for their relative foresight and strong national commitment toward the preservation of wetlands. The importance of Canadian wetlands to the abundance of wildlife, particularly migratory waterfowl, which our two nations share cannot be overstated. It may well be that in the context of North America, the international benefits of wetlands protection are most pronounced. Over the years, the effort to conserve and preserve wetland resources has often been the province of private sector initiatives on the part of such groups as the Audubon Society or Ducks Unlimited. The Canadian Government has long supported the efforts of these organizations. Last fall, the Canadian ambassador to the United States, Mr. Allan Gotlieb, hosted a reception to honor Ducks Unlimited and the Washington-area supporters of D.U. This gracious gesture is indicative of the importance Canada and the United States place on preserving our remaining wetlands. The new foundation is another step in Canada's long history of these endeavors. I find it refreshingly encouraging that the Canadian Government has seen fit to supplement that endeavor through Wildlife Habitat Canada. The foundation, to be incorporated as a federally chartered nonprofit corporation, will undertake a national program to encourage Government agencies, nongovernmental organizations, and the private sector to join in the protection and wise use of wildlife habitat. I trust that in enhancing wildlife and wetland resources we shall all be rewarded by the Canadian effort, and I heartily thank and congratulate our northern neighbor.

Mr. COCHRAN. Mr. President, I join Senator BAKER today in congratulating the new foundation in Canada upon its creation and the purpose it recognizes—the coordination of government and private efforts to restore, maintain, and protect Canada's wetlands and the wildlife inhabitants that it shares with the United States.

This year has been a hallmark year for the recognition of the importance of efforts in this country to secure wildlife refuges.

1984 is the 50th anniversary of our Duck Stamp, the sale of which has secured 3.5 million acres of wetlands and wildlife habitats in the United States. The establishment of Wildlife Habitat Canada this year underscores Canadian interest in our mutual concern for preservation.

Both countries have suffered severe losses of wetlands, and I'm encouraged to see us both making efforts to reverse that trend.

I wish for the foundation much success in its efforts to protect essential wildlife habitat.

Mr. CHAFEE. Mr. President, it is with great pride that I join my distinguished colleagues, Senators BAKER and COCHRAN, in paying a well-deserved tribute to the wildlife preservation efforts of our Canadian neighbors.

In recognizing the great importance of maintaining their national wetlands, the Canadian Government has chartered this nonprofit corporation: Wildlife Habitat Canada. The organization promises to encourage both government and private sector interests to join in the campaign for the protection of wetland areas. Such positive actions by the Canadian Government, along with others like the Ducks Unlimited reception hosted by Canadian Ambassador Allan Gottleib which I had the pleasure of attending, have made clear their commitment to the protection of wildlife habitat. In the past, initiatives in this area have, as Senator BAKER pointed out, been the concern of the private sector. Now, due to the Canadian Government's novel effort, this safeguarding of wildlife habitat will be, not only a private interest, but also a national priority.

Once again, Mr. President, I congratulate both the Canadian Government and Wildlife Habitat Canada for their impressive efforts in the name of wetland and wilderness protection.

RETIREMENT OF VICE ADM. EUGENE A. GRINSTEAD, SUPPLY CORPS, U.S. NAVY

Mr. STENNIS. Mr. President, I want to pay tribute today to one of the Nation's top uniformed logistics experts, Vice Adm. Eugene A. Grinstead, Supply Corps, U.S. Navy, who is retiring after 41 years of dedicated service. Since 1981 he has been Director of the Defense Logistics Agency which has its headquarters in Alexandria, VA.

Starting as a student and midshipman in the Naval Reserve, Admiral Grinstead was initially trained as an underwater demolition officer. In 1946, however, he joined the Supply Corps and transferred to the Regular Navy. Since that time he has worked in logistics positions of increasing responsibility, spending much of his time in supply billets associated with naval aviation. In March 1977, he became Commander, Naval Supply Systems Command and 33d Chief of the Supply Corps. From that position he moved on to become the seventh Director of the Defense Logistics Agency.

As Director of DLA, which acquires and distributes more than 2.2 million consumable items for all of the armed services, Admiral Grinstead has stressed programs designed to improve availability of supplies and services to men and women in uniform. Operating a worldwide network of supply and service installations at several hundred sites around the world, he has been in charge of some 50,000 employees—most of them civilians.

Under his leadership DLA has, for example, developed programs to provide intensive management to critical parts for more than 500 weapon systems. It has perfected systems to supply needed nonstocked medical equipment by air for U.S. hospitals in Europe and Asia. His overriding goal has been to make DLA a more effective support agency for his military "customers."

President Reagan has nominated and the Senate has confirmed Admiral Grinstead's retirement as a Vice Admiral—the rank he has held as Director, Defense Logistics Agency—a rank which is seldom attained in the Navy Supply Corps. As he steps into that well-deserved retirement, our good wishes go with him.

IN MEMORY OF LEENDERT BINNENDIJK

Mr. PERCY. Mr. President, Hans Binnendijk is known and respected by many Members of the U.S. Senate, the U.S. House of Representatives, ambassadors and diplomats to the United States, many of our own Foreign Service Officers serving in Washington and abroad, members of the staffs of both bodies as well as the executive branch

of Government and all who know him as friend and adviser. In his role as deputy chief of staff of the Foreign Relations Committee, I have had the opportunity to work closely with him for several years.

Recently, Hans lost his father, Leendert Binnendijk, and delivered a memorial statement about him as philosopher, scholar, researcher, teacher, freedom fighter against Hitler, friend, neighbor, and as Hans concludes, "a caring father and grandfather, a man of simple material needs, and a man of charm and optimism."

Our sympathy goes to Hans, his wife Mary Locke, a respected professional member of the Foreign Relations Committee staff and a specialist on the Far East, to his sister Annette, to his daughters Anika and Dana, and to the rest of his family and friends. I extend my own deepest sympathy and I ask unanimous consent that the memorial written by his son Hans to Leendert Binnendijk be incorporated in the RECORD so that we might not only know more of a fine father but also of a devoted son.

There being no objection, the memorial was ordered to be printed in the RECORD, as follows:

IN MEMORY OF LEENDERT BINNENDIJK

(By his son Hans)

We bury my father today. But we bury only his tired body. His spirit will live into eternity and his personality will live on in our memories.

Let us take a moment to reflect on this man who spent 70 years on earth as a father, a scholar, a friend, and a neighbor.

He was not a religious man, but he had the calm serenity and gentleness that comes from inner peace. He studied the Dutch philospher Spinoza, who looked inward to the human psyche to find spiritual strength. Dad would agree with Spinoza's conclusions that nothing begins or ends with itself, that the world is from eternity to eternity, and that man cannot be separated from this eternity.

Dad's professional life was also based on the conclusions of Spinoza, Bacon, and Descartes who during the Renaissance rejected the dogma that followed from Aristotle's deductive reasoning. Dad agreed with these Renaissance philosophers that man can understand only so much as he has observed in Nature. Then Dad set out to do just that. He learned the secrets of the universe through detailed observation and mathematical calculation. Dad's colleagues here today can attest to the contribution his writings have made to the advancement of human knowledge.

While Dad's professional love was research, he was one of the finest teachers I have met. Teaching for him was simplifying complex concepts rather than impressing people with knowledge. I recall often coming to him the night before an astronomy or calculus exam and asking for help. He would quickly condense the essence of the material into a short summary that even I could understand. I confess now before his colleagues that I might not have made it through college without Dad's tutorials.

In his family life, my father provided a loving and stable home. He married my mother in 1944 after a long courtship and then moved his new family to America after the war. While there was not much financial security in these early years, there was emotional security, which meant much more to young children. He taught us the work ethic and gave us the gift of high regard for academic achievement which sustained Annette and myself through graduate school. When my mother grew ill ten years ago, he selflessly cared for her every need day and night for two and a half years. More recently he became "Opa" to my daughters Anika and Dana, who used to love to sit with him and hear him read stories. During the last six months of his illness, we were all able to draw strength from these deep family bonds.

Dad's personal needs were simple. He was very much a product of the depression and the occupation of Holland during World War II. He saw his father lose all his financial assets during the 1930's and saw Holland lose its freedom under Hitler. Beans and potatoes sustained him physically throughout the difficult World War II period. He often told stories of his travels through the occupied Dutch countryside in search of staples that could be bartered in exchange for an article of clothing. He fought Hitler in his own way, by distributing information broadcast by the BBC. Beans, potatoes, and freedom became prerequisites for his happiness, and his home was always stocked with all three.

The lessons of the depression led Dad to frugality and hard work, both good Dutch traits. His frugality was often endearing. His colleagues may recall that he would park his car ten blocks away from the office each day to avoid paying the parking lot fee. I recall having to account for each penny of my allowance, and that lasted through graduate school. But his frugality was not mistaken for a lack of generosity. Indeed, not only did he finance Annette's and my studies, but he gladly helped family, friends, and neighbors when they were in financial difficulty.

Discipline and concentration dominated his work habit. I recall him most clearly sitting at his desk working on astronomical publications while we children were at the other end of the room watching a loud television set. Only supreme concentration and a bit of deafness allowed him to proceed with his work.

Dad did not have a gregarious personality, but he had a very positive attitude towards life. It was always Mom who organized his social life. Among friends, however, Dad had an irresistible charm that grew as you engaged him in discussions on the subjects he loved best: astronomy and history. Dad always kept the optimist's creed on his desk, and even during the last six months of his life he refused to let his illness undermine his spirit.

This is the way I will remember my father, as a caring father and grandfather, an able teacher, a dedicated scholar, an enlightened philosopher, a man of simple material needs, and a man of charm and optimism.

PRESIDENTIAL MEDAL OF FREEDOM AWARDED POSTHUMOUSLY TO HENRY MARTIN JACKSON

Mr. WARNER. Mr. President, for those who had the privilege of serving with Senator Henry Jackson, the ceremony yesterday at the White House brought back moving memories. The citation and remarks of our President, with the Jackson family in attendance, should be a part of the RECORD of the Senate which "Scoop" loved and by which he was beloved.

(The citation and remarks are printed earlier in today's RECORD.)

WHAT REALLY HAPPENED IN SUMUBILA?

Mr. DENTON. Mr. President, the Senate must revisit the issue of U.S. material and moral support for the anti-Sandinista forces now fighting in Nicaragua. It is a sensitive matter, but one of great importance for the people of that country, and indeed for our entire Nation.

Whatever the action taken by the Senate and the House of Representatives, it will have a significant effect on the ability of the armed opposition to the Sandinistas to pursue its cause, which is the restoration of the integrity and the goals of the 1979 revolution against former President Anastasio Somoza. It will also have consequences for regional peace and stability, and a substantial effect on the Central American perception, as well as the global perception, of the reliability of the United States as an ally.

It is, therefore, crucial that the Senate deliberate carefully about the issue and not succumb to the rhetorical exaggerations and the popular misconceptions that have so far characterized the debate about Contra funding. We must carefully evaluate the charges and countercharges leveled here in Washington about the nature of the various groups opposed to the Sandinistas.

On July 28, 1983, Representative THOMAS DOWNEY labeled the Contras as "thugs, brigands, and thieves," a theme elaborated on by House Speaker THOMAS P. O'NEILL on May 24 of this year when he referred to the Contras as "rapists" and "marauders." Other people have sought to depict the anti-Sandinista groups as terrorists, indiscriminate in their violence. One such effort involved a public forum that was held in the Senate on May 25 to address the issue of human rights violations from both the left and the right in El Salvador and Nicaragua.

Among the witnesses were Marta Baltodano, head of the Nicaraguan Permanent Commission on Human Rights; three Miskito Indians from Sumubila, Nicaragua; and a Father Gundrum of the Capuchin Order. Following the hearing, a "Dear Colleague" letter was circulated; it distributed only the testimony of the three Miskito Indians and Father Gundrum about the activities of armed anti-Sandinista groups in Northeastern Nicaragua, notably of MISURA, the Miskito

Indian Contra group. The impression left by the "Dear Colleague" and its attachments had the effect of supporting contentions that the Contras are nothing but terrorists, murderers, and thugs, unworthy of U.S. support in their efforts to press the Sandinistas toward fulfillment of their 1979 pledge to the Nicaraguan people and to the Organization of American States.

The story told by the Indians revolved around an April 17 attack on Sumubila, Nicaragua, in which 7 people were killed, 15 wounded, and 39 kidnaped. The attack was allegedly carried out by MISURA partisans as an assault on a defenseless Miskito population, which resulted also in the destruction of the local health clinic, a basic grains warehouse, and a cocoa plantation project.

The witnesses offered no opinion about the purpose of the attack, although they stated clearly that the only shots fired were those fired by the Contra forces. One witness revealed that the camp had known for days that the Contras were coming. Indeed, that information had been provided by the Sandinistas, who, according to the testimony, did not provide any protection to the inhabitants of Sumubila.

If one understands the current situation on the Atlantic Coast, a careful reading of the testimony shows that it is misleading. The questioning failed to elicit enough information about the April 17 attack on Sumubila to make it possible to determine what actually happened. Furthermore, because the Sandinistas severely restrict travel to and from the region, it has been very difficult to verify the testimony. To my knowledge, only one individual has been permitted to travel to Sumubila since the assault, and that visit was made at the express invitation of the Sandinista government.

I do not know exactly what happened in Sumubila. I would like to know, but the testimony presented at the public forum raises more questions than it answers and certainly provides insufficient information for making judgments about the character of MISURA or, indeed, any of the anti-Sandinista forces. I submit that it is an inadequate basis upon which to make any judgments at all. There are good and cogent reasons for that view.

First, Sumubila is not a regular Miskito community. It is a relocation camp which was established in January 1982 in the Zelaya Department as part of a network of five camps housing approximately 8,500 Miskitos who were moved by the Sandinistas from their communities along the Coco River. The relocation was compulsory and arduous, and roughly half of the population of the Rio Coco region fled to Honduras rather than submit to it.

Although the Sandinista regime has told international commissions of inquiry that the relocation was one of a series of measures to protect the Miskito population against harassment by armed counterrevolutionaries, in fact it was an effective way to weaken Miskito resistance to Sandinista domination.

The process of relocation, combined with the intense persecution of the Miskito leadership, virtually destroyed the traditional Miskito social and political structure. It left the Miskitos, separated from their land and their cultural roots, wholly at the mercy of the Sandinista government.

Like all Nicaraguans in the "new" Nicaragua, the Miskitos of Sumubila were required to form and participate in the various Sandinista mass organizations. Threats against children were used to compel membership in the civil defense committees and the militia. Anyone who objects to serving in the Sandinista militia faces the prospect of separation from his children as well as other sanctions, and there are many such sanctions that are readily applied by a highly centralized organization that has effectively terrorized its victims and cowed them into submission.

The highly authoritarian organizational structure for controlling the residents of Sumubila is reinforced by the isolation of the camp and its location in a highly militarized region. Travel to and from the area requires the permission of the Ministry of Interior, headed by Tomas Borge, the man who is most responsible for the systematic repression that now characterizes Nicaragua. One must assume that the trip by the three Miskitos to Washington would have required Sandinista government approval, and that their return home would make them vulnerable to reprisal if they spoke freely while here.

The three Miskitos received a hero's welcome upon their return to Managua. Obviously their visit here was closely monitored. I can only wonder what precautions the Sandinistas took to ensure that they would conduct themselves appropriately during their trip.

Second, although the attack was presented as unprovoked and directed against defenseless women and children, one of the Sandinista-run newspapers itself contradicts that version of the event. On April 17, Barricada reported that there was a confrontation in Sumubila and that a "counterrevolutionary attack was heroically repelled by a handful of policemen, combatants, and Miskitos who formed the civil defense group. They managed to prevent the takeover of the settlement of 3,000 Miskitos despite their—the attackers—numerical advantage." I cannot help but wonder how they managed to do that without firing any shots, as the Miskito witnesses testified was the case.

In describing the defense group that battled with the MISURA forces in Sumubila, Barricada made a distinction between the Miskitos and the other participants in the civil defense group. That distinction is the same as the one made by one of the witnesses when he described the people who were wounded.

From the testimony, it is not clear who those other "combatants" or "civilians" were, or what their military capabilities were. We do know that, according to Barricada, the 70 comrades of the defense group were skilled enough to repel a 300-man Contra force.

As the public forum witnesses testified, there may have been no members of the Sandinista Popular Army in Sumubila on April 17. Clearly, however, there was an organized military or paramilitary unit, the "civil defense group." We must understand that, in addition to their sizable regular army, the Sandinistas have at least 55,000 men in their active reserve and militia, organizations that have a primary responsibility for internal security.

Third, the witnesses testified that 39 young people were kidnaped. Barricada says 32 were carried off against their will, and that more would have been taken had it not been for the effective response of the civil defense group. Stedman Fagoth, the MISURA leader, denies that anyone was kidnaped and has extended a gracious invitation for the sponsor of the public forum to visit the young Miskito men and talk with them about their reasons for joining the MISURA forces.

I am reminded of the last Miskito exodus. In December 1983, Bishop Schlaefer, of the Capuchin Order, accompanied 1,500 Miskitos from the relocation camp of Francia Sirpe to the Honduran border. The flight was aided and guarded by an armed MISURA escort. In that instance, while seeking to prevent the fleeing Miskitos from reaching safe haven in Honduras, the Sandinistas accused the MISURA of kidnaping the group and reported falsely that Bishop Schlaefer had been murdered. The Sandinistas failed in that endeavor, and the whole incident ultimately proved to be a major embarrassment to them.

One of the hearing witnesses testified that his eldest son, who allegedly had been kidnaped, returned to Sumubila after a few days and that the boy had been mistreated. If the boy provided some clue about the reason for the attack, or told his father about his few days with the MISURA forces, his father was unable to tell us. Over a month after the attack, the boy was still in the Sandinista health clinic, and the father, in his own words, had "hardly been able to speak to him." I wonder if the boy was being purposely detained, either to prevent him from

telling what he knows or as a hostage to encourage his father to say only approved things about the Sumubila affair.

When we examine closely what we know about what happened in Sumubila on April 17, what we don't know is more important than what we do know. Was the MISURA purpose to liberate their Miskito brethren, an effort that was rebuffed by forces that included Sandinista militiamen? Was it an action aimed at halting other activities being carried out by the Nicaraguan Government in the area? Or was it indeed an unprovoked and indefensible attack on civilians?

I am highly skeptical about the credibility of the account presented to the public forum. I am even more concerned about the use to which that account has been put.

Like all of my colleagues in the Senate, I reject terrorist acts and wanton disregard for human life. The MISURA and other Contra forces have also publicly rejected terrorist acts of the sort that the May 25 hearing purported to document. On the other hand, the Sandinistas rely on state terror to remain in power and to intimidate and control the Nicaraguan people.

I therefore urge my colleagues to be careful in their review of the May 25 hearing, and to reserve judgment until more is known. In the meantime, I ask that the following items be printed in the RECORD immediately following my remarks: A copy of the April 18 Barricada article with an English translation; a copy of the letter from the public forum's sponsor to Stedman Fagoth, the MISURA leader, and Fagoth's reply; and the text of Fagoth's appeal to the Congress for positive action on the Contra funding issue.

The senior Senator from Massachusetts is correct when he observes that "what we do has real consequences on real people." When we make our speeches and cast our votes, we change the lives of individual human beings.

I therefore conclude with the poignant and ringing words of Stedman Fagoth, who during his struggle to gain freedom for his people has endured torture and hardship at the hands of the Sandinistas:

We the Miskito nation say, we shall survive; to the American public we say—'Viva una Nicaragua libre,' to the United States Congress we say, our destiny as a nation . . . is in your forthcoming vote.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

ENGLISH TRANSLATION OF APRIL 17 "BARRICADA" ARTICLE ON SUMUBILA ATTACK

BRUTAL ATTACK ON SUMUBILA IS REPELLED

A counterrevolutionary group of 300 mercenaries that brutally attacked yesterday at dawn the Miskito Settlement of Sumubila was heroically repelled by a handful of policemen, combatants, and Miskitos who formed the civil defense group, which despite the numerical disadvantage prevented the takeover of the settlement of 3,000 Miskitos.

During the attack on this civilian target, the counter-revolutionaries indiscriminately assaulted the Miskito population, resulting in the deaths of Grinseld Gonzales (23 years old), Donata Bana Saby (38) and a little girl of ten. Ten other women and four men, among them 5 children, were wounded and 32 other Miskitos were kidnapped.

At the same time, they destroyed the health clinic, a basic grains warehouse, and completely burned a cocoa plantation project which was to constitute one of the principal sources of employment for that community, whose production of rice and beans this year was a reason of pride for the people and a proof of the progress that was being achieved.

Military sources from Northern Zelaya emphasized that the total rejection of the Miskito population in the presence of the criminal attack was the key factor that permitted the small defensive force of some 70 comrades to repel the mercenaries and frustrate their plans for a massive kidnapping of Miskitos.

During the battle, policeman Maximo Cano Luna fell heroically, and Jaleo Solano Larios was gravely wounded.

The names of the wounded are: Miriam Makubel Wilson (23), Bercy Sampson Solomon (33), Gertrudis Astin (45), Asilita Omeldo Rabab (49), Alicia Omeldo Rabab (40), Rut Grant (18), Irilia Zacarias Bans (4), Eduardo Palacios (15), Mauricio Gonzales (35), Balbino Martinez Walseman (13), y Candido Lopez Lacayo (33), Alba Zacarias Bans (12), Hermitania Zacarias Bans (6).

U.S. SENATE,
Washington, DC, May 31, 1984.

Mr. STEDMAN FAGOTH,
MISURA, Washington, DC.

DEAR MR. FAGOTH: On Friday, May 25, 1984, Senators Durenberger, Kassebaum and I heard testimony from three residents of the town of Sumubila in northeastern Nicaragua. They described a raid on their town that occurred on April 17, 1984. According to their reports, seven people were killed, fifteen were wounded and thirty-nine people were kidnapped.

It is our understanding and belief that this raid was carried out by paramilitary forces under the command and control of MISURA.

The purpose of this letter is to request information as to the whereabouts of the people who were kidnapped by MISURA from Sumubila and to ask that they be permitted to return to their hometown immediately.

I am enclosing a list of those individuals from Sumubila who were kidnapped, and I would respectfully request a response from you at the earliest possible moment.

Very truly yours,

EDWARD M. KENNEDY.

INDIVIDUALS KIDNAPED FROM SUMUBILA IN APRIL 17, 1984, RAID

Celia Ortega, 17 years old; Dinatri Toledo, 20 years old; Abercio Quant, 20 years old; Juan Paterson, 28 years old; Aidalina Coleman, 18 years old; Avelino Cox, Midinra, 38 years old; Raimundo Jonas, 24 years old; Simon Fedrick, 19 years old; Aidita Nuth, 15 years old; Ricardo Coleman, 17 years old; Palacio Celestino, 22 years old; Eduardo Coleman, 27 years old; Joas Douglas, 23 years old; Joel Fedrick, Daniel Douglas, 23 years old; Armando Lopez, 19 years old; Tomas Salinas Rodriguez, Raul Davis, Cristina de Miranda, Pedro Jose Miranda.

Elena Sanson, 18 years old; Carlos Sanchez, 19 years old; Roberto Valle, 29 years old; Johny Graan, 30 years old; Jorge Ibarra, 60 years old; Evaristo Chico, 22 years old; Gonzalo Simon, 22 years old; Mercedes Thomas, 20 years old; Emilio Soares, 45 years old; Gonzalo Paiz, 25 years old; Diego Saballos, 25 years old.

Solis Lopez, 26 years old; Dixon Rios, 23 years old; Fernardo Franklin, 27 years old; Grecorio Octavio, 28 years old; Alfonzo Padilia, 29 years old; Neopoldo Cuper, 30 years old; Aykel Selston, 27 years old; Fraymil Kittle (Acem), 23 years old.

JUNE 8. 1984.

Mr. EDWARD KENNEDY,
U.S. Senate, Washington, DC.

DEAR SIR: In response to your letter dated May 31, 1984 were we are accused by you of killing seven people, wounding fifteen, and thirty nine kidnapped, we, the Miskito Nation which to express our disbelieve in your accusations and our consternation and great surprise that a Senator of your stature, a leader who has tried to follow on his two brothers step, can, with total false unverified information reach such unconfounded conclusions.

We publicly invite you to physically accompany me next week or at your convenience to visit the exact location where they are within Nicaraguan territory, to meet with each and every one of those you claim we have kidnapped. Furthermore, you will be also able to find out their political ideology and the reasons they had when they did what they did in SUMUBILA. We also invite you Sir to visit with our mutilated indians, our invalid and share with us a plate of food as part of our hospitality, convince that your deep sense of human rights will certainly make you a different Senator after this trip.

We are waiting your reply Senator.

Very Truly Yours,

STEDMAN FAGOTH,
Jefe Estado Mayor, "MISURA".

I came to the United States representing my nation, the Miskito Indian Nation, to accused publicly certain liberal U.S. Congressmen and Senator who voted against the continuity of assistance to the Nicaraguan Contras. This assistance, necessary to prevent an holocaust on the Miskito Nation by the Sandinista government was vetoed recently. However, I traveled to Washington and through the good effort of State Representative Jenkings from Louisiana and others I was able to meet with an inumerable amount of Democratic and Republican Representatives in Washington. Their total recognition of real situation after hours of private meetings, certainly to my nation, today, is of great encouragement.

Our faith in this great Nation has been renovated, our new understanding of U.S. democratic congressional system and of their new understanding of the Nicaraguan situation will contribute to increase United States international leadership image through positive congressional action, and to them, we the Miskito Nation say, we shall survive, to the American public we say—"Paniva Una Nicaragua Libre" to the United States Congress we say, our destiny as an nation in extinction is in your forthcoming vote.

STEDMAN FAGOTH,
Jefe Estado Mayor de MISURA.

MEDICAL MISSION TO HONDURAS

Mr. DENTON. Mr. President, I rise to bring to the attention of my colleagues the report of a volunteer medical doctor who spent several weeks caring for Miskito Indian refugees along the Nicaraguan-Honduran border. During the several weeks that he was there, the doctor went to infrequently visited communities, where he treated families of the MISURA. MISURA is, of course, the Miskito Indian group that is opposed to the Sandinista regime in Nicaragua, and is led by Stedman Fagoth.

Although the doctor's visit took place nearly a year ago, I believe that it is important to consider his report now because of his unique perspective on the plight of Nicaragua's Miskito Indians and the insight he provides into the motives and concerns of MISURA.

Dr. Seiden's trip was sponsored by the Victoria and Albert Gildred Foundation, which was responding to a plea for assistance from the Miskitos. His decision to avoid the U.N.-sponsored refugee camps and to go to the more remote Miskito villages along the Rio Coco was his own. It demonstrates his courage and humanitarian concern, which are untarnished by the political considerations that have allegedly biased the services offered by the U.N. High Commission on Refugees.

As an introduction to Doctor Seiden's report, I read from Dr. Seiden's letter to President Reagan upon his return from Honduras:

When I left for Honduras I knew little about what was going on down there. My attitude toward our intervention there was, "I can think of better ways for my tax dollars to be spent." After spending almost 3 weeks with the anti-Sandinista rebel group, MISURA, I've become a staunch supporter of your policy in Central America. Though I feel strongly that the best way to keep democracy, freedom, and economic development spreading there is through improvement of education, health, and industry,* * * unless we stop Castro's influence militarily, there will be no place left in the Americas to send our humanitarian efforts.

Mr. President, I ask unanimous consent that Doctor Seiden's report appear in the RECORD immediately following my remarks. I commend it to my colleagues, and I urge them to review it carefully.

Thank you, Mr. President.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

MEDICAL MISSION TO HONDURAS

(By Othniel J. Seiden, M.D.)

A few weeks ago I'd have said, "There's little adventure left in this world . . . and certainly none for me." I can now attest it would have been a misstatement. Even when I volunteered to go to Honduras for the Victoria and Albert Gildred Foundation for Latin American Health and Education, I couldn't have suspected it would take me to jungle villages where no medical doctor had ever been before . . . or to refugee camps where Miskito Indians, victims of Nicaragua's Sandinista government, suffer a new type of political extortion at the hands of the United Nations service teams known as ACNUR. Least of all could I have dreamed I'd spend time with the leaders of "MISURA," a major group of Contras made up of Miskito, Sumo and Rama Indians. The name Misura is made up of the first two letters of each tribe name . . . Mi-Su-Ra.

Like the majority of North Americans, I hardly knew where Honduras was, much less anything of its people, problems or economy. I had an inkling that President Reagan was sending troops to the area for some kind of military maneuvers and wondered if there wasn't some better way he could spend my tax dollars. I was certainly confused about the role of Honduras in the Central American wars that involve Nicaragua and El Salvador. My experiences during three weeks of giving medical services to the refugees on the Honduras-Nicaragua border have done much to change my philosophy on giving U.S. aid to foreign nations and has left me with a thorough understanding of what the wars in Central America are all about.

My first foreign night was spent in the Maya Hotel in Tegucigalpa, the capital city of Honduras. It is a fine hotel, and the only hint that this was to be an unusual stay was the obvious invasion of CBS, NBC, and ABC video news people. They were to cover U.S. troop maneuvers. I had no idea I would be in any way concerned with any of this.

Let me enter a note here. The names I use from here on are fictitious unless I state otherwise. The reason for this is that many of the refugees I dealt with, either as patients or those who helped me get into the villages where patients were to be seen, still have relatives in Nicaragua. Many are in Sandinista prisons or are in positions of jeopardy. Not knowing who might read this report I do not want repercussions to befall anyone, especially those refugees who make trips back into Nicaragua from time to time at great risk.

That first evening in Tegucigalpa I was met by Mr. Wycliffe Diego (his real name), Coordinator of Health for the Miskito Indian Refugees. He and three other Miskitos struggled through the language barrier with me (I speak only English, German and some Yiddish). Thanks to what powers there be, the Miskito Indians are trilingual, almost all speak English, Spanish and Miskito. They explained to me that I'd be picked up early the next morning, 8:00 a.m., and taken to an airfield to begin my adventure into the refugee camps.

The drive was beautiful even if the road through the Honduran mountains was less than ideal. They asked a lot about me, my country, why I came here, what I knew about the refugee problems, how I felt about the wars in Central America. . . . We talked about President Reagan and how happy they were he was sending troops to Honduras for military maneuvers and how they hoped it would slow Fidel Castro's and Russia's influence in Central America. In retrospect I realize now that they were finding out all they could about my philosophy, feelings, motives, etc. They were subtle, friendly, clever and after five hours on the road to San Pedro they know a lot more about me than I knew about them.

I guess they liked what they found out about me because as we approached San Pedro they asked me if I'd be willing to go into their small Miskito Indian villages and see where a real medical need existed. They explained that the ACNUR people treated patients only in the official United Nations Refugee Camps and that there were thousands of refugees in the little villages in remote areas the U.N. teams refused to go to. I agreed to go under two conditions; that what I was going to do could not be in any way construed as a political involvement by the organizations I represented, and that I was exercising my own judgement and that I would have to have supplies furnished since I had neither medications nor tools of my trade. We struck our agreement.

Then after some minutes Wycliffe Diego, whom I shall refer to as Cliff from now on, informed me that one of the others in the truck knew of a pharmaceutical firm in San Pedro that might be willing to give us some medications. We stopped off at the plant, a large building and indeed they gave us two large cases filled with a broad spectrum of antibiotics, antihistamines, vitamins, cough medications, aspirin and numerous other things I thought we might need.

We drove to a large home where we seem to have been expected. We were fed and there I met several new persons, including a man who looked to be in his early thirties, Stedman Fagoth (his real name). The table conversation repeated much of the questioning of the morning's truck ride. It appeared Mr. Fagoth was satisfying himself that I was who and what I claimed to be, a physician from the U.S. who was willing to give three weeks of my time and talents to a tribe of Indians I'd never heard of before. I guess my conversation satisfied him. He told me to get a good night's sleep, that tomorrow I'd be flown to a remote town on the Atlantic Coast about thirty miles from the Nicaragua-Honduras border.

At about 5:00 pm the next day we reached the Coco River, the border between Honduras and Nicaragua. They saw the concern on my face as we turned up it. "Don't worry, we control that area of Nicaragua," one of the Miskitos assured me. However, they hugged the Honduran edge of the river and broke out weapons for each of the "crew." We continued up the Coco for the better part of an hour. Just before dusk, which is about 6:00 pm in Honduras the year round, we turned into a narrow tributary on the Honduran bank and were met by two Indians in a dugout canoe. They escorted us up that tributary for about a half mile and there was Eliah, a Miskito Indian village.

It was like stepping back in time. I felt I should be doing an article for National Geographic. Thatch roofed huts on tall stilts first caught my eye. At the same time I had caught the eyes of the natives. Gringos are not a common sight in that part of the world. My companions announced that I was an American doctor come to help them with their medical needs. I could see awe on their faces . . . but I couldn't fully appreciate it. I was exhausted from exposure on the sea and to the sun, thirsty and I think a little feverish. Coming to this place as night was falling just added to the culture shock. I waded ashore on wobbly legs. They took all my luggage and supplies. Throughout my journey they never let me carry my own things. There was a constant desire to help me all they could.

We walked through the village to the biggest of the huts and turned in. "This is where you will stay while you are here," I was informed. I was to stay with a family, in their home, in their care, for all my needs. I climbed the ladder up to my room, a dark

small place with a "bed" in one corner, the only furniture in the tiny space. The bed turned out to be cowhide stretched over a wooden frame. Hard? It was like sleeping on a drum head. But I was so exhausted it didn't matter.

After breakfast, I set out to take my first real look at the village. It was much less a culture shock in the daytime. The first thing I noticed was a lot of uniformed, armed young men. "Contras!" The Contras are anti-Sandinista rebels who are backed by the Honduras and U.S. military. Most are Nicaraguan refugees who are carrying on a fierce struggle against the self-appointed Communist government in Nicaragua.

At this point in time I had little opinion as to the politics involving Central America. I wanted to reach these areas where medical help was needed, and the Contras were the only group who could get me there.

One of the Contras who spoke exceptionally good English took me to the medical hut. It was not as nice as the place I'd been given to be my "home away from home." He introduced me to another Contra who was the medical officer. He spoke poor English. My interpreter told me he had been a medical student in Nicaragua prior to the Sandinista takeover. He was in his last year of studies when he was arrested and escaped. He'd been in Honduras since 1980. Together we made the rounds and housecalls, throughout the entire village. I treated some forty people that day, teaching as much as I could to the "corpsman" who would have to maintain the "practice" after I left. He was a very talented young man and I learned a few things from him about insect bites, fungi common to the area, local remedies for certain illnesses. He, of course, had much more experience with malaria than I. One boy we saw had fallen out of a coconut tree the day before and fractured both forearms. The Contra had splinted both arms quite expertly. Of course we had no plaster to cast the arms so there was little more I could contribute. I'm quite sure the boy will do well under the care of this young Contra. He and I had long discussions through our interpreter and I was able to answer many questions that he had.

Other problems, and these were prevalent throughout the many villages I traveled, were fungus disease of the skin, nausea and vomiting, diarrhea, cataracts, scarred sclera of the eyes. Much of this was inflicted by Sandinista torture, as were the torn out fingernails, scarred backs and feet, crushed hands and severed tendons. Boils and pustules of the skin were fairly common and urinary infections were also. I doubt that the urinary problems were venereal or TB. Trauma was not too frequent a problem. Malnutrition and dehydration was seen only when I stayed in a United Nations refugee camp about which I'll go into more detail later. Malaria was a problem but mainly among those Miskitos who came out of Nicaragua.

Of all the problems I saw in the three weeks, the worst were those caused by torture inflicted by the Sandinistas. More about that later.

It was while I was in this village, Eliah, that I found out that Stedman Fagoth was the top man in Misura, leader of this Contra movement since its beginning. My time in Honduras would be closely linked with him for the duration for without him and his Contras I could not have moved about to accomplish what I did. I must emphasize again that I had not been brought here to give medical aid to the Contras, but was being made available to the refugees by the Contras.

After three days in this area, Fagoth, four armed Contras and I started back to Puerto Lempira, this time in a faster boat, a twenty foot fiberglass outboard. It took us only eight hours this time even though we stopped at three other villages along the way. I can't go into the locations of these villages for security reasons. The villages were smaller and health problems were far less than in Eliah.

It was after dark when we returned to Puerto Lempira and that night I slept on a floor in a warehouse with a sack of rice as a pillow. I was too tired to mind the hardness of the floor but when I realized that I was surrounded by roaches I wasn't too happy. Fortunately an idea struck me. I sprayed a line around my blanket with insect repellent. They didn't cross, for which I was most thankful!

The next morning we left by truck for some of the U.N. refugee camps. The first we stopped at was Tapanlaya. It was a small camp, desolate, depressing. There was no medical facility there. It was the first place in which I saw malnutrition and dehydration. Intermittent fever, lethargy and weakness were the most common symptoms. Compared to the camps I had seen before this was the most depressing. I could understand why these people preferred to stay in the villages of their own people rather than in U.N. camps. I did what little I could there and then we went on the main U.N. refugee camp at Mocoron.

Mocoron was enormous in comparison. Two-thousand refugees still lived there. It had been reduced from nearly twenty thousand. There was an airfield and the ACNUR medical clinic. We drove directly into the camp and I moved in with the refugees. The same illnesses prevailed there, but I again saw malnutrition, dehydration, and for some reason, a higher incidence of urinary infection with flank tenderness and dysuria. Pushing fluids and sulfa tablets seemed to do the trick.

When I asked about their diet I was told that ACNUR, five letters that stand for five Spanish words meaning United Nations High Commission for Refugees, allowed each refugee 3 lbs. of red beans, 1½ pounds of rice and ½ pound of flour per week. In the Contra camps the ration was considerably more supplemented with small quantities of meat and fruits and vegetables that are brought back from raids into Nicaragua. To make matters worse, the refugees reported that if the ACNUR people suspect that any member of a family is a member of the Contras the U.N. will cut off food supply to the family. To me this seems a form of political extortion. The Miskito Indians consider the U.N. people as very leftist and I saw no evidence to argue the point.

While in Mocoron I saw about sixty patients. I asked them why they didn't go the ACNUR clinic and they told me the doctors treated everything with one aspirin tablet. I don't know how true this is, but I never found anything else they told me to be untrue. I saw several people who had been labeled as having TB by ACNUR. When I asked them what tests had been run on them to make the diagnosis they answered, "None!" Finally, I decided to go up to the clinic to see it for myself. I tried to ask questions of the staff, but all claimed they spoke no English. The Indians told me they do speak English. I saw about five nurses, a couple of lab technicians and one doctor. I seriously doubt that no one could speak English.

In Mocoron I had a chance to talk to many of the refugees about conditions under the Sandinistas. They told me of arrests without giving a reason or trial, of genocide, of people disappearing. They spoke of torture and showed me fingernails that had been torn out, hands that had been crushed, scarred backs from whippings and scarred bottoms of feet from the same treatment. Many had tendons that had been cut. A favorite of the Sandinistas was to cut Achilles tendons and to sever tendons in the wrists that made the thumbs and forefingers useless on the dominant hand. Many of the refugees had scarring of the sclera of the eyes. They told me that a common torture was to throw pepper and sand in the eyes while hands were tied to chairs.

In the two days that I lived among the refugees in Mocoron I never saw anyone from the ACNUR medical or administrative staff enter the refugee area. I feel it is unfair to criticize ACNUR too severely without their having a chance to explain their side of the story but I certainly feel a thorough investigation of their administrative, medical and political practices would be in order.

From Mocoron we continued south toward the Nicaraguan border. I was settled into a thatch roof structure with open walls in the main camp of the Misura Contras. This would be my base camp until I was ready to return home. This base, known as C.I.M.M., was a military encampment and training center for the Contras. Again, I was not here to treat military personnel but would live here and would hike into numerous refugee camps throughout the area to treat those Miskito Indians who refused to go to the U.N. camps. ACNUR refuses to give any food or medical care to these people and it is here the need is greatest.

One of the saddest sights in the military camps was to see boys between nine and fourteen in cut down uniforms. I was told that these children actually go into Nicaragua on raids and that those in this area had all been in at least two times and most upward of six times. All had seen action and carried weapons. I asked Fagoth what kids like these could understand of war and the answer was simple and to the point. He said: "We call them 'wortoguya,' the littlest ones. They know if they point their rifle accurately a Sandinista will die and if enough Sandinistas die, then maybe one day their father or mother or brother or sister might come out of prison alive.

All along the border on the Honduras side there were villages built by the Contras and Miskito Indians of Honduras to house refugees from Nicaragua. Several hundred people live in each of these settlements. Food is obtained for them by the Contras and the Miskito Indians of Honduras. They eat better than the refugees in the U.N. camps. They have a larger allotment of rice and beans, some fish and meats and fruit and vegetables that the Contras bring over from their raids into Nicaragua. I ate with these people as well as those in the U.N. camps and the food was more varied and more plentiful.

The type of illnesses were the same as I had seen in other areas but there was none of the malnutrition that I saw in the U.N. camps. Again there were "medics" and a few exiled Nicaraguan nurses to help me. I spent many hours with these medical people answering their questions, teaching them what I could about continuing care and left them some medications that they could use in continuing care.

Upon returning to Puerto Lempira on my way back out I had a long conversation with Wycliffe Diego. I explained to him that it was really impractical to have physicians travel from one village to another as I did. As interesting as the experience was it was not an efficient way to bring medical care to the Miskito Indians of Honduras or the refugees. I felt it was necessary that I saw their conditions and needs but it would be better to have a central clinic where modern lab facilities could be established and where a physician could work far more effectively. Puerto Lempira would be an almost ideal location for such a medical facility. It is within a few hours of almost all the villages I visited and patients could be easily transported in by truck or boat. Two outboard motor boats could get patients in from the coastal villages and trucks from those places to the south and inland.

The Miskito Indians suggested that they could build the structure if physicians and supplies could be sent in. I recommended the idea to the Victoria and Albert Gildred Foundation and they felt it was a viable idea. I hope that in the near future there will be established in Puerto Lempira the Victoria and Albert Gildred Foundation Atlantic Coast Clinic for Central America. I would love to be the first volunteer physician to man it.

MOUNTAIN BROOK HIGH SCHOOL

Mr. HEFLIN. Mr. President, it is an honor for me to rise today and pay tribute to one of our Nation's outstanding secondary schools. Mountain Brook High School in Mountain Brook, AL, recently has been named among the nation's top 202 secondary schools in a study conducted by the Department of Education.

This prestigious honor was bestowed upon Mountain Brook High School after an intense study of 555 nominated schools. The chief State school officer in 48 participating States and the District of Columbia put forth schools for nomination that he or she felt represented excellence in the field of education. A panel of education experts then chose 260 of the nominated schools for visits, where qualities such as school facilities, student performance, and community involvement were closely scrutinized. From these 260 schools, the panel found 114 high schools and 88 middle schools it felt exemplified superior educational goals as well as superior performance.

Mountain Brook High School has been recognized by the Department of Education for its numerous achievements. The study sighted Mountain Brook's High quality students as outstanding among the nominated schools.

Mr. President, I wish to commend Mountain Brook High School as well as the Mountain Brook community for this distinguished honor. The recognition of this award should be shared among thousands of individuals, including teachers, students, parents, and civic leaders. However, I particularly want to mention two people who obviously have been instrumental in the growth and the direction of Mountain Brook High School. The principal, Tom Norris, enjoys great support from faculty, students, and parents, and deserves much of the credit for the school's success. Also, Dr. Darrell McClain, superintendent of the Mountain Brook school system, truly has helped move the school in a positive direction, as shown by the Department of Education's study.

Mr. President, I join with all Alabamians and indeed the Nation, in congratulating Mountain Brook High School for its outstanding achievements and this great honor.

BUSH MIDDLE SCHOOL

Mr. HEFLIN. Mr. President, it is an honor for me to rise today and pay tribute to one of our Nation's outstanding secondary schools. Bush Middle School of the Birmingham City School System in Birmingham, AL, recently has been named among the Nation's top 202 secondary schools in a study conducted by the Department of Education.

The prestigious honor was bestowed upon Bush Middle School after an intense study of 555 nominated schools. The chief State school officer in 48 participating States and the District of Columbia put forth schools for nomination that he or she felt represented excellence in the field of education. A panel of education experts then chose 260 of the nominated schools for visits, where qualities such as school facilities, student performance and community involvement were closely scrutinized. From these 260 schools, the panel found 114 high schools and 88 middle schools it felt exemplified superior educational goals as well as superior performance.

Bush Middle School has been recognized by the Department of Education for its numerous achievements. The study sighted the positive attitude of both Bush's faculty and students as outstanding among the nominated schools.

Mr. President, I wish to commend Bush Middle School as well as the school's community for this distinguished honor. The recognition of this award should be shared among hundreds of individuals, including teachers, students, parents, and civic leaders. However, I particularly want to mention two people who obviously have been instrumental in the growth and the direction of Bush Middle School. The principal, Ralph Sheetz, enjoys great support from faculty, students and parents, and deserves much of the credit for the school's success. Also, Dr. Walter Harris, superintendent of the Birmingham City System, truly has helped move the school in a positive direction, as shown by the Department of Education's study.

Mr. President, I join with all Alabamians, and indeed the Nation, in congratulating Bush Middle School for its outstanding achievements and this great honor.

PHARMACY ROBBERY LEGISLATION ENACTED INTO LAW

Mr. HEFLIN. Mr. President, I am pleased by the action of the President in signing Senate bill 422, the pharmacy crime legislation.

Since coming to the U.S. Senate in 1979, I have vowed to make a national war on violent crime and fighting crime aid to our States, our No. 1 priority, after a solution to our Nation's economic problems.

Federal sanctions for vicious criminals who attempt, or in fact obtain dangerous controlled substances from pharmacies were a key component of such a sound national law component strategy.

To help achieve these objectives, I introduced in the 97th Congress and earlier in this Congress, the National War on Violent Crime Act, Senate bill 315. A key title of this act addressed the epidemic of pharmacy robbery.

Three years ago, June 8, 1981, I introduced this key title as a separate bill, S. 1339. I stressed the need for the legislation at that time, in part, as follows:

Today I would like to introduce legislation I believe will help arm our law enforcement officials in their continuing war on crime in America. This bill will amend title 18 of the United States Code to make the robbery of a controlled substance from drug stores a federal crime.

For many years now, our Federal agents from the Drug Enforcement Administration and the Federal Bureau of Investigation have waged an increasingly effective campaign to halt the flow of illegal drugs in our Nation's cities and suburbs.

However, because our federal agents have made such progress in disrupting the illegal drug trade on our streets, the drug pushers have now begun to turn to our local retail drug stores to fill their supplies. These drug traffickers have found an outpost to continue their illegal dealings where our federal agents are not legally authorized to tread.

And, the endangered victims of this new assault are the men and women who own, manage and work in our nation's pharmacies. The drug-related robbery of a pharmacist is neither an isolated nor a unique crime in our country today—it is, rather, a serious, widespread and ever-growing phenomena.

Withour our action on this bill, I fear this phenomenum will flourish, and the cost to our society will not only be in the continued marketing of illegal drugs, but also in the death and injury of our nation's pharmacists.

Our pharmacists, their employees and their customers need the able protection of our federal crime fighters. It is up to us in Congress to see that these issues increasingly victimized citizens receive that protection.

For the sake of our pharmatists who literally live in daily fear of these "drug merchants" roaming our streets, I believe it is

imperative that we move this bill through as quickly as possible.

It will close the weak point in our battle against drug crimes, and it will help save the lives of our nation's retail druggist.

I think all of us in this body are concerned about the high crime rate in this country. It is paramount that we act now to return our streets and neighborhoods to the decent, hardworking people of this nation. I believe this bill is an important step in that direction.

Today, I reaffirm my remarks except the word "law" can be substituted for "bill". Mine was not the only legislation on this important subject. Several of my distinguished colleagues, including Senators SASSER and JEPSEN introduced legislation to achieve this worthly goal. Representative TOM LUKEN and others were especially instrumental in assuring a vote in the other body.

In conjunction with introduction of my pharmacy crime bill, 3 years ago, I brought to your attention an article entitled, "NARD Crime Bill—12 Years of Advocacy," which provided detailed documentation of the true advocate for the new law: the National Association of Retail Druggists.

I know that many of my colleagues, in both Houses, have congratulated NARD for a job well done. I certainly concur with Senator SASSER's observation that "it is their persistence and their concern that has resulted in a pharmacy crime law. It is a well earned victory for NARD and the pharmacists of the Nation.

As noted in the recent Senate consideration of Senate bill 422, much has occurred since February when we unanimously sent Senate bill 422 to the House. The bill manager reported that the situation in the House has evolved from pronouncements that there would be no bill reported by the Judiciary Committee to several versions of the House bill, including H.R. 5105, H.R. 5222, each more akin to the Senate version, culminating in the final House passed amended version of Senate bill 422.

The final bill incorporates many improvements made since introduction of H.R. 5105, which provided Federal jurisdiction for such crimes if the amount of drugs taken exceeded $1,000; or if serious bodily injury was involved.

Senator JEPSEN, the bill manager, explained the change in the valuation and injury criteria as follows:

The $500 base of jurisdiction is a distinct improvement of H.R. 5105, which established $1,000 as a standard. The bodily injury requirement is decidedly broader than the language earlier passed by the House in H.R. 5222. "Significant bodily injury" was substituted for "serious bodily injury." This is a real broadening in jurisdiction. Of course, "serious" is narrow in that it means "grave" whereas "significant" means "meaningful" which is far broader. Additionally, the earlier definition of bodily injury was further expanded to read injury which involves a "risk of death" as distinguished from a "substantial risk of death" and further the definition was modified by substituting "significant physical paid". Certainly numerous injuries would not have triggered federal jurisdiction under the H.R. 5222 definition of bodily injury would clearly be included in this amended approach. Examples of these would be a bullet wound in the hand, leg, or shoulder or a bloody painful pistol whipping, or for that matter, a pistol whipping.

Likewise, trauma suffered by a pharmacist so that he or she is psychologically prevented again from practicing pharmacy in public or at least for a period of time, would be included under the new version of injury.

Mr. LEVIN. Mr. President, I wonder if I could ask the distinguished Senator from Iowa a few questions about this bill so that we might clarify the intent of the langauge?

Mr. JEPSEN. I would be happy to respond to the questions of my good friend from Michigan.

Mr. LEVIN. Would the Senator please take a moment and explain how he intends the attempt provision to work, particularly as it relates to the $500 criterion?

Mr. JEPSEN. Certainly. As the Senator knows, the amended language provides that one basis for prosecution is if the replacement cost of the material or compound to the registrant was not less than $500.

In the case where a person attempts to commit a robbery or burglary for controlled substances, but is unsuccessful, the prosecution need only show that $500 or more of controlled substances were on hand and could have been taken. Likewise, if a robber or burglar succeeds in taking controlled substances which cost less than $500, but more than $500 of controlled substances were on hand, the robber or burglar may still be prosecuted for attempted robbery or burglary of the required amount. The prosecution need only show the amount and cost of the controlled substance on hand. If the defendant wishes to contest the charge on the ground that he intended to take less than $500 worth of the controlled substance, then he will either have to take the stand and testify to that effect, or submit other competent evidence to show that he did not intend to take $500 of controlled substances.

Mr. LEVIN. I appreciate that explanation. Could the Senator also tell me how he intends the interstate commerce provision to be applied?

Mr. JEPSEN. I would be happy to explain that provision. It is my belief that this provision should be broadly defined. Thus, this bill would not only reach persons who traveled from State to State committing or attempting these crimes, but those who traveled in interstate commerce, for example, on an interstate highway or transit system on their way to or from committing or attempting such a crime.

It is also intended that use of any facility in interstate or foreign commerce to facilitate such taking or attempt be read to include use of the telephone or mails in planning or committing such a crime. I would point out to my colleague that equally important is where a weapon is acquired in interstate commerce and is used or threatened to be used in taking controlled substances, that weapons acquisition is to be viewed as use of a facility of interstate commerce to help commit the crime. In order to prove acquisition of a weapon in interstate commerce, the prosecution need only show where the weapon was manufactured, if the State is different than where the crime occurred.

In summary, we have rendered a good law and as a member of the Senate Judiciary Committee, you can rest assured that I will work to see that it is properly implemented and enforced.

The increased threat of violence and crimes in pharmacies is a direct result of the stringent controls imposed by the CSA. It is only fitting that the resources and facilities of the Federal Government be made available to protect pharmacies and apprehend criminals bent on circumventing the controls of the law.

Government competition, with their businesses and recent high interest rates, are economically killing small business. At least our members will personnally survive any economic assault on their livelihoods. It is a cold reality, however, that some—an ever increasing number—will not survive the robbers' assaults. Other pharmacists and their customers—your constituents—will live, yet carry the scars of wounds, actual and emotional, for life. Still others will no longer pursue a retail druggist profession that as recently as September, George Gallup found is held in high esteem—second only to clergy by the American public.

The brutalization of our pharmacies has created other, more subtle havoc: Customers denied access to essential pharmaceutical products; accelerated levels of stress and burnout, including some who have sold their stores; and tragically, a growing number of pharmacy school graduates, full of free enterprise enthusiasm, who have declined a marketplace career.

Again, I echo the comments of my colleagues to NARD, and ask unanimous consent that the NARD statement on final passage of Senate bill 422 by the Senate be printed in the RECORD at the conclusion of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

NARD VICTORY: CONGRESS PASSES PHARMACY CRIME LEGISLATION

ALEXANDRIA, VA, May 21, 1984.—Long-sought-after pharmacy crime legislation has received congressional approval and is awaiting signature by President Reagan. Due in large measure to the heroic and tenacious lobbying efforts of the National Association of Retail Druggists, the new law will add burglary and robbery of pharmacies to obtain controlled substances to the list of present federal non-violent drug diversion offenses, and provide substantial federal penalties for such drug related violence.

The final passage of S. 422 ends a 15-year effort by NARD to correct inequities in the 1970 Controlled Substances Act, which left the nation's pharmacists—and particularly independent retail pharmacists—vulnerable to violent acts perpetrated by gunmen on store owners, their employees and customers.

NARD Executive Vice President William E. Woods, who brought this issue to the attention of Congress in 1969, commented: "NARD deeply appreciates the generous support of its friends in Congress and the Reagan Administration who have addressed this vital grievance confronting our members and others who have, for too long, practiced the honorable profession of pharmacy providing vital health care services in the shadow of potential violence while experiencing an increasing epidemic of actual violence. The final legislation contains significant federal jurisdiction over violent pharmacy crime."

Senator Roger Jepsen (R-IA), the leading proponent of the legislation, opened a May 17 Senate debate on the bill with a special acknowledgement of the NARD and its staff "in particular, Mr. William Woods."

"Progress toward the Senate approach has not been without controversy. The National Association of Retail Druggists has fought steadfastly at each step in the legislative process to broaden the House version," Jepsen reported to his Senate colleagues. He recounted the evolution since February from House pronouncements that the House Subcommittee on Crime would report no bill to later introduction of a series of bills "including H.R. 5105, H.R. 5222, each more akin to the Senate bill," Jepsen noted.

Many acknowledge enactment as a decided victory for the National Association of Pharmacist's Political Action Committee (NAPPAC), a key component of NARD's legislative program. When prospects were grim in the House late last summer, it was Congressmen Tom Luken (D-OH), Tom Bliley (R-VA) and Henry Waxman (D-CA) working closely with NARD who generated the political pressure that made any action by the House of Representatives possible. Each of these three important members of Congress has been strongly supported by NAPPAC. NAPPAC is the only political action committee which represents the interests of independent retail pharmacy. APhA, NWDA, and most other pharmacy organizations do not have political action committees.

NARD's efforts on behalf of pharmacy crime legislation were praised by Senator Jim Sasser (D-TN) who noted: "I would like to commend NARD for their efforts on this bill. They have labored long and hard for this legislation and its passage is an important and well-earned victory for them." Senator Howell Heflin (D-AL), who with Sasser strongly support the Jepsen/Thurmond bill (S. 422), echoed the Tennessee Senator's congratulations to NARD.

Before voting, several Senators explained in detail how the House legislation had been significantly expanded. In response to questions, Senator Carl Levin (D-MI), who also worked closely with NARD and Senator Jepsen, reported that (1) the use of a weapon would trigger federal jurisdiction, and (2) that an unsuccessful robbery could be prosecuted as an attempt to rob, or (3) that if less than $500 of drugs was actually taken, the criminal could be prosecuted for an attempt to take the required trigger amount. Importantly, under S. 422 the crime of attempt carries the same penalty as the robbery of $500 of controlled drugs.

Similarly, Senator Jepsen explained that many injuries, not covered by H.R. 5222, would trigger federal prosecution including "a pistol whipping * * * or trauma suffered by a pharmacist so that he or she is psychologically prevented from * * * practicing public pharmacy for a period of time."

Additional features of the bill sent to the President include: authority for DEA to investigate any pharmacy robbery or burglary; authority to prosecute cases granted to local U.S. attorneys; an annual report by the Attorney General to Congress detailing the new federal effort to curb pharmacy crimes, especially robberies; direction to the Attorney General to prosecute at least as many as presently directed at non-violent diversion such as forgery; and penalties of 20 years/$25,000 for robbery; 10 years/$25,000 for conspiracy; 25 years/$35,000 if an assault or weapon is involved; and life/$50,000 if death occurs.

While detailing the broader scope of federal jurisdiction in the bill, Senate Judiciary Chairman Strom Thurmond (R-SC) observed: "I have strong reservations . . . I will accept this figure for now. However, we will be closely monitoring its effect to determine if changes are needed in the future." Jepsen added, "that I am fully prepared to come back next year and see that those limits are either lowered or removed completely." The Iowa Senator told his colleagues however that, "any further amendment would prove fatal" to the effort when returned for House Judiciary Subcommittee approval.

Passage of S. 422 was achieved when NARD and its members engaged in an aggressive lobbying campaign to modify onerous provisions of the H.R. 5105 $1000 trigger and H.R. 5222, which received unexpected and unbridled support from a member of other pharmacy organizations and which would not have provided adequate protection for the nation's pharmacists. Hundreds of NARD members responded to recent NARD legislative alerts by documenting the extent of violent crimes they had experienced first-hand from armed robbers in search of controlled substances. The responses typically demonstrated the damage, both physical and emotional, such crimes imposed on their victims. As one pharmacist said: "I'm quite sure that none of you have had a .45 magnum held to your head. Well, I have. How many of you would like to work side by side with me for a day, not knowing if your next customer will pull out a prescription or a gun to obtain these federally controlled dangerous drugs?"

Many state pharmacy executives and NARD members across the country also responded and played a key role in enactment of the final bill.

NARD President James H. Vincent praised the widespread bipartisan support shown for the legislation.

Special thanks to several dozen key Congressmen who, over the years, have worked to help provide federal protection for independent retail pharmacists from robbers who seek to obtain controlled drugs which are so profitable on the black market. The effort has always been bi-partisan. Starting in the Senate in 1973, the late Senator Frank Church (D-ID), was joined by Robert Taft, Hubert Humphrey, Paul Fanin, Birch, Bayh, and Clifford Hansen. In the House of Representatives in 1973, Congressman Robert Nix authored an identical bill and was joined by numerous colleagues. Among the present additional members of the House who have taken a strong stand on behalf of independent retail pharmacy are the following who have introduced bills: Luken, Bliley, Don Fuqua, Bill Lehman, Stan Parris, Austin Murphy, Ike Skelton, John Hammerschmidt, Romano Mazzoli, Hamilton Fish, Bill Hefner, Richard Shelby, and Robert Roe. In the Senate during the last several years, Senator Jepsen has provided the critical leadership in the 96th, 97th and 98th Congresses. His efforts have been strongly supported by Senators Thurmond, Paul Laxalt, Charles Grassley, Heflin and Sasser who each introduced complementary bills in recent Congresses.

When William Woods was asked to assess the impact of the legislation, he observed:

"It is not perfect, yet legislation seldom is. It is the product, though, of a total commitment to getting the best possible law for NARD members. There is no doubt that we had to take the gloves off in recent months, but to fully represent our members is not a popularity contest with other pharmacy associations. As our ally, Senator Jepsen, told the Senate, we fought every step of the way to improve the final bill."

"While other associations gave their 'total support' to a bill with a $1000 trigger, NARD fought to lower it to include weapons under interstate commerce and to expand the injury trigger. Some pharmacy groups, including NACDS, actually lobbied against S. 422 expressing a performance for H.R. 5222," he said.

Without this massive NARD effort, Woods suggested there would be no bill. "If the other pharmacy groups who only recently started to talk about the issue of pharmacy crime, had not compromised so early, the final version of S. 422 would have been even more satisfactory to the pharmacy profession."

Concluding, he said, "We now have a respectable Federal law making robbery and burglary to obtain controlled drugs a Federal crime, and now let's make sure it works to provide necessary additional protection for independent retail pharmacists, their employees and their customers. If it does not work, the pharmacists of the nation are sure to know that NARD will be in the next Congress fighting for changes that will provide more protection."

CLYDE PRICE, ALABAMA BROADCASTER OF THE YEAR

Mr. HEFLIN. Mr. President, I take this opportunity to pay tribute to Clyde W. Price, a man truly dedicated to the field of broadcasting. As owner and operator of Tuscaloosa, AL's WACT-AM and FM, Clyde's commitment to public service and broadcast professionalism is a credit to the entire communications industry.

His tireless efforts for the improvement of Tuscaloosa through his profession and civil involvement, his years of dedicated service to the broadcast industry of Alabama, and his leadership in the vital issues of the Nation's communications industry were recognized and rewarded on June 2, 1984, when he was recognized as Alabama Broadcaster of the Year by the Alabama Broadcasters Association.

Broadcasting is a vital service to the public, maintaining effective communication between various sectors of our society and keeping the public generally informed. The tremendous public service rendered by the broadcasting field is frequently taken for granted, but Clyde Price's outstanding concern and professionalism could not go unnoticed.

In addition to his broadcasting duties, Clyde serves his community in many other ways. Displaying both a natural leadership ability and a sense of civic duty, he served as President of the Alabama Broadcasters Association in 1972–73 and is a long-time board member of the National Association of Broadcasters.

He serves on the Associated Press National Board of Directors and Broadcast Pioneers; is vice president of the West Alabama Chamber of Commerce; past president of the Exchange Club; member of the Industrial Development Board and the Arthritis Foundation; chairman of the board of First State Bank of Tuscaloosa; board member of the Y.M.C.A. and the American Red Cross.

A graduate of the University of Alabama, Clyde Price received the Distinguished Alumnus Award from the department of broadcast and film communication at the university in 1976.

His better half, the former Carol Bailey, has been his partner for 33 years. A father and grandfather, his two sons, Walter and Ronald, are associated with him at the station.

Perhaps more importantly, Clyde has achieved his success in both broadcasting and life while earning the respect of his colleagues. In his introduction of Clyde Price to the A.B.A. Convention, Jim Stewart of Foley, AL, quoted from many letters of recommendation written in Clyde's behalf. I would like to offer a few of these quotes:

A first class citizen and a first class broadcaster;

Has given of time and substance in every possible way to the A.B.A.;

Has effectively contributed to the growth and good of the community both as a top station operator as well as just a good citizen;

A conscientious, dedicated broadcaster;

Active and hard-working man who expends energies in the best in-interests of our great industry;

We commend the honoree as a professional and * * * as a person;

I have met few broadcasters with the interest and dedication of the honoree;

Committed to informing the audience and to explaining the impact of events in Alabama and the world * * * to the lives of the listener;

A proven reputation of dependability and earnestness;

A long-time supporter of area activities;

One of the outstanding leaders of the community;

The honoree's concern for others has been evidenced by the hours devoted to many causes;

Like a family member to many * * * appeals to a wide variety of individuals from every walk of life due to vast knowledge and years of experience, as well as genuine concern for his fellowman;

The honoree's interests range from state of the art technology to training and guiding those entering our industry;

Has given himself to others.

This ability to excel in both the broadcast field and in community, State, and National service has earned Clyde W. Price—the syrup sopper—recognition as Alabama's Broadcaster of the Year. For his fine work and service to our State, I commend him.

Thank you, Mr. President.

ENTERPRISE HIGH SCHOOL

Mr. HEFLIN. Mr. President, it is an honor for me to rise today and pay tribute to one of our Nation's outstanding secondary schools. Enterprise High School in Enterprise, AL, recently has been named among the Nation's top 202 secondary schools in a study conducted by the Department of Education.

This prestigious honor was bestowed upon Enterprise High School after an intense study of 555 nominated schools. The chief State school officer in 48 participating States and the District of Columbia put forth schools for nomination that he or she felt represented excellence in the field of education. A panel of education experts then chose 260 of the nominated schools for visits, where qualities such as school facilities, student performance, and community involvement were closely scrutinized. From these 260 schools, the panel found 114 high schools and 88 middle schools it felt exemplified superior educational goals as well as superior performance.

Enterprise High School has been recognized by the Department of Education for its numerous achievements. The study sighted Enterprise's community support as outstanding among the nominated schools.

Mr. President, I wish to commend Enterprise High School as well as the Enterprise community for this distinguished honor. The recognition of this award should be shared among thousands of individuals, including teachers, students, parents, and civic leaders. However, I particularly want to mention two people who obviously have been instrumental in the growth and the direction of Enterprise High School. The principal, David Carter, enjoys great support from faculty, students, and parents, and deserves much of the credit for the school's success. Also, Thad Morgan, superintendent of the Enterprise school system, truly has helped move the school in a positive direction, as shown by the Department of Education's study.

Mr. President, I join with all Alabamians, and indeed the Nation, in congratulating Enterprise High School for its outstanding achievements and this great honor.

Also, Mr. President, I ask unanimous consent that newspaper article concerning this award from the Enterprise Ledger be printed in the RECORD.

Thank you, Mr. President.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Enterprise Ledger, June 15, 1984]

ENTERPRISE HIGH SCHOOL RATED IN NATION'S TOP SECONDARY SCHOOLS FOR EXCELLENCE

(By Angela O'Donnell)

"Community support" was one key element in the selection of Enterprise High School as one of 114 secondary high schools nationally recognized, City School Superintendent Thad Morgan, and EHS Principal David Carter emphasized at a morning press conference today.

Carter said that he was notified of EHS's selection by phone Thursday afternoon by Secretary T.H. Bell's office.

Carter told a gathering of media that during an on-site evaluation, made by Dr. Joe Richardson, members of the committee of the secondary school recognition program, he was told that an underlying current in successful school programs is usually community support.

The process of evaluation of the schools considered for recognition includes an intensive look at all aspects of the program, Carter continued, particularly academic factors such as test scores; curriculum; and success of the former students. One of the first things the evaluator looks at, he said, is the advanced and college preparatory courses.

"We consider this an honor for Enterprise High School. Enterprise, and the state of Alabama," Carter said, and noted that Alabama schools made the list as finalists.

When asked whether the rating would give school officials more "pull" in gaining community support, Morgan said that. "We couldn't ask for more support than we are already getting . . . it reflects very well on the community . . . We have tremendous support of the public schools in this community."

Carter referred to the rating as a "report card", It shows the community that the support they have given us had paid off and that it does work."

The schools (recognized) included Vigor High School, Mountain Brook High School, Homewood High School, Enterprise High School, Bush Middle School in Birmingham and Homewood Middle School.

The rating could make more funding available, Morgan said, adding that he could find ways of using the money for improvement.

Some of the credit for the success of Enterprise High School includes the work of many people, Morgan said, and included in that number the school system personnel in kindergarten through the twelfth grade; the community; the city school board; and the city government. Part of the help from the school board, he added, is the fact that he is allowed to take care of the day-to-day operations of the schools.

"It keeps our system nonpolitical, and allows me to make objective decisions."

Morgan said that Tim Alford, Jim Reese, and Perry Vickers deserved recognition for their work in compiling a presentation for the selection program on the school.

Although Morgan and Carter said that EHS would not be able to re-apply next year, they do not intend to rest on their laurels. "We are going to re-assess and see what we can do better," Morgan said.

Mayor G.C. "Don" Donaldson was asked for his remarks following the announcement of the honor, and said: "I couldn't be more pleased and elated . . . though I can't say I'm surprised. I want to congratulate Mr. Morgan and the school board . . . and everyone, the staff, the students. Enterprise

did it, all of the people helped . . . The entire community deserves the credit."

HOMEWOOD HIGH SCHOOL AND HOMEWOOD MIDDLE SCHOOL

Mr. HEFLIN. Mr. President, it is an honor for me to rise today and pay tribute to one our Nation's outstanding secondary school systems. Two schools from the Homewood city system in Homewood, AL, have been recently named among the Nation's top 202 secondary schools in a study conducted by the Department of Education.

This prestigious honor was bestowed upon Homewood High School and Homewood Middle School after an intense study of 555 nominated schools. The chief State school officer in 48 participating States and the District of Columbia put forth schools for nomination that he or she felt represented excellence in the field of education both on the high school and middle school levels. A panel of education experts then chose 260 of the nominated school for visits, where qualities such as school facilities, student performance, and community involvement were closely scrutinized. From these 260 schools, the panel found 114 high schools and 88 middle schools it felt exemplified superior educational goals as well as superior performance.

Both Homewood High School and Homewood Middle School have been recognized by the Department of Education for their achievements. The study cited Homewood's community support and quality of students as outstanding among the nominated schools. The high school can also boast that 80 percent of its graduates go on to study at 4-year colleges.

Mr. President, I wish to commend Homewood High School and Homewood Middle School as well as the Homewood community for this distinguished honor. The recognition of this award should be shared among thousands of individuals, including teachers, students, parents, and civic leaders. However, I particularly want to mention three people who obviously have been instrumental in the growth and the direction of the Homewood city system. The principal of the high school, Jack Furr, enjoys great support from faculty, students, and parents, and deserves much of the credit for the school's success. Donald Cornutt, the middle school's principal, has truly helped move his school in a positive direction, as shown by the Department of Education's study. Finally, Dr. Michael Gross, superintendent of the Homewood city system, deserves special recognition not only for his current work but also for his involvement in the building of the system some 10 years ago.

Mr. President, I join with all Alabamians, and indeed the Nation, in congratulating both Homewood High School and Homewood Middle School for their outstanding achievements and this great honor.

Thank you, Mr. President.

VIGOR HIGH SCHOOL

Mr. HEFLIN. Mr. President, it is an honor for me to rise today and pay tribute to one of our Nation's outstanding secondary schools. Vigor High School in Prichard, AL, recently has been named among the Nation's top 202 secondary schools in a study conducted by the Department of Education.

This prestigious honor was bestowed upon Vigor High School after an intense study of 555 nominated schools. The chief State school officer in 48 participating States and the District of Columbia put forth schools for nomination that he or she felt represented excellence in the field of education. A panel of education experts then chose 260 of the nominated schools for visits, where qualities such as school facilities, student performance and community involvement were closely scrutinized. From these 260 schools, the panel found 114 high schools and 88 middle schools it felt exemplified superior educational goals as well as superior performance.

Vigor High School has been recognized by the Department of Education for its numerous achievements. The study sighted the positive attitude of Vigor's students as outstanding among the nominated schools.

Mr. President, I wish to commend Vigor High School as well as the Prichard community for this distinguished honor. The recognition of this award should be shared among thousands of individuals, including teachers, students, parents, and civic leaders. However, I particularly want to mention two people who obviously have been instrumental in the growth and the direction of Vigor High School. The principal, Billy Salter, enjoys great support from faculty, students, and parents, and deserves much of the credit for the school's success. Also Dr. Abe Hammons, superintendent of the Prichard school system, truly has helped move the school in a positive direction, as shown by the Department of Education's study.

Mr. President, I join with all Alabamians, and indeed the Nation, in congratulating Vigor High School for its outstanding achievements and this great honor.

Thank you, Mr. President.

AUBURN UNIVERSITY'S NEW PRESIDENT, DR. JAMES E. MARTIN

Mr. HEFLIN. Mr. President, today I rise to recognize the new president of one of my State's fine institutions, Auburn University. On February 15 of this year, Dr. James E. Martin assumed the duties of the office of president at Auburn. He brought with him an outstanding list of qualifications, and, most importantly, an impeccable character.

Auburn University has been blessed through the years with outstanding individuals, both as faculty and students. The largest land-grant university in the State, Auburn enjoys a rich heritage and a hopeful outlook for the future. The selection of Dr. Martin culminated several months of searching by a selection committee, and I believe that this selection will prove to be very beneficial in the years to come.

Dr. Martin is a native of Alabama and a graduate of Auburn. He attended Auburn on an athletic scholarship for basketball and track, and earned a B.S. in agricultural administration; then, he continued on to North Carolina State where he received his M.S. in agricultural economics. Following 2 years of service in the U.S. Army, Dr. Martin attended Iowa State where he earned his Ph.D. in agricultural economics. Between the athletics and academics at Auburn, Dr. Martin also found time to meet the lovely lady who later would become his wife, Ann Freeman. Dr. Martin's academic achievements speak well of him, but the more important qualifications lie within the man.

As I mentioned previously, Dr. Martin is an alumnus of Auburn. It is this close connection that makes his appointment as president of the university so special. It is quite an honor for a man to be asked to return to his alma mater and become its president, especially a university as beautiful as Auburn. Those who have ever visited the campus at Auburn have surely noticed the friendly atmosphere that makes the "loveliest village of the plains" so special. Even Dr. Martin told the press that Auburn was the only place that could ever take him away from his previous position, as president of the University of Arkansas.

Dr. Martin's presidency at Arkansas was quite a successful venture that even earned him national recognition. His insistence on higher admission standards for the university earned him much praise from around the Nation. He was also the motivating force behind a fund raising drive that collected over $10 million for the university. Dr. Martin's outstanding achievement at Arkansas opened the eyes of many people to this man of outstanding ability.

As one may deduct from this brief statement about Dr. Martin, he is a man of both education and character. His drive to achieve, combined with his native intelligence, has created a successful life that holds a very prom-

ising future. As an Alabamian, I feel privileged to have a university as fine as Auburn, and a man as outstanding as Dr. Martin at its helm. I would like to offer Dr. Martin and Auburn University my sincerest congratulations and praise. I know Auburn will continue to provide Alabama and the Nation with educated leaders for tomorrow. Mr. President, I ask unanimous consent that the inauguration speech of Dr. Martin and a speech entitled "The Future of the State University," delivered by Edward Bloustein, president of Rutgers University and chairman of the National Association of State Universities and Land-Grant Colleges, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INAUGURAL ADDRESS

(By James E. Martin)

Governor Wallace, members of the board of trustees, faculty, staff and students of Auburn University, alumni, distinguished guests and friends—we are assembled today to participate in the beginning of a new administrative era following a 128-year history of educational service by the institution now known as Auburn University. During its illustrious and productive history, Auburn University has directly influenced or indirectly affected the lives of practically every citizen of Alabama and many in the region. More recently, it has developed a widely regarded reputation for high-quality undergraduate and graduate resident instruction, a growing applied and basic research program, and public service programs which have given it State, regional, national, and international visibility as a comprehensive university as well as Alabama's premier land-grant university. In addition, Auburn University has earned distinction as a friendly campus, having dedicated faculty and staff, a highly-intelligent student body, an ideal educational environment in the "loveliest village of the plains," and the pervasive Auburn spirit that alumni and friends feel deeply, but find difficult to translate adequately into words. Thus, each of us views this institution from a different perspective, possessing our own individual definition of Auburn University.

Dr. Arthur G. Hanson, chancellor of the Texas A&M University, shared John Masefield's definition of a university with me on the occasion of this inauguration. To provide a common definition consider Masefield's words:

"There are few earthly things more splendid than a university . . . it is a place where those who hate ignorance may strive to know . . . where those who perceive truth may strive to make others see . . . where seekers and learners alike, banded together in the search for knowledge, will honor thought in all its finer ways . . . there are few earthly things more splendid than a university . . . wherever a university stands, it stands and shines; where it exists, the free minds of men, urged on to full and fair inquiry, may still bring wisdom into human affairs."

Auburn University is certainly such a place, and has served in a most admirable fashion all who have walked its hallowed halls or otherwise benefited from its existence.

Today, Auburn University officially recognizes new administrative leadership. The opportunity to serve this fine institution, and the citizens of Alabama, as Auburn University's fourteenth president represents the highest honor which could be bestowed upon an alumnus. In accepting this tremendous challenge, I draw great comfort from the certain knowledge that the dedicated efforts of the past have produced the strong and dynamic university which exists today. I also draw strength from the confidence that, within its people, Auburn possesses the qualities which will assure continued progress to prominence.

I leave to the historians the task of assessing the quality and quantity of Auburn university's past contributions to society. This history will highlight unique individual achievements by Auburn's faculty and alumni, numerous significant contributions to man's knowledge through its research, and thousands of citizens whose lives have been enriched because of our cooperative extension, public service and continuing education programs. Also included will be a description of the growth in the size of the faculty, the student body, the number of new degree programs at the undergraduate and graduate levels, the new facilities for instruction and research in engineering and the biological, natural and social sciences, and expanded programs in the arts and humanities. It will document Auburn's contributions to the social and economic development of the state and region through its outreach programs and services to youth, adults, individual firms and businesses, and professional organizations and commodity groups. It will include the development of an urban campus, Auburn University at Montgomery, and the beginning of this camplus' contributions to education in the Montgomery area. Most importantly, it will recongize the emergence of Auburn as a national university of distinction.

We can do nothing to change the facts surrounding Auburn's first 128 years. We can neither enhance nor detract from those accomplishments which are already a matter of record. It is our task, however, to undertake the planning which will build upon Auburn's sound foundation and previous accomplishments. I believe the ingredients are present for Auburn to make even greater contributions, assuming a leading role in today's rapidly-expanding, high-technology and knowledge-oriented society.

The maximization of future contributions by Auburn University will require the development and execution of a plan for its future. It has been said that no individual or group plans to fail. However, society is filled with groups of individuals and institutions who failed to plan. Because Auburn is such a unique assembly of people and facilities, and because it can have such a significant impact on society, a well-developed plan for the future is essential. To be effective, any such plan for Auburn's future should include consideration of ten basic areas.

First, a review of internal governance and communication within the university is essential. Sound management in modern times will requires that all university constitunts participate fully in developing recommendations for administrative consideration. Provision should be made for improved communications to enhance the understanding and commitment of the faculty, staff and students to the goals which are established for the university's future.

Second, a review of the administrative structure and organization of the university should consider new combinations of disciplines, personnel, staff, and equipment and facilities which would strengthen the programs of the university. The review should consider renaming several schools as colleges, the possible upgrading of one or more departments to school status, and the establishment of new departments. A plan for such organizational changes could improve efficiency with respect to the use of existing educational resources and enhance the continued growth and quality of the university's research program from extramural support.

Third, the university should conclude its current review of its academic calendar and commit itself to a plan of action and calendar which produces the most efficient use of faculty time and university resources. The question of whether Auburn is to remain on a quarter system or convert to a semester system should be resolved early in the planning process.

Fourth, the university must continue its tradition of providing the region's highest-quality instruction. This commitment should involve plans for greater supervision and contact between senior faculty and freshman and sophomore students. Contact should include not only more senior faculty teaching lower division courses, but provisions for additional time for faculty-advising of students. These changes imply additional resources for new faculty needed to reduce the existing high student-faculty ratios in several disciplines.

Fifth, we must embrace a plan which will lead to expanded programs of applied and basic research. With proper incentives and an improved and equitable faculty evaluation and reward system, Auburn University will move to become one of the top fifty research universities in the Nation. This strengthened research program would generate increased grant and contract activity, which in turn support a more ambitious graduate program and contribute positively to the State's economy. Such a program also would serve as a catalyst in attracting to Alabama new technology firms and employers. I envision our grant and contract research program doubling during the next five years. If we succeed, our faculty would create the equivalent of a new $16 million annual research industry through our grants program.

Sixth, to support the additional faculty involved in the instructional program, the expanded research programs and the new graduate students employed in the research programs, consideration must be given in our plan to the expansion of our library and computer resources. I am committed to the goal of having our library qualify for membership in the Association of Research Libraries by 1990. ARL membership of our library will enhance the instruction, research and public service programs of the university. We must also explore new avenues of providing access to sufficient computer equipment so as to ensure "computer literacy" of our graduates and adequate computer capacity for our research scientists.

Seventh, our plan must contain provisions for strengthening our general extension and continuing education programs. Continuing education facilities are needed in Auburn to support workshops, seminars and conferences. We must forge new models for cooperative relationships with businesses and industry. Our school of business can provide leadership in this endeavor. Auburn University possesses tremendous capability for expanded programs of educational assistance

at the State, regional, national and international levels. However, adequate facilities for such purposes are essential if this potential is to be realized. In addition, methods of easing the process of matriculation between Alabama's junior and community colleges and Auburn University will continue to be explored.

Eighth, professional programs, such as agriculture, architecture, engineering, pharmacy and veterinary medicine, are extremely important for Auburn University and for the State's economy. These programs provide instruction for the majority of the baccalaureate and graduate degrees awarded in these professions in Alabama. Thus, we have a special obligation to ensure the highest level of quality in these programs.

Ninth, Auburn's plan must include provisions for a continued increase in its endowment funds from private and corporate sources, since it is unlikely that State-assisted universities will ever be provided resources by the Federal or State Governments adequate to support the highest quality of education. The Auburn generations fund, our current capital campaign, has proved that alumni and others view this institution as a worthy place to invest resources for the future. Additional endowment funds are critical if we are to provide educational opportunities in the form of scholarships for outstanding students and a student environment most conducive to quality instruction.

Tenth, and perhaps most important, faculty and staff are vital ingredients to the quality of our programs, and we must develop plans for professional renewal through sabbatical leaves, off-campus opportunities with other university and industry colleagues, and appropriate consulting assignments. A strong professional renewal program is essential if Auburn is to remain competitive in attracting and retaining outstanding faculty and staff.

As we chart a course for Auburn's future, these ten elements of our plan must be refined. They must be defined in quantifiable terms of resource requirements and identifiable results within a specific time frame. Only by stating our goals in measurable terms can we assess our progress, with respect to achieving the desirable margin of excellence in Auburn's instruction, research and extension programs.

Those of us privileged to serve this institution must recognize our accountability to the citizens of Alabama, our responsibility to our students, and our potential to add strength and quality to the programs of an already outstanding university. In fact, with continued increases in State support of the magnitude recommended to the Alabama Legislature by Governor Wallace, we must intensify efforts to improve the non-State support along with the quality of our programs.

The development and execution of a well-conceived plan will generate returns which far exceed the value of the resources expended. Auburn University indeed can become Alabama's unquestioned center for the application of wisdom to the many dimensions of human affairs on a State, regional, national and international level. To this end I pledge my full support to the board of trustees, the citizens of Alabama, the faculty and staff, students, and Auburn's alumni and friends. I further pledge my full cooperation to those individuals and organizations whose mutual interests are development of the teaching, research and service programs which will elevate an excellent Auburn University to a preeminent institution.

I accept the presidential medallion, this beautiful and highly significant symbol of the Office of President, Auburn University.

THE FUTURE OF THE STATE UNIVERSITY

(By Edward J. Bloustein)

Distinguished guests, ladies and gentlemen:

I am pleased to be able to join you here at Auburn University, one of America's great state research universities, and I am delighted to participate in honoring Dr. James E. Martin on his inauguration as the fourteenth president of Auburn.

I intend to speak to you today about the future of the Nation's state research universities, but, with your sufferance, I would like to begin with some brief general observations on the nature of social change.

Many of us unconsciously assume on occasion that one or another part of the world we cherish bears the mark of eternity, and the experience suffuses warmth and comfort. It is an attitude of mind which nourishes not only personal contentment, but loyalty, and social and political stability as well.

But Charles Darwin taught us long ago to beware lest the emotional and political comfort we thus indulge not be mistaken for rational and scientific appraisal. A faculty colleague of mine, George Levine, recently took the occasion to observe that Darwinism is as much a way of thinking, as it is a theory of biology. It tells us that the Platonic search for eternal essences and final causes may not be as important to our understanding of the world in which we live as the study of origins and change. Darwin, said my colleague, "seems to have domesticated change" as a tool of intellectual insight.

Some of you may remember the magisterial last sentence of "The Origin":

"There is a grandeur in this view of life, with its several powers, having been originally breathed into a few forms or into one; and that, whilst this planet has gone cycling on according to the fixed law of gravity, from so simple a beginning endless forms most beautiful and most wonderful have been, and are being, evolved."

In the beginning, almost a century and a quarter ago, the primal land-grant college and state university was of a simple form. But "whilst this planet has gone cycling on according to the fixed law of gravity" new forms of land-grant colleges and state universities, "forms most beautiful and most wonderful have been, and are being, evolved." Although I cannot assure you with any confidence, as Darwin did, of "a grandeur" in this view of the life of state universities, I ask you now to follow their pattern of evolution with me.

Our state universities were conceived in the Jeffersonian populist tradition of education for democratic citizenship. Although brought forth into the world in a national framework by the federal Land-Grant Acts of 1862 and 1890, they were chartered by the states in the service of local public needs. They educated, primarily at the undergraduate level, a relatively small number of each state's own young men and women, particularly in agriculture and engineering. Indeed, a distinguished historian has characterized their beginnings as a flourish of state 'boosterism'. Their form and finances, no less than what they did and aspired to, bespoke their local origins and intentions.

How our state universities have changed, grown, and prospered! They currently educate millions of students, from within their own states and from without, citizens and foreigners alike, in the fullest range of graduate and professional, no less than undergraduate programs. Moreover, together with some twenty-five leading independent research universities, they conduct perhaps 80% of all of the basic research in the United States—research vital to national prosperity and security. They still serve state pride, to be sure, but they do it by undertaking a national mission, with increasing amounts of their financial support coming from the national budget.

Four simultaneous, intersecting, and interactive conditions, operating slowly and insensibly over long years, but conspicuously and at a gallop since the end of the Second World War, have remade our state universities. Exponential growth in everything they are and do, a profound change in the other types of colleges and universities in the Nation, completely new and surprisingly mixed forms of financial support, and a transformed American economy dependent as never before on knowledge, in general, and science, in particular—these combined have served as a powerful engine of transformation of our state universities. Let me turn to speak of each of these conditions in some more detail.

First, see what the fruits of the expansion of state universities have been. All the colleges and universities of the Nation have extended their scope, but the state universities have done so at a particularly quickened pace. The increase in the numbers of their students and of their faculty, in the size and variety of their programs, and of their physical facilities, is startling. In enrollment alone, from 1960 to 1980, these institutions more than doubled, going from 1,000,000 to 2,150,000 students.

More startling than enrollment growth, has been the change in the character of the student population served. In the early history of the land-grant movement, students came primarily for an undergraduate education, and they came predominantly from the rural areas in which individual state universities were located, rural areas to which they intended to return after graduation.

This early homogeneity of student population and purpose has by now been completely transformed. Beginning in the aftermath of World War II, with the generation of returning veterans, and continuing through the aftermath of the Civil Rights Movement of the 60's, with the generation of minority students, and students of urban America's working classes, an enlarged and manifestly more diverse student population sought educational alternatives and programs never before considered within the province of the traditional state university. Moreover, they came from further and further afield nationally and internationally, and many intended to wander still further after graduation.

A larger, better prepared, more diverse, and more specialized faculty came into the state universities to serve this new student population and their new needs. Whereas the state universities were at one time predominantly institutions for undergraduate study, with a smattering of research, graduate, and professional programs, during the period since World War II, this emphasis has been virtually reversed. Measured by the academic qualification of their faculty, the magnitude and sophistication of the re-

search they undertake, and the portion of it which is externally funded, measured by published research, by the multiplication of the number of post-baccalaureate programs and students, and by the growth of libraries and laboratories—judged by any or all these factors, the state universities of the 80's must be seen as mutations, rather than simply as lineal descendants of the state universities of the last century.

If we look to the more general environment of higher education, we can discover a second strand of change to which the state universities have responded. In most states of the Nation, there was a time when the state university was the only institution in which a poor student, or one with moderate income, could enroll in an undergraduate liberal arts program. This is no longer so.

The 50's and 60's saw the growth of an entirely new two-year public community college system in which a liberal arts program became available at low cost. These decades also witnessed the transformation of the system of state teacher colleges or normal schools into 4-year liberal art colleges which provide wide access. Finally, the 50's and 60's also spawned important developments in our independent colleges and universities: new ones, with little or no endowment, sprang up with the purpose of providing low-cost education to students who would have formerly attended state institutions. At the same time, the more traditional independent colleges and universities began to assume the burden of providing access to students of poor or moderate income through endowment and other sources of financial aid. The scale of what has happened is shown by these comparisons: in 1960, community colleges enrolled 400,000 students; in 1980, they enrolled 4,330,000. During the same period, state college enrollment grew from 750,000 to nearly 3,000,000, and private sector enrollment rose from 1,470,000 to 2,640,000.

The transformation of the surrounding landscape of higher education has affected powerfully both the composition of the student body and the public service mission of the state university. The community and the state colleges now enroll many of the undergraduates who would have formerly enrolled in the state universities. In turn, state universities now have the choice of enlarging the enrolled proportion of the best high school graduates. In turn, this more academically select student body heads more often than in the past for graduate and professional education, and increasingly, as well, these students are recruited on a national, even an international, basis.

Public service, which was once the almost exclusive purview of the state university, is now shared widely with all other segments of higher education. The community and state colleges have adopted much of the previous training mission of the state universities at the non-credit and certificate level. Likewise, large and small independent institutions, searching for state and federal financial support, and attempting to maximize the benefit to be derived from their research efforts, have now incorporated into their missions many aspects of the public service role formerly undertaken by state universities.

Besides the new centrality of research in state universities, and the marked change in other sectors of higher education, a third factor—the development of a multiplicity of funding sources—has also been at work in transforming the state university system. Large-scale federal financial support of research programs which stimulate industrial growth and provide for defense preparedness has been awarded with regard to whether an institution is state supported or independent. This catholicity of federal support has accelerated the trend towards concentration on research which was already at work in the state universities, and as important, it vastly expanded the non-state resources expended within those universities. Whereas they were once supported almost exclusively by one source of tax dollars, they now have two such sources.

On the other hand, federally supported student aid programs undertaken since the end of World War II have not only expanded the proportion of federal dollars in state university budgets they have also begun to bring a significant proportion of tax dollars into the budgets of independent colleges and universities. In 1960, the U.S. Office of Education had $25 million available in student aid; in FY 1980-81, the figure was $4.3 billion for Pell Grants and campus based programs (NDSL, SEOG, CWSP), granted without regard to whether a student is enrolled in a public or independent college or university. Some large portion $1.8 billion, or 42.7%, of that total is expended in independent institutions of higher education.

In order to provide students with freedom of choice of enrollment between public and independent institutions, many states have also provided financial aid to students of independent institutions. The vast increase in federal and state student tuition assistance programs, and the enormous federal expenditure for research, must be seen in the large context of state programs of direct institutional aid to independent institutions, and of the financial subsidy afforded to public and independent institutions alike by a tax system which provides that charitable gifts are given on, and university endowment earns income on, a tax-free basis.

To be sure, there was a time when the state universities were almost exclusively state funded; when they received few federal tax dollars, either directly or as a result of the tax benefits of private giving and non-taxable earnings on endowment. This was also a time when tuition at public institution was low or non-existent, and when independent institutions had little or no state or federal support, directly or indirectly. But what is the situation now?

Typically, state universities now receive only 20 to 40 percent of their support from state revenues, with the remainder divided between fees—now frequently above 30% of educational cost—and federal or private sources. Just as typically independent universities now receive as much as 20 to 30 percent of their support from state and federal revenues, with the remainder divided between fees—which constitute as a percentage of their budgets only some 13% more than they do in state university budgets—and federal indirect support through gifts and endowment, or private contract support. What are the implications for the planning and financing of higher education at the institutional, state, and federal levels of these dramatic ways in which the income side of the higher education budget has changed?

The fourth marked break with the past which raises fundamental new questions about the future of state universities is the advent of the post-industrial age. This is obviously not the time for an extended analysis of the new economic world in which we live; it is enough to say that what is variously known as the technetronic, or information, or service economy makes demands on higher education which are lightyears removed from those of the era in which the state universities arose.

States which were once predominantly agricultural and whose state universities served that predominant interest now invest heavily in high technology. They do so partly because even the future of American agriculture is seen to turn on new developments in the scientifically advanced field of molecular biology; more broadly, however, they do so because the successful application of advanced science to agriculture has increased its productivity markedly, thereby freeing resources to support the diversification of the economic base of even what were previously our most agriculturally oriented states.

By its very nature, high technology requires an extraordinarily large investment in basic scientific research, much of which is best undertaken in a univesity, rather than an industrial setting. The corporate structures to be served very frequently are of a national and international, rather than purely local, character. The kinds of scientific collaboration involved require links between business enterprises and universities, and between public as well as independent univesities, throughout the country. And the industrial base of this development if integrally related to the national defense, which in its turn has become more and more dependent on higher and higher levels of science which are frequently best undertaken in a university setting. State universities which were founded to boost local pride and serve local agriculture and manufacturing are now vital components of national economic and defense policy.

To summarize, the constantly accelerating 20-year evolution of our state universities urgently requires that we reach informed and widely agreed upon conclusions to at least the following questions:

1. What is the appropriate role of research, graduate education, and professional training in contemporary state universities, and what implications do the changes in this role have for their planning, financial support, and accountability?

2. What kinds of students should they enroll?

3. What is the special public service role of state universities, how does this integrate into the rest of their mission, and how is it distinguishable from that of the other segments of higher education?

4. Who should pay for, and who should benefit from this new mix of research, undergraduate and graduate education, and professional training at the state university? And how should their increasing reliance on student fee monies and tax supported voluntary giving affect institutional planning, governance, and public accountability of, and public responsibility for, state universities?

5. What are the implications for public comprehensive research universities of the convergence of their mission with that of independent comprehensive research universities, of the increasing levels of state and federal subsidy of those latter universities, and of the relatively recent emergence of the community and state college systems?

It was in order to help answer such questions that the National Association of State Universities and Land-Grant Colleges, of which I am Chairman this year, established a special study committee, which I also chair. We plan to undertake the first major study of state universities in two decades;

the first attempt to reexamine and restate the mission of these institutions since they were founded over a century ago.

Our program will take place in three phases. First we have commissioned a series of working papers from leading scholars on issues which are central to the the mission of the state universities. These papers will then serve as the centerpieces of five regional conferences to take place during 1984-1985, and to be co-sponsored by the National Association, the National Governors' Association, and the National Conference of State Legislatures. The third part of our program of study will consist of a national wrap-up conference in the fall of 1985 in which we hope to reach a consensus of educators and state and federal legislators on the role of state universities as we approach the year 2000.

The familiar world of higher education you and I once knew, in which privately supported colleges and universities, local and national, were sharply differentiated from publically supported state and community colleges and universities is a thing of the past. There is now an entirely new, and much more complex higher education landscape, in which is to be found a kind of state university unlike any we have known in the past, a state university which I suspect is more like the comprehensive independent research universities than like either other public institutions of higher education, or independent colleges.

To borrow from Darwin again, out of what the Morell Act "originally breathed into a few forms" of state university more than a century ago, "endless forms most beautiful and most wonderful" have evolved. Good sense requires us, as a result, to reassess their mission, their structure of planning, accountability and support, as well as their relationship to the other institutions of higher education in our national system. With the help of this university and its sister universities and colleges throughout the Nation, I hope we will accomplish this purpose, much to our Nation's and our own good.

Thank you and good fortune to this university and its new president!

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

EXECUTIVE SESSION

TREATIES

The PRESIDING OFFICER. Under the previous order, the hour of 11 a.m. having arrived, the Senate will now go into executive session to consider 16 treaties, Calendar Orders Nos. 16 through 18, 21, 22, and 24 through 34.

Thereupon, the Senate proceeded to consider the following treaties:

Ex. T, 96-2, Convention with Canada with respect to Taxes on Income and Capital;

Treaty Doc. No. 98-7, Protocol Amending the Tax Convention with Canada;

Treaty Doc. No. 98-22, Second Protocol Amending the 1980 Tax Convention with Canada;

Treaty Doc. No. 98-21, Protocol to the Tax Convention with the French Republic;

Treaty Doc. No. 98-11, Estate and Gift Tax Convention with the Government of Sweden;

Treaty Doc. No. 98-4, Supplementary Convention on Extradition with Sweden;

Treaty Doc. No. 98-15, Convention with France on the Transfer of Sentenced Persons;

Treaty Doc. No. 98-16, Extradition Treaty with Thailand;

Treaty Doc. No. 98-17, Extradition Treaty with Costa Rica;

Treaty Doc. No. 98-18, Extradition Treaty with Jamaica;

Treaty Doc. No. 98-19, Extradition Treaty with Ireland;

Treaty Doc. No. 98-20, Extradition Treaty with Italy;

Treaty Doc. No. 98-23, Convention on the Transfer of Sentenced Persons;

Treaty Doc. No. 98-24, Convention on Mutual Legal Assistance with the Kingdom of Morocco;

Treaty Doc. No. 98-25, Mutual Legal Assistance Treaty with Italy; and

Treaty Doc. No. 98-26, Treaty with Canada relating to the Skagit River and Ross Lake in the State of Washington and the Seven Mile Reservoir on the Pend D'Oreille River in the Province of British Columbia.

Mr. BAKER. Mr. President, is there controlled time?

The PRESIDING OFFICER. Under the previous order, there will be a total of 10 minutes debate on the resolutions of ratification to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Relations or their designees.

Mr. BAKER. Mr. President, I ask unanimous consent that it be in order to suggest the absence of a quorum and the time to be charged equally.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BAKER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. PERCY. Mr. President, today the Senate considers 16 treaties approved by the Committee on Foreign Relations with recommendations that the Senate give its advice and consent to each agreement.

Two of these are tax treaties and three are protocols to existing tax conventions—Calendar Nos. 16, 17, 18, 21, and 22. I know of no opposition to any of these agreements. Hearings on these agreements took place on April 26. They were unanimously approved by the Foreign Relations Committee on May 21 and have the full support of the Reagan administration. Reports on each of these agreements are available to all Members at their desks.

The five tax agreements before us are additions and modernizations of the broader network of bilateral tax treaties which the United States maintains to relieve our citizens from the burden of double taxation and excessive withholding rates. They are all relatively routine agreements, with the exception of a few issues in some of them, each of which is treated in the committee reports.

Mr. President, given the number and range of the tax treaties before the Foreign Relations Committee, we take special care to consult closely with the tax-writing committees of the Congress. I ask unanimous consent to have printed in the RECORD at this point a copy of the detailed testimony of Mr. Richard Gordon, Deputy Chief of Staff of the Joint Committee on Taxation, on each of these agreements.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

"PREPARED STATEMENT OF RICHARD A. GORDON, DEPUTY CHIEF OF STAFF, AND H. PATRICK OGLESBY AND ALAN L. FISCHL, LEGISLATION ATTORNEYS, STAFF OF THE JOINT COMMITTEE ON TAXATION, HEARING BEFORE THE SENATE COMMITTEE ON FOREIGN RELATIONS

INTRODUCTION

It is our pleasure to appear before you to provide staff assistance on the tax treaties and protocols that are currently under consideration by your Committee. Our staff has prepared pamphlets discussing each treaty and protocol before you; these pamphlets give article-by-article descriptions of the treaties and protocols and generally indicate those provisions that differ significantly from those normally found in U.S. tax treaties. The summaries of each of these pamphlets highlight the provisions of the proposed treaties which present significant policy issues.

In preparing for this hearing, we analyzed the treaties, and also spoke with a number of attorneys, accountants, and business people who are familiar with the treaties. In this process, we worked closely with staff of the Senate Committee on Foreign Relations and with the Treasury Department.

In our testimony before the Committee in 1981 and 1983 in connection with tax treaties and protocols then under consideration by the Committee, we discussed at some length the purpose, function, and overall desirability of tax treaties. We will not repeat that testimony today. (Our 1981 testimony appears in "Tax Treaties: Hearings Before the Senate Comm. on Foreign Relations on

Various Tax Treaties," 97th Cong., 1st Sess., 39-53 & 77-99 (1981).) In general, tax treaties have two main purposes. They are intended to reduce double taxation and to avoid tax avoidance and evasion. The latter purpose generally is achieved in U.S. tax treaties by means of a mutual agreement procedure and a provision for the exchange of information. Tax treaties also perform the important secondary function of removing impediments to international investment and to the free flow of capital generally.

Before you for consideration are proposed new income tax treaties with Canada and Denmark (and proposed protocols to those treaties), a proposed protocol to the existing income tax treaty with France, and proposed estate and gift tax treaties with Sweden and Denmark. The latter would be the first U.S. estate and gift tax treaties with Sweden and Denmark.

In light of the materials already provided to you, we will not describe the features of each treaty in this presentation. Instead, we would like to focus our discussion today on the relatively important tax policy issues presented by various provisions in these treaties.

The proposed treaties and protocols are, for the most part, noncontroversial. The treaties and protocols, however, raise several issues. The proposed income tax treaties with Canada and Denmark contain special foreign tax credit provisions that may allow U.S. residents to credit more foreign tax than would be allowed otherwise under the Internal Revenue Code. These two treaties, along with the proposed portocol to the French treaty, contain anti-treaty shopping provisions that are less comprehensive than those of the U.S. model treaty and some recent U.S. tax treaties. Because Denmark, under its internal law, does not impose a withholding tax on interest derived by nonresidents and, under the proposed treaty, taxes dividends paid by Danish companies to U.S. shareholders at a very low effective rate, treaty-shopping potential under the proposed Danish income tax treaty could be a significant concern. Treaty-shopping potential appears less of a concern under the proposed Canadian treaty and under the proposed protocal to the French treaty since both Canada and France are high-tax countries. In particular, both countries generally impose substantial withholding taxes on payments from domestic sources to foreign entities.

Another issue raised by the proposed income tax treaties with Canada and Denmark is whether treaties should allow U.S. persons U.S. tax deductions to which they would not otherwise be entitled under the Internal Revenue Code. The Canadian treaty would permit a deduction for contributions to certain Canadian charitable organizations and the Danish treaty a deduction for certain child support payments to Danish children. The granting of deductions by treaty was criticized by the Chairmen of both the Ways and Means and Finance Committees in statements submitted to this Committee in connection with its consideration of treaties in 1981. While there are special considerations in the case of Canada, the Danish provision breaks new ground and raises serious questions.

The proposed income tax treaties with Canada and Denmark also define the countries more broadly than the present treaties to include expressly their respective portions of the continental shelf. This makes it clear that income earned by U.S. residents from natural resource extraction, principally of oil, along the Canadian and Danish portions of the continental shelf will be from Canadian and Danish sources, respectively, and therefore generally will be taxable by those countries under the new treaties. Under the present treaties with Canada and Denmark, such income of U.S. residents arguably would not be taxable by Canada or Denmark.

Both Canada and Denmark have imputation tax systems. In general, these systems partially relieve the double taxation of corporate earnings by providing resident shareholders with a tax credit for dividends received from resident companies. The question whether countries with imputation systems should extend relief to nonresident shareholders in income tax treaties, therefore, arises. The proposed treaty with Denmark, like the existing treaties with the United Kingdom and France, would grant a limited imputation credit to U.S. shareholders for dividends received from Danish companies. The proposed treaty with Canada would not extend imputation relief to U.S. shareholders. However, the proposed treaty would reduce the present treaty rate of withholding tax on dividends, thus arguably providing some relief from double taxation of corporate earnings to U.S. investors in Canadian companies.

The proposed treaty with Canada allows the United States to impose its tax on Canadians who dispose of U.S. real property interests, but allows continuation of the present treaty exemption through at least 1985, and allows Canadian investors a stepped-up basis that prevents U.S. tax on appreciation that occurs prior to the end of the year in which the treaty enters into force. In addition, it prevents the United States from imposing its tax on social security benefit payments to Canadian residents who are not U.S. citizens.

The estate tax treaty with Sweden is not controversial, but the estate tax treaty with Denmark raises a serious issue. That treaty effectively requires the United States to allow a 100-percent marital deduction for transfers by Danes or Danish decedents, while Denmark will be able to tax transfers by Americans and American decedents. This lack of reciprocity is a serious concern. These and other issues are discussed in greater detail below.

In the past, the Committee has recommended a reservation or an understanding on a particular provision of certain treaties and protocols. However, in most cases the provisions of the treaties and protocols before you today are not sufficiently troublesome or controversial that recommendation of a reservation or understanding with respect to any particular treaty provision need be seriously considered. The one provision on which we recommend a reservation is the lack of a reciprocal martial provision in the Danish estate tax treaty. Also, we believe in certain instances the Committee may want to consider stating in its report accompanying the resolution approving ratification that a particular provision is intended to be interpreted in a certain way or that the policy reflected in a particular provision is not viewed as precedent for future U.S. tax treaty negotiations. Indeed, in some of these areas the Committee may want to recommend that, subsequent to ratification of these treaties, the policies embodied in certain provisions be reexamined by the Treasury Department, both in the context of legislative changes and in the context of the U.S. treaty negotiating positions.

One concern that we do have with these, and other recent U.S. income tax treaties, is their complexity, specificity and resulting length. Both the Canadian and Danish income tax treaties are examples, although Canada, because of the level of investment and population flows, is unique. It would be useful for the Committee to remind the negotiators that, as indicated above, tax treaties have two, and only two main purposes: the mitigation of double taxation, and the prevention of tax avoidance and evasion. It often appears that the fact that treaties are general efforts at minimizing double taxation rather than mini-internal revenue codes is obscured. As our Internal Revenue Code has shown, attempting to deal in a very specific and highly technical way with every problem lead to greater and greater complexity. The more complex the rules become the easier it is for taxpayers to manipulate them to avoid tax, which in turn leads to disrespect for the tax system generally. We are concerned that the fine tuning seen in recent treaties is an extension of that trend to treaties, and that attempts at meshing precisely two complex systems will lead not to the elimination of double taxation, but rather to elimination of tax in both countries.

While we do not recommend any specific action on these treaties with resepct to the complexity issue, we believe this tendency toward complexity is something that should be avoided in the future.

I. INCOME TAX TREATY (AND PROPOSED PROTOCOLS) WITH CANADA

The proposed income tax treaty with Canada, as amended by two proposed protocols, is generally consistent with other U.S. income tax treaties and with the U.S. model income tax treaty. However, it differs in a number of respects from other U.S. treaties and from the U.S. model.

The proposed treaty, without the two protocols, was the subject of hearings before this committee in 1981. At that time, our staff and others raised a number of issues.[1] The Chairmen of the tax-writing committees of Congress expressed particular concern about the taxation of Canadian investors in U.S. real property. The two protocols have made some significant changes in the proposed treaty since this Committee held hearings on the proposed treaty in 1981. Some of those changes protect the United States' tax base. Most significantly, the treaty now conforms more closely than it did to the U.S. tax rules that apply to foreign investors in U.S. real property (although it does not conform totally). The rules that still do not conform are transition rules. Some changes, however, reduce the United States' tax base, such as the obligation not to tax U.S. social security payments made to Canadian residents. In addition, the treaty provision that makes Canadian taxes creditable is now retroactive to taxable years beginning in 1981 and thereafter. These taxes may have been creditable even without the treaty, though.

Importance of ratification

The proposed treaty with Canada deals with many issues that have arisen over a number of years. The present treaty, as amended, is over 40 years old and does not adequately address the current economic relationships between Canada and the United

[1] For the convenience of the Committee, our prepared statement contains relevant portions of our 1981 testimony.

States. Canada is our most important trading and investment partner. Also, its physical proximity and the similarity between the two countries in language and in background make the personal relationships between the two countries among our closest. The proposed treaty contains a number of provisions that reflect these close personal and economic contacts. For example, it solves some problems of concern to persons who move between the two countries, and permits a deduction to residents of the one country for charitable contributions to universities in the other country which they or their family attended. It contains rules that may help to settle disputes as to the taxation of persons who move from one country to the other for short periods of time. It provides and coordinates rules relating to taxation of capital gains. It solves some problems involving corporate reorganizations, and it improves the administrative provisions in the present treaty.

Among the most significant benefits provided to United States taxpayers under the pending treaty is a reduction in dividend withholding rates from the present 15 percent to 10 percent if the recipient owns 10 percent of the voting stock of the paying corporation. Furthermore, when compared to the existing treaty, the proposed treaty contains significantly expanded protection for United States taxpayers against discrimination by Canada.

In some cases, a particular taxpayer or industry receives better treatment under the present treaty than under the proposed treaty. Since the treaty is essentially a compromise between the conflicting interests of the two countries which have changed in a variety of respects since the present treaty was entered into, that result is not unexpected. The central issue is whether the final agreement represents a bargain which is sufficiently favorable overall to the United States that it should be ratified.

The proposed treaty was under negotiation for approximately nine years. We have talked with a number of former Treasury officials involved in the negotiation process. They generally believe that the treaty is the most favorable result they could expect on a number of the important points such as nondiscrimination and the withholding rate on dividends. In general, they believe the treaty to be a good one and a vast improvement over the present treaty.

For a number of reasons, the pressure from Canadian business groups to agree to a new treaty may be less substantial than for the United States. One is that there is more U.S. investment in Canada than Canadian investment in the United States. Accordingly, the larger share of the benefits of the reduction in source taxation of direct investment dividends accrues to the United States taxpayers. Thus the reduction in the withholding tax on direct investment dividends from the present 15 percent to 10 percent in the proposed treaty is a significant concession by Canada.

Even for those Canadian businesses investing in the United States, the proposed reduction in the U.S. tax on dividends paid by U.S. subsidiaries to Canadian parent companies apparently is not that significant because much of that investment is routed through the Netherlands. This is due to a form of treaty-shopping by which many Canadian direct investors may be able to receive dividends from the United States at the 5-percent tax rate provided for in the treaty between the United States and the Netherlands. This result is possible because under the Dutch-Canadian treaty there is no Dutch withholding tax on certain dividends paid from Dutch companies to their Canadian shareholders.

Discussed below are the significant issues that were brought to our attention in the course of our analysis of the treaty and discussions with outside persons, other staff and staff from the Treasury.

Nondiscrimination

The United States generally insists that its tax treaties contain a broad nondiscrimination provision that would prohibit the treaty partner from discriminating against United States investors. At the insistence of Canada, the nondiscrimination provision in the proposed treaty is not as comprehensive as that sought by the United States or as that contained in the United States or the OECD Model treaties or the United Nations Model. It is much broader than that contained in the present Canadian treaty which only applies to individual United States citizens resident in Canada. We understand that the provision is the broadest agreed to by Canada in any of its treaties. We also understand that a number of United States negotiators generally believe that Canada simply would not agree to a broader provision.

The area of concern is the treatment of Canadian corporations owned by U.S. shareholders. The U.S. model would prohibit Canada from taxing that Canadian corporation any less favorably than a similarly situated Canadian corporation owned by Canadian shareholders. In contrast, the proposed treaty only prohibits Canada from taxing a Canadian corporation owned by United States interests less favorably than a Canadian company owned by residents of any third country. For example, a Canadian company owned by United States residents cannot be taxed in a more burdensome manner than a Canadian company owned, for example, by a Swiss resident is required to be treated under the Swiss-Canadian income tax treaty. However, a Canadian subsidiary of a United States company can be taxed in a more burdensome manner than a Canadian company owned by Canadians. In effect, the United States is given most favored nation status. The present treaty does not provide for such most favored nation treatment.

The effect of this article on U.S. and Canadian investors is not reciprocal. The United States has obligated itself to treat foreign-owned U.S. corporations as well as U.S. corporations. Granting most-favored nation status to Canada obligates the United States to treat Canadian-owned U.S. corporations as well as U.S.-owned corporations. Canada does not promise, however, to treat U.S.-owned Canadian corporations as well as Canadian-owned Canadian corporations. There is an argument, however, that the duty of nondiscrimination that the treaty imposes on the United States does not represent a substantial concession by the United States, because the United States does not discriminate against foreign-owned corporations.

Staff understands that the Canadian tax system contains other features that discriminate against foreign-owned Canadian companies. One particular area is that Canada may require a higher ratio of equity to debt of foreign-owned corporations than of locally owned corporations. However, the requirement would appear to be an appropriate anti-avoidance requirement and, as such, consistent with the overall purpose of the treaty.

Some might question the wisdom of entering into a treaty with a developed country that permits a broad form of discrimination. Such a provision might be viewed as precedent for future negotiations particularly with developing countries that tend to want to discriminate to encourage local ownership of resources. Furthermore, it has been the long-standing policy of the United States not to agree to discriminatory treatment. The discriminatory treatment permitted here is prohibited by the OECD model convention. See Article 24(b). Canada reserved its position on the entire article. Commentary on the Articles of the OECD Model Convention, Article 24, paragraph 61, pg. 174.

However, our discussions have given us little reason to doubt that Canada is unlikely to grant nondiscrimination protection to United States controlled Canadian companies.

On balance, we do not believe that the nondiscrimination article presents a serious enough problem to warrant action. Rejection of the treaty (or a reservation that Canada rejects) will not by itself end the discrimination by Canadians against United States-owned Canadian companies.

If the Committee feels that the nondiscrimination issue is of special importance, it may wish to include a statement in its recommendations emphasizing its concern and urging the Treasury to resist strenuously similar provisions in future treaties. It may, however, wish to distinguish between developed and developing countries for this purpose.

Natural resource income

The present treaty contains an overall 15-percent limit on the rate of tax that either country can impose on investment income paid to residents of the other country. The proposed treaty, consistent with the U.S. model and general tax treaty standards, removes this overall limitation but replaces it with limitations on the level of source-basis taxation of various types of investment income. However, minerals rents and royalties are income from real property which under the real property article (Article VI) may be taxed without limit by the country of source. Accordingly, the Canadian tax on mineral royalties will be increased to the Canadian statutory rate (25 percent of the gross royalty). The United States rate will increase to the statutory 30-percent rate. The proposed treaty contains a transition rule that will keep the lower 15 percent rate for one additional year only.

The provision will primarily affect United States persons who receive royalty income from natural resource operations in Canada. There are, however, Canadian royalty interests in United States resources and the United States Treasury will increase its revenues in those cases.

The exclusion of mineral royalties from any treaty limitation on the level of withholding taxes is consistnet with present United States treaty policy and the OECD model convention. It is consistent with most current United States tax treaties.

In connection with the 1981 hearings on this treaty, affected United States taxpayers argued that investments were made taking into account the 15-percent limit in the current treaty, and raising the tax on the royalties from that investment could make them noneconomic. Also, some expressed concern that once the present treaty is approved Canada will increase its tax on royalties, perhaps significantly. How-

ever, in an Exchange of Notes dated June 14, 1983, the United States and Canada have agreed to resume negotiations promptly if either country increases the statutory tax rate that now applies to natural resource royalties paid to nonresidents.

It would be difficult to recommend strong action with respect to a provision that reflects current United States and international standards. However, we are not starting from scratch, and thus certain alternatives might have been considered. One would be to grandfather existing mineral interests by giving them the current 15-percent rate. Another would be to have a longer transitional period followed by a phase out of the limitation. This would give investors time to adjust. An alternative would be to provide a much higher limit, for example 25 or 30 percent, which would permit Canada to increase the tax burden on United States mineral resource investors, but would give some comfort, beyond that of the Exchange of Notes, to United States investors against greatly increased Canadian taxation. These approaches were apparently rejected, and we believe that the Exchange of Notes reflects the best resolution of any problems.

Benefits under Canadian integrated tax system

In 1972, Canada introduced a new system of taxing income from corporations that partially combines or integrates the tax paid by the corporation on its earnings with any tax paid by the shareholder with respect to distributions from the corporation.

Under the Canadian system, a Canadian corporation pays tax at the normal rates whether or not the earnings are distributed. At the shareholder level, shareholders who are Canadian residents include the dividend in their income and also "gross-up" the dividend by an amount equal to 50 percent of the dividend. That is, the shareholder reports as income the dividend plus an amount equal to 50 percent of the dividend. The shareholder may then credit an amount approximately equal to the gross-up against his tax otherwise due. The credit offsets both Canadian and provincial tax to reach this result. Unlike some other systems, like that of Denmark, no cash refund is made if the credit exceeds the taxpayer's total Canadian tax liability.

The intent of this system is to partially relieve double taxation of distributed corporate profits. At times, the effect can be the total elimination of Canadian tax on dividends. Nonresident shareholders do not get the imputation credit. Accordingly, nonresident shareholders may be subject to a higher combined corporate and personal tax than a Canadian would be.

Relief is granted to United States shareholders by United States treaties with France and the United Kingdom, both of whom also have partially integrated corporate tax systems. In those two treaties, the relief takes the form of a refund to the U.S. shareholder of the appropriate amount of tax paid at the corporate level. As discussed below, relief, in the form of an imputation credit, would also be granted to United States shareholders under the proposed new United States treaty with Denmark. In the proposed Canadian treaty, no refund to U.S. shareholders is provided. However, at least partial relief is granted by the limitation on dividend withholding taxes. It should also be noted that under Canadian law, a nonresident shareholder does not "gross-up" his dividend from a Canadian corporation by the amount of the imputation credit. Accordingly, the amount of the U.S. shareholder's taxable dividend is lower than that of a Canadian shareholder.

The Canadian situation is distinguishable in certain respects from that with the United Kingdom and France. The French relief is limited in that it applies only to portfolio investment. Both France and the United Kingdom have generally extended relief to investors from other countries comparable to that extended U.S. investors. The policies of the United Kingdom and Canada are different. The United Kingdom has traditionally welcomed United States investors and the granting of imputation relief is consistent with that philosophy.

By contrast, the Canadians have refused to extend the imputation credit in their treaties. The Canadians are not seeking United States investors in their industries. Also, Canadians have made what they consider to be a significant concession to the United States in lowering the dividend withholding rate at source to 10 percent from the present 15 percent.

Some concern has been expressed that the treaty without specific relief for U.S. shareholders will be precedent for negotiations with other countries, particularly Germany.

If the Committee considered relief for United States shareholders under imputation systems important, it could urge the Treasury not to agree to future treaties without such relief, at least with certain countries. However, this could tie Treasury's hands and preclude future treaties that on balance may be in the United States' national interest.

Canadian investment in United States real property

The proposed treaty also contains certain provisions that would limit the United States taxation of Canadian investment in United States real estate provided for in the Foreign Investment in United States Real Property Tax Act that was enacted at the end of 1980. However, the proposed first protocol has brought the proposed treaty into closer conformity with the U.S. tax rules taxing foreign investors in U.S. real property than when this Committee held its hearing on the treaty in September 1981.

The Act generally applies to tax the gain on sales made after June 18, 1980. The legislation specifically overrode real estate rules in existing treaties if those rules conflicted with its provisions. However, the legislation did not apply in those cases until January 1, 1985.

The present treaty contains a reciprocal exemption from tax for gains from the disposition of real estate. Accordingly, under the present treaty, Canadian and United States residents could continue to sell property located in the other country free of source country tax.

Under the legislation a foreign investor is taxed on his entire gain realized on the sale of United States real estate regardless of when purchased. Congress decided not to give a step-up in basis (or fresh start) to fair market value as of the effective date of the legislation. Under the proposed treaty, however, gain would in effect be taxable only to the extent it occurred after the treaty goes into force. Taxpayers can show the actual amount of appreciation or use a monthly proration rule. The fresh-start basis provided in the treaty will principally be of benefit to Canadian investors in U.S. real estate because the Canadian capital gains tax has a general fresh start as of 1975.

In addition, the proposed treaty contains a special effective date rule that allows taxpayers to benefit from the rules of the current treaty that are more favorable than those of the proposed treaty through the first taxable year that begins on or after January 1 of the year of ratification. The effect of this rule, for Canadian investors in U.S. real property, is to allow treaty exemption for U.S. real estate gains of Canadian investors through the first taxable year that begins on or after January 1 of the year of ratification, even in cases where the step-up in basis is not available. If ratification occurs in 1984, then U.S. real estate gains of Canadian investors will generally be exempt through at least all of 1985. In the case of some fiscal year taxpayers, gains will be exempt through November 30, 1986. Treaty exemption for non-Canadian investors will end at the end of 1984.

This delayed effective date may allow Canadian investors additional time to plan and to arrange their affairs to avoid virtually all U.S. and Canadian tax on the appreciation of the U.S. real property prior to the delayed date. For example, if a Canadian corporation owns all the shares of a U.S. corporation whose principal asset in U.S. real property that it uses in a U.S. business, and if the U.S. corporation liquidates into the Canadian corporation, the liquidation is free of Canadian tax. Moreover, the Canadian corporation takes a stepped-up basis for Canadian tax purposes in the U.S. real property. The present treaty, as extended through at least 1985, exempts the transaction from U.S. tax as well. The Canadian corporation takes a carryover basis for U.S. tax purposes, but if it sells the property before the delayed effective date, the sale may well be free of U.S. tax. The sale will bear Canadian tax only to the extent of the appreciation between the liquidation and the sale. Thus, the transfer during this period avoids any significant U.S. or Canadian tax on appreciation that occurs before the delayed effective date of the proposed treaty, even for property not eligible for the treaty's step-up rule. A proper purpose of income tax treaties is to prevent double taxation, but it is questionable policy to extend current rules that eliminate U.S. tax on income that is not subject to tax in any other county.

Notwithstanding the arguments against the extension of current treaty rules for an additional year, the extension benefits some U.S. owners of Canadian real estate and U.S. recipients of Canadian resource royalties.

Exempt organizations

Unlike other United States tax treaties generally, the proposed treaty would exempt charitable organizations of either country from tax imposed by the other to the extent they are exempt in their home country. In addition, Canadian private foundations which receive substantially all their support from non-United States persons would be exempt from the 4-percent United States excise tax on income of private foundations. An exemption is also provided for pension funds but the exemption is limited to interest and dividends received from sources within the other country. Accordingly, Canadian pension funds could invest in debt obligations of United States persons and stock of United States corporations free of tax.

It is our understanding that this provision represents a concession primarily to Canadian charities and pension funds. The Committee should be aware that in recent years bills have been introduced that would grant an even broader exemption to foreign pen-

sion plans. These bills have not been reported out of Committee. United Kingdom and Dutch pension plans have expressed an interest in the exemption. It can be anticipated that approval of this provision in this treaty will encourage them to seek similar relief.

Foreign tax credit

The proposed treaty specifically provides that taxes paid under Canada's general corporate income tax system are creditable income taxes under the treaty. The proposed treaty also contains a provision generally found in United States income tax treaties to the effect that it will apply to substantially similar taxes that either country may subsequently impose. It also contains a provision that it will apply to taxes on capital that either country may later impose.

In general, for most taxpayers there appears to be little doubt that the taxes described as creditable under the treaty are creditable in any event. The only significant question as to the creditability under the Code rules of any of the Canadian taxes covered by the treaty appears to be confined to the Canadian corporate tax as it is imposed on income from the exploitation of natural resources. Natural resource companies are subject to certain special rules that deny them certain deductions in computing their Canadian general corporate tax. The denial of these deductions creates some uncertainty as to whether the general corporate tax as imposed on such income qualifies for a foreign tax credit under the Code.

The proposed treaty makes creditable the general Canadian corporate tax even though Canada has enacted a low flat-rate tax on natural resource revenues that is not deductible in computing income under the general rules of Part I of the Canadian Income Tax Act. The original Treasury technical explanation indicated that an 8-percent tax on oil and gas production revenues would not affect the creditability of the general corporate tax. Canada has now imposed a flat rate tax on natural resource income with an effective 12-percent rate. Treasury now indicates that the general corporate tax will be creditable under the treaty notwithstanding imposition of the nondeductible resource tax at this higher rate. While the proposed treaty would resolve the doubt as to creditability of the Canadian corporate tax as presently imposed on natural resource income, that treaty credit only applies if Canada does not make substantial changes in the tax. It is unclear whether or how much Canada could raise this tax without affecting the creditability of the general Canadian income tax as applied to natural resource income.

The Internal Revenue Service has ruled that the general corporate tax was creditable before Canada imposed the full effective 12-percent non-deductible tax that now applies, but has not ruled on the tax as in effect currently. It is not clear that the Service would rule that the current tax is creditable. In this particular case, however, it can be argued that the economic substance of the tax is sufficiently comparable to United States notions of what constitutes an income tax even with a higher gross receipts tax that it does not require a major departure from applicable tax policy principles to treat the Canadian tax as a creditable tax. Thus, the treaty in this case can be viewed as merely overcoming any possible technical obstacles to the creditability of the Canadian tax under the Code rules.

Another issue is whether Canadian taxes that are creditable only by virtue of the treaty should be permitted to offset U.S. tax by income from other foreign countries. Before amendment by the proposed protocol, the proposed treaty would not have allowed that result. Treasury regulations issued between the signing of the proposed treaty and the proposed first protocol that define foreign taxes that are creditable may make these taxes creditable without regard to the treaty. After amendment by the proposed protocol, the proposed treaty allows any taxes that are creditable only by virtue of the treaty to offset U.S. tax on income from other foreign countries. If the treaty allows taxpayers to credit otherwise noncreditable Canadian taxes that are high, U.S. taxpayers who pay such taxes may have an incentive to invest in low tax foreign countries rather than in the United States. However, any Canadian taxes on extraction income that the treaty makes creditable can be used only to offset U.S. tax on low-taxed foreign extraction income.

Allowance of deductions to U.S. persons

The proposed treaty contains two provisions that give United States taxpayers deductions not permitted under the Code. This represents an expansion of general treaty policy, although one of the provisions, the allowance (on a reciprocal basis) of charitable deductions for contributions to Canadian charities, is in the present treaty.

The proposed treaty contains a provision that would permit United States persons to deduct expenses incurred in attending business conventions in Canada. At the time this provision was negotiated, deductions for conventions held in all foreign countries, including Canada, were subject to substantial restrictions pursuant to amendments to the Code made by the 1976 Act. However, the Code was amended in 1980 to permit deductions for conventions in Canada and Mexico on the same basis as those held in the United States and its possessions. Accordingly, the treaty provision would no longer have any impact on United States taxpayers attending Canadian conventions. In 1983, Congress passed the Caribbean Basin Initiative, which permits deductions for conventions in certain Caribbean Basin countries that agree to exchange tax information with the United States on the same basis as U.S. conventions.

Unless a contrary intention is expressed by the Senate, however, the inclusion of this provision in the treaty could be taken as precedent for other negotiations. It should be noted that Canada also has statutory provisions denying Canadian taxpayers deductions for attending foreign business conventions, so the principal impact of the provision is to allow Canadians deductions for Canadian tax purposes for attending business conventions in the United States.

The proposed treaty also permits United States persons a deduction for contributions to Canadian charities and Canadian persons a contribution to United States charities. The present treaty (like the proposed treaty with Israel) contains a similar provision.

It has been argued that treaties should not be used to grant deductions to United States persons because they are not necessary to limit double taxation. On the other hand, the special relationship between the United States and Canada may warrant special rules in this case.

Antitreaty shopping provisions

Most recent U.S. treaties (and the U.S. model) contain provisions that limit the use of the treaty by corporations and other legal entities to those that are controlled by persons who are residents of the treaty partner. The United States has recently terminated a number of treaties that afforded treaty shopping opportunities. The proposed treaty contains only limited anti-treaty shopping provisions. These provisions deny treaty benefits only to certain trusts and to Canadian nonresident owned investment companies.

While an argument might be made that a broader anti-treaty shopping provision is appropriate, Canada is a high tax country that imposes taxes on resident entities at rates comparable to U.S. rates. Canada also imposes significant withholding taxes on payments from Canadian entities to foreign investors. Also, Canada has a history of concern about tax avoidance and evasion, and has recently repealed the rules that allow creation of nonresident owned investment companies (although existing nonresident owned investment companies can continue to exist). The one concern would be that abuse possibilities could develop in the future, and it has proved difficult to renegotiate treaties once abuses develop.

Exemption for Social Security payments to Canadian residents

The proposed treaty would eliminate the United States tax on social security benefit payments to Canadian residents (unless they are U.S. citizens). This tax was part of a comprehensive legislative solution to social security problems. The tax on nonresident aliens goes into the Social Security Trust Fund. The treaty's prohibition on U.S. tax on Canadian residents would reduce the Fund's receipts by about $10 million each year.

In imposing the tax on social security benefit payments to nonresident aliens in 1983, Congress indicated that it did not intend to override treaties in force at the time of the enactment of the legislation, such as those with Japan and the United Kingdom, that prevent U.S. taxation of social security payments made to residents of the treaty partner (unless they are U.S. citizens). It can be argued that this tax, although recently enacted, should not be subject to special scrutiny. In enacting the tax on foreign investors in U.S. real property, by contrast, Congress overrode treaties, and sought to limit the extent to which future treaties could override that legislation. However, it can be argued that failure to override should not be construed as indicating a willingness to waive jurisdiction to impose the tax in the future.

Denial of Canadian tax deductions for advertising carried by U.S. broadcasters

Since 1976, Canadian tax law has denied deductions, for purposes of computing Canadian taxable income, for an advertisement directed primarily to a market in Canada and broadcast by a foreign television or radio station. Canadian law contains a similar provision for print media. The purpose of this provision was to strengthen the market position of Canadian broadcasters along the U.S.-Canadian border.

At the time Canada adopted this provision, the United States and Canada were renegotiating the income tax treaty between the two countries. The Treasury Department negotiators raised U.S. concerns with the Canadians, but the Canadian negotiators refused to discuss this provision.

At one time it was suggested that the treaty should address this point. Recently, however, the Senate Committee on Finance reported legislation that would deny deductions or expenses of advertising primarily

directed to U.S. markets and carried by a foreign broadcaster, if the broadcaster were located in a country that denied its taxpayers a deduction for advertising directed to its markets and carried by a U.S. broadcaster. Although the bill does not mention Canada by name, Canada is the only known country to which the bill would apply. This legislation would not violate the proposed treaty, and it requires only an Act of Congress, and not the consent of Canada.

Canadian legislation interpreting treaties

The Canadian Government has introduced legislation (the proposed "Income Tax Conventions Interpretation Act") in Parliament that would provide that, absent an indication to the contrary, undefined treaty terms are to have the meaning that they have under internal law as it changes from time to time. This legislation would overrule *The Queen* v. *Melford Developments, Inc.*, 82 Dominion Tax Cases 6281 (1982), decided by the Supreme Court of Canada, which held that such treaty terms have the meaning they had under internal law at the time of the making of the treaty. The view that treaty terms change with internal law as it changes from time to time generally comports with the U.S. view of the meaning of treaty terms.

That proposed Canadian legislation, as originally introduced, would have applied retroactively. It would have specified that, notwithstanding any tax treaty, Canada includes and has always included the Canadian Continental Shelf. Therefore, Canada would have the right to tax income arising on its Continental Shelf. The retroactive application of the legislation's proposed definition of Canada was of particular concern to U.S. drilling contractors that operated on the Canadian Continental Shelf. The Canadian Government has reintroduced the proposed Income Tax Conventions Interpretations Act, but has made it prospective for taxable years ending after June 23, 1983. In addition, a January 26, 1984, competent authority agreement has substantially restricted the ability of Canada to impose tax on U.S. drilling contractors that operate on the Canadian Continental Shelf. This restriction applies retroactively as well as prospectively.

In addition, the proposed Income Tax Interpretation Act prevents non-Canadian taxpayers from using treaties to lower their Canadian taxes below the taxes that comparable Canadian taxpayers would pay. The current U.S.-Canada treaty allows the deduction of all expenses reasonably allocable to a Canadian permanent establishment of a U.S. resident. By statute, however, Canada does not allow taxpayers (whether or not Canadian residents) to deduct certain expenses, including the petroleum and gas revenue tax or provincial income or mining taxes or resource royalties. Canada, by statute, allows a "resource allowance" deduction; this deduction is at least incurred in the petroleum business. Some U.S. taxpayers with Canadian permanent establishments contend that they may deduct, for Canadian purposes, (1) both the statutory resource allowance and (2) the actual expenses that Canada's statute makes nondeductible. The proposed Canadian legislation makes it clear that nonresidents of Canada that do business in Canada through Canadian permanent establishments may deduct only the amounts deductible by a comparably situated Canadian resident. This legislative provision, too, will apply only to taxable years ending after June 23, 1983.

II. INCOME TAX TREATY (AND PROTOCOL) WITH DENMARK

The proposed new income tax treaty with Denmark, as amended by the proposed protocol, is similar to a number of recent U.S. income tax treaties and to the U.S. and OECD models.

The income tax treaty and protocol with Denmark deal with a number of issues that have arisen over the years. The present treaty with Denmark is over 30 years old. It no longer adequately addresses the economic relationship between Denmark and the United States.

The proposed treaty and protocol provide some benefits to U.S. taxpayers not found in the existing treaty. In 1976, the Danish corporate and individual income taxes were partially integrated to reduce the double taxation of corporate earnings. Double taxation of these earnings is reduced under Danish law by granting Danish resident shareholders an imputation credit against Danish tax equal to a percentage of the amount of dividends received from Danish resident companies. The proposed treaty and protocol provide an imputation credit to U.S. investors in Danish resident companies. The effective rate of Danish tax on Danish-source dividends paid to certain U.S. corporate investors is reduced to one-quarter of one percent as a result of the Danish imputation credit, coupled with the reduction of the Danish withholding tax rate applicable to Danish-source dividends paid to these investors that is carried over from the existing treaty. The effective rate of Danish tax on Danish-source dividends paid to other U.S. investors is reduced to 2.25 percent as a result of the imputation credit, coupled with the reduction of the Danish withholding tax rate carried over from the existing treaty. The imputation credit and the Danish imputation system are discussed in more detail below.

The proposed protocol benefits U.S. oil companies by providing that the income tax imposed under the Danish Hydrocarbon Tax Act adopted by Denmark in 1982 will be creditable for U.S. foreign tax credit purposes. In the absence of this provision, income tax imposed under the Danish Hydrocarbon Tax Act probably would not be creditable under Treasury regulations governing the creditability of foreign taxes. This provision, too, is discussed in more detail below.

If the Committee decides to recommend that the Senate advise and consent to the ratification of the proposed treaty and protocol, quick action would benefit many U.S. taxpayers. The imputation credit will be available for Danish-source dividends paid or credited on or after the first day of the second month following the date the treaty and protocol enter into force. Once the proposed treaty and protocol enter into force, the credit against U.S. tax for Danish hydrocarbon taxes paid by a U.S. taxpayer will be available retroactively for taxable years beginning after 1982.

In general, we are not aware of any substantial controversy concerning the proposed treaty and protocol. The protocol and treaty do, however, contain a few provisions worthy of special note, two of which have already been mentioned briefly. These provisions, and the issues they raise, are discussed below.

Imputation credit

As indicated above, the treaty contains an important, new provision under which U.S. residents generally receive a credit against Danish tax with respect to dividends received from Danish resident companies. Subject to some exceptions, the effect of this credit, coupled with the reduced rates of withholding tax on dividends also provided in the treaty, is to reduce to nearly zero the effective Danish rate of tax on dividends paid by Danish resident companies to U.S. investors.

The inclusion of this provision reflects Denmark's introduction in 1976 of a credit (or imputation) system for Danish resident shareholders and Danish resident companies which integrates in part the corporate income tax with the individual income tax. The intent of this system is to partially relieve double taxation of distributed corporate profits.

Under the Danish imputation system, Danish resident shareholders subject to full tax liability in Denmark on dividends from Danish resident companies generally receive a tax credit equal to a percentage of the gross dividend. The credit was 15 percent of the gross dividend for years of assessment 1978/79 through 1981/82. It was increased by the Danish Parliament in the summer of 1981 to 25 percent for years of assessment beginning with 1982/83. The 15 percent credit in effect before 1982/83 offset approximately 25 percent of the Danish corporate tax paid on distributed profits.

The legislation introducing the imputation system did not change the prior rule of Danish law that Danish parent companies do not include in taxable profits dividends received from Danish resident subsidiaries if the parent holds at least 25 percent of the share capital or cooperative share capital of the subsidiary during the whole of the taxable year in which the dividends are received. Because of this rule, no tax credit is attached to such dividends.

Under Danish law, the imputation credit either is applied against a resident shareholder's Danish income tax liability or, if the credit exceeds such liability, is refunded to the shareholder. Shareholders who have no Danish tax liability obtain a refund on demand. The dividend subject to tax is "grossed up" by the amount of the credit; that is, a Danish shareholder is required to include in taxable income the amount credited or refunded to him as well as the amount of the cash dividend.

In the absence of a tax treaty, no imputation credit is allowed by Denmark with respect to dividends paid to nonresidents of Denmark. In addition, dividends from a Danish subsidiary are taxed by Denmark when paid to a nonresident parent company (as opposed to a resident parent company) owning at least 25 percent of the share capital of the subsidiary. Thus, a higher tax burden is imposed on dividends paid to nonresident shareholders than is imposed on dividends paid to Danish resident shareholders. The proposed treaty and protocol substantially reduce, but do not eliminate, this disparity.

Under the proposed treaty's imputation credit rules, dividends paid by a Danish resident company to, and beneficially owned by, a U.S. direct investor (a U.S. company which holds directly at least 25 percent of the share capital of the company paying the dividends) are distinguished from dividends paid by a Danish resident company to a U.S. portfolio investor (a U.S. company owning less than a 25 percent share capital interest in the company paying the dividend or any U.S. resident individual). A U.S. direct investor is entitled to a credit equal to five percent of the gross amount of dividends paid to it by a Danish resident company. Under

the treaty, Denmark may charge a U.S. direct investor a tax on the aggregate amount of the dividends and the tax credit at a rate not exceeding five percent. A U.S. portfolio investor is entitled to a credit equal to 15 percent of the gross amount of dividends paid to it by a Danish resident company. Under the treaty, Denmark may charge a U.S. portfolio investor a tax on the aggregate amount of the dividends and the tax credit at a rate not exceeding 15 percent.

The aggregate amount of the dividend and the credit will be treated as a dividend to the U.S. resident for purposes of the U.S. foreign tax credit. Thus, the U.S. resident's foreign-source income for purposes of the foreign tax credit limitation will be increased by the amount of the credit as well as by the amount of the dividend. The creditable tax will be five percent or 15 percent, as the case may be, of the aggregate amount of the dividend and the credit.

As originally drafted, the proposed treaty set the imputation credit for U.S. direct investors equal to one-third of the credit to which a Danish resident individual would have been entitled. The proposed treaty set the credit for U.S. portfolio investors equal to the credit to which a Danish resident individual would have been entitled. At the time the proposed treaty was signed, Danish law provided for a 15 percent credit for Danish residents. As indicated above, the credit was increased to 25 percent for years of assessment beginning with 1982/83. By setting the credit for U.S. direct investors at five percent of gross dividends and for U.S. portfolio investors at 15 percent of gross dividends, the proposed protocol, therefore, cuts back the treaty credit available to U.S. investors, freezing it at the level that the proposed treaty would have provided for years of assessment before 1982/83. Under the proposed protocol, U.S. investors in Danish resident companies will be eligible for a smaller imputation credit than Danish shareholders in Danish resident companies. As a result, U.S. shareholders may be subject to higher Danish corporate and personal income taxes in connection with dividends received from Danish resident companies than Danish shareholders are. The issue is whether the United States should insist on the same tax relief for U.S. investors in Danish resident companies as Danish shareholders receive under Danish law.

In considering this issue, it is important to recognize that the agreement of Denmark to extend the imputation credit to U.S. shareholders, particularly to U.S. direct investors, is an important concession by Denmark. The proposed treaty represents only the third time that a country with a tax system which integrates corporate and shareholder taxation has agreed to extend its imputation credit to U.S. portfolio investors, and only the second time that such a country has agreed to extend its imputation credit to U.S. direct investors. The proposed income tax treaty with Canada, for example, which, like Denmark, has an imputation system, does not extend the Canadian imputation credit to U.S. shareholders. The granting of the imputation credit to U.S. shareholders under the proposed treaty with Denmark will significantly reduce the amount of Danish tax paid by U.S. investors with respect to dividends received from Danish resident companies.

The two countries that presently, by treaty, grant U.S. portfolio investors an imputation credit with respect to foreign-source dividends are France and the United Kingdom. The U.S. treaties with these countries provide U.S. portfolio investors (defined more narrowly than under the proposed Danish treaty) with an imputation credit equal to the credit a French or U.K. resident would have received. By contrast, the proposed protocol would effectively provide U.S. portfolio investors with an imputation credit equal to ⅜ths (15%/25%) of the credit a Danish resident would receive currently under Danish law.

The only country that presently grants U.S. direct investors an imputation credit with respect to foreign-source dividends is the United Kingdom. The U.S.-U.K. treaty provides U.S. direct investors (defined more broadly than under the proposed treaty) with a credit equal to one-half of the credit an individual U.K. resident would be entitled to were he the recipient of the dividend. By contrast, the proposed protocol would effectively provide U.S. direct investors with a credit equal to one-fifth (5%/25%) of the credit an individual Danish resident currently would be entitled to under Danish law, were he to receive the dividend.

Some concern has been expressed that permitting U.S. shareholders in Danish resident companies a smaller imputation credit with respect to dividends than Danish shareholders in such companies receive may be harmful precedent for negotiations in the future with countries having imputation systems, particularly Germany.

If the Committee considered equal relief for U.S. shareholders under imputation systems important, it could urge the Treasury not to agree to future treaties without such equal relief, at least with certain countries. However, this could tie Treasury's hands and preclude future treaties that on balance may be in the United States' national interest.

Hydrocarbon Tax Act

The Danish Hydrocarbon Tax Act generally imposes a tax on income in connection with preliminary surveys, exploration and extraction of hydrocarbons in Denmark. The tax is assessed separately from the regular Danish income and corporate taxes and amounts to 70 percent of the aggregate taxable income of fields showing profits. Regular Danish corporate and income taxes are deducted in computing taxable hydrocarbon income. Other special deduction and allowance rules also apply.

The protocol treats the Danish hydrocarbon tax, and any substantially similar tax, as a creditable tax for U.S. foreign tax credit purposes. No determination has been made by the U.S. Treasury Department or Internal Revenue Service concerning the creditability of the Danish hydrocarbon tax. Questions such as whether the hydrocarbon tax is a creditable income tax under general Internal Revenue Code concepts or whether it is a substantially similar tax to the creditable tax described in paragraph (1)(a) of Article I of the present treaty have not been resolved administratively or judicially. However, under the Treasury's new foreign tax creditability regulations, promulgated in October 1983, it would appear that income tax specifically imposed under the Danish Hydrocarbon Tax Act probably would not be creditable.

The Danish hydrocarbon tax is creditable under the protocol, subject to certain limitations. In addition to the general rules found in tax treaties, the protocol will permit Danish hydrocarbon taxes to offset U.S. taxes on Danish oil and gas extraction income only. Thus, a "per-country" limitation applies to the use of the credit for hydrocarbon tax. A limited carryback and carryforward of taxes not used in the current year is also provided. Under the Internal Revenue Code, the credit for taxes on foreign oil and gas extraction income is subject to a separate limitation too but it applies on a worldwide basis only, not on a per-country basis.

Similar provisions making the United Kingdom's Petroleum Revenue Tax and Norway's Submarine Petroleum Resource Tax creditable are contained in the third protocol to the U.S.-United Kingdom treaty and the protocol to the U.S.-Norway treaty, respectively. In the case of the U.S.-United Kingdom treaty, there was a threatened reservation on the provision. In response, the per-country limitation was inserted in that protocol.

The issue is the extent to which treaties should be used to provide a credit for taxes that may not otherwise be creditable and, in cases where a treaty does provide creditability, to what extent the treaty should impose limitations not contained in the Code. In considering this issue, it is important to keep in mind that the Danish treaty credit for the Danish hydrocarbon tax, because it will probably be larger than any credit otherwise allowed under Treasury regulations, may reduce the U.S. taxes collected from U.S. oil companies operating in the Danish sector of the North Sea.

Another question raised is whether a controversial issue in U.S. tax policy such as the tax credits to be allowed U.S. oil companies on their foreign extraction operations should be resolved through the treaty process rather than the regular legislative process. Also at issue is whether Denmark should be denied a special treaty credit for taxes on oil and gas extraction income when Norway and the United Kingdom, its North Sea competitors, now receive a similar treaty credit under the U.S. income tax treaties with those countries currently in force.

A related issue involves the imposition of the regular Danish corporate tax on U.S. oil drillers. The proposed treaty defines "Denmark" and the "United States" more broadly than the present treaty to include expressly the U.S. and Danish portions, respectively, of the continental shelf. Exploration and extraction of natural resources, the income from which is subject under Danish internal law to Danish tax, is presently concentrated along the Danish portion of the continental shelf in the North Sea. While the matter is not free from doubt, it is arguable that, under the present treaty's more restrictive definition of Denmark, U.S. oil drillers are not subject to Danish corporate tax in connection with their North Sea operations. This is because, under the more restrictive definition of Denmark, income from operations along the continental shelf arguably is not from Danish sources. Thus, the proposed treaty may subject U.S. oil drillers operating along the Danish portion of the continental shelf to Danish corporate tax for the first time. This raises the issue whether the United States should agree to allow its oil drillers under the new Danish treaty to be subject to a tax from which they are possibly exempt under the existing treaty.

U.S. insurance excise tax

Among the U.S. taxes covered by the proposed treaty is the Federal excise tax imposed on insurance premiums paid to foreign insurers. This tax is covered to the extent that a foreign insurer does not rein-

sure the insurance risks in question with a person not entitled to relief from the tax under the proposed treaty or another U.S. treaty. Covering the U.S. insurance excise tax under the treaty means that, under the "business profits" and "other income" articles of the treaty, any income of a Danish insurer from the insurance of U.S. risks would not be subject to the insurance excise tax, except in situations where the risk is reinsured with a company not entitled to the exemption, if that insurance income is not attributable to a U.S. permanent establishment maintained by the Danish insurer. This treatment is a departure from the existing tax treaty with Denmark and other older U.S. tax treaties, although it appears in some more recent treaties such as the present treaties with France and Hungary. Staff is not aware, however, of any Danish insurers currently insuring U.S. risks.

The U.S. excise tax on premiums paid to foreign insurers is a covered tax under the U.S. model tax treaty.

Antitreaty shopping provision

Most recent U.S. treaties contain a provision that limits the use of the treaty to corporations controlled by persons who are residents of the treaty partner. These provisions are intended to prevent third country residents from establishing a company in a treaty partner in order to take advantage of reduced withholding rates. They also function to deter residents of one treaty partner from attempting to take advantage of reduced withholding rates by establishing a company in the other to borrow from residents of a third country without a treaty with the United States or with a treaty that does not provide for reduced withholding tax on interest. These practices are known as "treaty-shopping."

The anti-treaty shopping provision of the treaty is less strict than the anti-treaty shopping provision found in some recent U.S. tax treaties, but more restrictive than the anti-treaty shopping provisions in older U.S. treaties.

This provision is also less strict than that of the current (1981) U.S. model, although the U.S. model provision is only one of several approaches that the Treasury Department considers satisfactory to prevent treaty-shopping abuses. For example, the provision generally limits the use of the treaty not, as the U.S. model does, to corporations 75 percent of whose stock is owned by persons who are residents of the treaty partner in which the corporation is a resident, but to corporations in which 50-percent ownership is shared by either residents of the treaty partner of which the corporation is a resident, residents of the other treaty partner, U.S. citizens, publicly traded companies that are residents of the two countries, the two countries themselves, or any combination of them. The recently enacted treaties with Australia and New Zealand maintain the U.S. model's 75-percent standard, but like the proposed treaty, they expand the class of qualified beneficial owners.

As another example, under the proposed treaty, a business organization is generally denied treaty benefits if more than 50 percent of its gross income is used to make interest payments to persons other than those just named. By contrast, under the 1981 U.S. model treaty, a business organization is denied treaty benefits if its income is used in substantial part to meet liabilities to third-country residents who are not U.S. citizens. Because the income-use rule of the proposed Danish anti-treaty shopping provision refers to using income "to make payments" rather than "to meet liabilities," third-country investors might arguably meet the test by lending through an investing entity that is a resident of Denmark (and that satisfies the 50-percent ownership test discussed above) on a zero coupon (original issue discount) basis. In that case, the Danish investing entity might not "make payments" to the third-country investor until the zero coupon obligation matures. Before that time, the income-use rule may not be violated and, consequently, interest received by the Danish investing entity from the U.S. borrowers may be eligible for the treaty exemption from U.S. tax. On the other hand, the Treasury Department's technical explanation of the proposed treaty and protocol indicates that payments will be considered to be made under the treaty's income-use rule with respect to a zero coupon obligation when interest accrues for Danish tax deduction purposes.

Also, the recent treaties with Australia and New Zealand, it should be noted, have no protective income-use rule of any kind.

The liberalized anti-treaty shopping provision of the proposed treaty may create a potential for abuse. Treaty-shopping potential in the case of Denmark may be more serious than in the case of some other U.S. treaty partners because of the absence of any Danish withholding tax on interest payments from a Danish conduit to third country investors; Denmark is relatively unusual among U.S. treaty partners in not imposing a withholding tax on interest derived by nonresidents.

Experience has shown that if abuses develop after a treaty is ratified it is very difficult to negotiate solutions. The Committee might consider recommending a delay of ratification pending negotiation of an anti-treaty shopping provision that conforms more closely to that of the U.S. model treaty if it considers this potential serious. It must be recognized, of course, that insistence by the United States on such a provision might result in the refusal of Denmark to accept the treaty. In the alternative, the Committee may wish to include in its resolution of ratification of the proposed treaty and protocol an understanding consistent with the Treasury Department's interpretation of the "make payments" language of the income-use rule.

Allowance of deductions to U.S. persons

The proposed treaty contains a provision that gives U.S. taxpayers a deduction not permitted under the Code. Under the proposed treaty, child support payments by a U.S. citizen or U.S. resident to a Danish resident under 18 years of age pursuant to a Danish court decree may be taxed by Denmark and the United States must allow a deduction for the payments. Under U.S. law child support payments are not taxable income to the recipient and the payor may not deduct the payments.

The issue is whether treaties should be used to allow U.S. persons deductions to which they would not otherwise be entitled. As a general rule, treaties have not given U.S. persons such deductions. On the other hand, this is arguably an appropriate function of treaties in limited cases because it adjusts U.S. rules to take into account conflicting tax rules of the treaty partners and the particular tax relationship between the two countries. Three treaties allowing U.S. persons deductions to which they would not otherwise be entitled have been considered recently by the Committee—the proposed income tax treaties with Canada, and Israel and the treaty with Jamaica. The treaty with Israel has been approved by the Senate.

The issue of the granting of deductions to U.S. persons by treaty has been brought to the attention of this Committee in the past. In September of 1981, the Chairman and ranking minority Member of the Ways and Means Committee and the Chairman of the Finance Committee submitted statements to this Committee, as part of the record of the hearings on the proposed Canadian and Israeli treaties, in which they expressed serious reservations with granting deductions by treaty. This Committee, in reporting favorably the proposed treaty with Israel, indicated its concern with granting deductions to U.S. persons by treaty. The Report stated that the Committee might recommend a reservation in the future.

Normally, with this history, we would urge that the Committee seriously consider a reservation on the deduction provision. This case, however, deserves special consideration because the deduction provision was in the proposed Danish treaty as negotiated before the September 1981 hearings, when the deduction issue was brought generally to the Committee's attention. The Committee still may wish to recommend a reservation. In the alternative, the Committee might consider strong language in its Report suggesting that deductions should not be granted by treaty in the future.

III. PROTOCOL TO INCOME TAX TREATY WITH FRANCE

The proposed protocol to the existing income tax treaty with France was negotiated at the request of the United States after France's introduction of a wealth tax, effective January 1, 1982. The protocol would amend the treaty to cover this tax and would generally provide U.S. citizens residing in France with a five-calendar year exemption from the tax for their assets situated outside France. If the Committee decides to recommend that the Senate advise and consent to the ratification of the proposed protocol, quick action would benefit U.S. citizens residing in France, since the five-year exemption and other wealth tax provisions of the protocol will apply retroactively to the date of inception of the wealth tax.

The proposed protocol also makes a number of other noncontroversial changes to the existing treaty. Some of these changes deal with specific problems that have arisen in the administration of the treaty since it entered into force in 1968 or since the two earlier protocols to the treaty entered into force in 1972 and 1979. Other changes generally modernize the existing treaty, bringing it into closer conformity with the U.S. model treaty. Some of the more significant of these changes, along with the changes relating to the French wealth tax, are discussed below.

French wealth tax

Effective January 1, 1982, France introduced a tax on large net wealth (l' impot sur les grandes fortunes). The tax applies to certain assets, wherever situated, of French resident individuals, including U.S. citizens, and certain assets situated in France of nonresident individuals, if the value of the individual's assets exceeds certain thresholds. The protocol would amend the existing treaty to treat the new French wealth tax as a covered tax and would provide reciprocal rules for the imposition of capital taxes generally. Because the United States does not currently impose a Federal wealth tax,

these reciprocal provisions would have current effect only with respect to the French wealth tax.

The proposed protocol would provide a five-calendar-year exemption from the French wealth tax for assets situated outside France belonging to certain U.S. citizens residing in France. This exemption is intended to benefit U.S. citizens who live in France for relatively short periods of time such as employees of multinational corporations transferred abroad on temporary assignment. Some U.S. citizens residing in France requested a wealth-tax exemption for their non-French assets lasting for their entire periods of French residency, whatever the duration. Such an exemption is somewhat difficult to rationalize and was not vigorously sought by our negotiators.

Under the protocol, assets situated outside France that U.S. citizens residing in France who are not French nationals own on January 1st of each of the five years following the calendar year in which they become French residents are excluded from the wealth tax base of assessment for each of those five years. Thus, for example, if a qualifying U.S. citizen became a resident of France on December 31, 1983, the five-year period would run through December 31, 1988; the non-French assets which the U.S. citizen owned on January 1 of the calendar years 1984, 1985, 1986, 1987, and 1988 would be exempt from the French wealth tax. If the U.S. citizen became a resident of France on January 2, 1984, the exemption period would, in effect, be almost six years long: the U.S. citizen would not be subject to French wealth tax in 1984 on his non-French assets because he was not a French resident on January 1, 1984; in addition, the five-year treaty exemption would run from January 1, 1985 through December 31, 1989.

The five-year exemption may be available more than once. If a U.S. citizen ceases to be a French resident for at least three years, then becomes a French resident again, another five-year exemption period will begin on January 1 of the year following the calendar year in which the individual again becomes a French resident.

The five-year exemption from the French wealth tax does not apply to assets situated in France. Thus, U.S. citizens who reside in France only temporarily may nonetheless be subject to the wealth tax with respect to certain French-situs assets to the extent the value of such assets exceeds the threshold exemption provided under French law. Also, U.S. citizens not resident in France may be subject to the wealth tax with respect to French-situs assets.

Interest

The proposed protocol would amend the treaty to provide a general exemption from tax at source for interest. This reflects the U.S. position on source country taxation of interest, as expressed in the U.S. model. Under the existing treaty, the rate of source country tax on interest is generally limited to 10 percent, with a full exemption granted only for interest on bank loans.

Antitreaty shopping provision

The proposed protocol would add an anti-treaty shopping provision to the existing treaty which, like some other older U.S. income tax treaties, does not contain such a provision. The anti-treaty shopping provision of the protocol generally would limit the use of the treaty by corporations to corporations controlled by U.S. residents, U.S. citizens, French residents, companies whose shares are publicly traded in France or the United States, or the two countries themselves. The proposed anti-treaty shopping provision is similar to those included in the U.S. income tax treaties with New Zealand and Australia, ratified in 1983. It is somewhat less strict than the anti-treaty shopping provision of the U.S. model treaty.

While an argument might be made that a stricter anti-treaty shopping provision is appropriate—particularly because of the protocol exemption from source—country withholding tax for interest—potential for abuse under the proposed anti-treaty shopping provision does not appear serious. France is a high tax country. Experience under the existing treaty indicates that French internal tax rules and French tax treaties with third countries make France relatively unattractive to third-country residents seeking to obtain benefits under the U.S.-France treaty. In particular, France generally imposes significant withholding taxes on payments from French residents to persons outside France. In addition, it is our understanding that the anti-treaty shopping provision of the U.S. model is only one of several approaches that the Treasury Department considers satisfactory to prevent anti-treaty shopping abuses.

The one concern would be that abuse possibilities could develop in the future. It has proved difficult to renegotiate treaties once abuses develop.

Other changes

Other significant changes to the existing treaty that would be made by the proposed protocol include the following: The protocol would replace the present treaty rule that income not dealt with elsewhere in the treaty is taxable by the source country with the current U.S. model treaty rule that items of income not dealt with elsewhere in the treaty that are derived by a resident of either country are taxable by the country of residence only. The proposed protocol would amend in several respects the provisions of the treaty which deal with the avoidance of double taxation. The protocol would adopt, with one significant variation, the U.S. model treaty regime for taxing artistes and athletes. Finally, the proposed protocol would specifically allow refunds to be made regardless of the statute of limitations or other procedural limitations of the countries.

Mr. PERCY. Mr. President, the Joint Committee on Taxation has been extremely helpful to the Foreign Relations Committee in its consideration of the numerous tax treaties which have been submitted to the Senate during the last 3 years.

The next three categories of agreements concern extradition, mutual legal assistance, and prisoner transfer. The committee conducted a hearing on these agreements on June 14, 1984, at which time Mr. Daniel McGovern, deputy legal adviser, Department of State; Mr. Mark Richard, deputy assistant attorney general, Criminal Division, Department of Justice; Mr. Nick Navarro of Dade County, FL, and Mr. Richard Atkins of Philadelphia, PA, testified. The witnesses indicated that, if carefully implemented and enforced, the agreements can serve significant law enforcement and humanitarian objectives.

On June 19, 1984, the committee approved these agreements without dissent.

The six extradition treaties now before the Senate are bilateral agreements between the United States and Costa Rica, Italy, Ireland, Jamaica, Thailand, and Sweden (Calendar Nos. 24, 26, 27, 28, 29, and 30). Each of these treaties is intended to facilitate law enforcement cooperation between the United States and the prospective treaty partners. These treaties are expected to be especially helpful in assisting U.S. law enforcement authorities in prosecuting international narcotics trafficking aimed at the United States or involving U.S. nationals. They each represent a continuing effort by the United States to modernize our extradition treaties to keep pace with and anticipate emerging patterns of crime around the world. Detailed committee reports on each of these treaties are available at every Member's desk.

The two mutual legal assistance treaties, now under consideration, are bilateral agreements with Morocco and Italy (Calendar Nos. 32 and 33). These treaties cover mutual legal assistance in criminal matters and represent the fifth and sixth of their kind for the United States. Previous treaties have been entered into with Switzerland, Turkey, Colombia, and the Netherlands.

The new treaties are intended to meet the diverse needs of the numerous enforcement agencies that may be involved in criminal proceedings. Where mutually agreeable, informal procedures will be employed to obtain evidence and/or testimony. Where informal procedures are inappropriate, formal requirements have been established through which the treaties' objectives of legal assistance can be achieved.

The treaties will address a variety of criminal activities, including drug trafficking, fraud, the avoidance of American securities law, evasion of American taxes, and the financing of organized crime. Detailed committee reports on both of these agreements should be available at every Senator's desk.

The two prisoners transfer treaties now before the Senate are with France (Calendar No. 25) and a multilateral agreement involving the member states of the Council of Europe and the United States and Canada (Calendar No. 31).

The problem of Americans imprisoned abroad for a variety of offenses, especially drug-related ones, has mushroomed during the past 15 years. In 1983, over 3,000 U.S. citizens were arrested abroad, and over 1,800 remained in jail at the end of that year. This is not just an American problem but involves citizens of many other

countries, particularly those of Western Europe.

The solution that developed to cope with this growing problem was the implementation of treaties on the transferability of penal sanctions, otherwise known as prisoner transfer treaties. The underlying purposes of such treaties are to assist in law enforcement, relieve the country in which a foreigner may be imprisoned of an unwanted economic and administrative burden, and promote the social rehabilitation of the offender in his home country where he may be placed in a more favorable environment and where he may receive the support of family and friends.

The United States has previously entered into bilateral prisoner transfer treaties with Mexico, Canada, Panama, Peru, Bolivia, and Turkey. In general, these treaties allow the return of prisoners to their home country to serve out their foreign sentence, provided that a set of conditions are met. In 1977, the United States enacted implementing legislation to authorize the transfer of offenders to and from foreign countries (18 U.S.C. 4100-4115).

The agreement with the Council of Europe countries and Canada is the first multilateral prisoner transfer agreement to which the United States is a party. It was formulated by a committee of experts from 15 Council of Europe member states and observers from the United States and Canada. The convention was opened for signature on March 21, 1983, to all member states of the Council and to the United States and Canada. The United States signed the convention on March 21. As of March 15, 1984, 16 other countries had signed the convention: Austria, Belgium, Canada, Cyprus, Denmark, France, Federal Republic of Germany, Greece, Liechtenstein, Luxembourg, Netherlands, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

The major advantages of concluding a multilateral treaty with Council of Europe member states are the establishment of uniform procedures and the saving of resources that would be required to negotiate and bring into force bilateral treaties with member states. About one fourth of all U.S. citizens imprisoned in foreign jails are serving their sentences in Council of Europe member states. Detailed committee reports on both prisoner transfer agreements are available at every Member's desk.

The last international agreement to be considered by the Senate today is the Skagit River and Ross Dam Treaty (Calendar No. 34). It was approved without dissent by the Foreign Relations Committee on June 19. The Skagit River and Ross Dam Treaty settles a problem with Canada which has existed for over 40 years. As a result of this treaty, the city of Seattle will receive the additional electrical capacity it needs and the Province of British Columbia will not be unnecessarily flooded to provide this capacity. Both countries receive benefits from this agreement, and I am not aware of any objections to the treaty. A committee report on the Skagit River and Ross Dam Treaty is available at every Member's desk.

Mr. President, I recommend that the Senate give its advice and consent to all 16 of the treaties, conventions, and protocols under consideration.

Mr. PELL. Mr. President, I rise to join with our distinguished chairman in urging the Senate to give its advice and consent to the 16 treaties, conventions, and protocols before us. These treaties govern bilateral issues of taxation, law enforcement, prisoner transfer, and extradition. They represent important progress in our Government's ability to cope with illegal drug trafficking, tax evasion, U.S. securities law violations, and organized crime. Each of these agreements was carefully drafted and negotiated. Hearings were held by the Committee on Foreign Relations on each of these agreements, and each was approved by the committee without dissent. These are noncontroversial agreements which, when approved by the Senate, will enhance international cooperation in legal assistance and law enforcement. I strongly urge my colleagues to support adoption of the agreements before us.

Mr. PERCY. Mr. President, I understand the distinguished Senator from Washington would like to make a statement on the Skagit River/High Ross Dam Treaty. I yield to him for that purpose.

The PRESIDING OFFICER [Mr. TRIBLE]. The time of the Senator from Illinois has expired.

Mr. DODD. Mr. President, I would be glad to yield 1 or 2 minutes to the distinguished Senator from Washington.

SKAGIT RIVER-HIGH ROSS DAM TREATY

Mr. GORTON. Mr. President, I am pleased to rise in support of the Skagit River/High Ross Dam Treaty between the United States and Canada.

This treaty resolves a longstanding, environmental dispute between the two countries and it is a major tribute to the Governments of the United States and Canada that this matter was resolved in a cooperative manner to the satisfaction of both countries. The treaty settles a dispute that has been ongoing for 42 years between the coty of Seattle, WA, and the province of British Columbia on terms that are fair and acceptable to both entities.

The city of Seattle and the province of British Columbia signed a formal agreement on March 30, 1984, which provided the framework for this treaty. Specifically, the agreement provides that city of Seattle will not raise the High Ross Hydroelectric Dam on the Skagit River in Washington State which would have resulted in the additional flooding of 7 square miles of the Skagit Valley in British Columbia. In return for not raising the dam, which Seattle is entitled to do, the city will purchase, at a comparable price over an 80-year period, the equivalent amount of electrical power that would have been provided by raising the dam. The city will pay a yearly sum to British Columbia which is computed as the sum that would have been paid to bondholders had the city sold bonds and constructed the higher dam. In addition, British Columbia receives the right to flood into the United States behind its dam on the Pend d'Oreille River by raising the height of Seven Mile Dam an additional 15 feet. The agreement also establishes an environmental endowment fund to beautify the existing Ross Dam reservoir and to creat additional trails and facilities in the Canadian and United States portions of the Skagit Valley. The establishment of the endowment fund is a unique international enterprise, and will be jointly managed by Seattle and British Columbia.

The agreement also specifies that, if British Columbia stops providing the agreed amount of power to Seattle, the city has the unilateral right to construct the final stage of the Ross Dam. If this occurs, the province would then have an obligation to return to Seattle the cost of raising the dam at that time, minus the capitalized value of any remaining yearly payments. The financial obligations of British Columbia and Seattle under the agreement are guaranteed by this treaty between the United States and Canada.

I commend the diligent and tireless efforts of the Internatioinal Joint Commission to work with officials from the city of Seattle and the province of British Columbia and representatives from the Governments of the United States and Canada to resolve this long-standing dispute which had strained relations between the two countries. The Seattle-British Columbia Agreement, and the resulting treaty, deal equitably and constructively with all the concerned parties. The treaty is an excellent example of international cooperation and I urge my colleagues to join me in supporting it.

Mr. President, I thank both the Senator from Illinois and the Senator from Connecticut.

HIGH ROSS-SKAGIT RIVER TREATY

● Mr. EVANS. Mr. President, I rise in support of the High Ross-Skagit River Treaty between the United States and Canada. The treaty represents a remarkable and unique example of cooperation between our two countries,

and between British Columbia and Washington State. I hope that this successful cooperation can be extended into other fields, such as a United States-Canada Salmon Treaty. I plan to work hard toward achieving that objective.

This treaty has a long history that demonstrates the changing perceptions our two peoples have toward energy supply and protection of the environment. The initial license to construct the High Ross Dam on the Skagit River was granted to Seattle City Light in 1927—57 years ago. The dam site is located 20 miles south of the Canadian border in the northwestern part of the State, a beautiful area dominated by the rugged Cascade Mountains. Seattle planned to construct the dam in four stages, which was envisioned to provide a large portion of the electric power requirement for the growing population of the Seattle area. Two other dams on the Skagit, Gorge, and Diablo, were developed by Seattle City Light.

The dilemma resolved by this treaty began in 1942 when the International Joint Commission [IJC] issued an order of approval for the dam to be raised to the fourth stage. Few seemed to be aware at that time of the environmental consequences of raising the dam an additional 120 feet and flooding approximately 5,000 acres of scenic recreational land in British Columbia. Both countries were gearing up industries for wartime production; the aluminum companies were being lured to the Northwest; and everyone seemed to agree that we needed more power. At an IJC hearing in Seattle in late 1941 on this issue, the lone objection to the treaty was raised by the British Columbia game commissioner who protested that a valuable fly fishing stream was being lost. But construction work on the dam continued unrelentlessly. Seattle City completed work on the third stage in 1953.

The 1960's marked a different story, however. The struggle was sparked by the signing of a compensation agreement between the city of Seattle and British Columbia in 1967 to construct the fourth stage of the dam. Environmentally conscious citizens, especially in Canada, began to organize in opposition to the joint plan. As Governor, I recall meeting with many of these groups and listening to their concerns. Then as now, I believed that there was some alternative solution to provide electric power to Seattle and to preserve a beautiful valley.

Thus I am particularly pleased to see that British Columbia and Seattle have reached an agreement that both governments have approved in this treaty before us. The agreement is a unique and creative way to resolve a troublesome dispute. The long-term contract for a supply of electricity from British Columbia Hydro to Seattle provides the electrical equivalent of the construction of the fourth stage of Ross Dam. In return Seattle's agreement to forego construction will preserve a unique river valley in British Columbia. British Columbia also gains additional hydroelectric capacity by receiving the right to raise the pool elevation at a hydro facility on the Pend Oreille River in the eastern part of the province an additional 15 feet, which will flood additional acreage in U.S. territory.

Furthermore, the agreement is unique in that it establishes an Environmental Endowment Fund to examine the potential for developing joint environmental improvements and recreation facilities in the area. One of the ideas under discussion is the creation of an International Joint National Peace Park along the model of the Waterton-Glacier Park in Montana and Alberta.

Mr. President, I wish to congratulate the IJC for its diligent work and persistence in the negotiation of this agreement. In particular, I wish to commend Keith Bulen and Richmond Olsen of the IJC for the key roles they played in bringing about this success story. There are many others on both sides of the border who deserve congratulations and whose work will be remembered by generations yet unborn.

Mr. President, I urge my colleagues to join me in voting for this important and historic treaty.●

● Mr. LUGAR. Mr. President, I would like to take this opportunity to recognize a fellow Hoosier who has been instrumental in the negotiation of this historic treaty with Canada. The Honorable L. Keith Bulen of Indianapolis, a longtime friend and associate, and Commissioner with the International Joint Commission, played a key role in bringing a resolution to the longest standing major environmental dispute between the United States and Canada. Through patience, persistence, and hard work, Commissoner Bulen, and his Canadian counterpart, Commissioner E. Richmond Olson of Ottawa, Ontario, forged an equitable compromise which resolved a 42-year, often acrimonious dispute over the proposed raising of the High Ross Dam by Seattle, and the consequent flooding of British Columbia lands.

In his remarks at the treaty signing ceremony on April 2, 1984, Secretary Shultz commended the tireless efforts of all who participated in the long and difficult diplomatic negotiations, and specifically recognized the contribution of the International Joint Commission, saying "I don't know what name history will give today's treaty, but if there is justice, the Bulen-Olson Treaty would fittingly memorialize their efforts."

Mr. President, it gives me great pleasure to propose that we follow Mr. Shultz' suggestion, and henceforth refer to this document as the "Bulen-Olson Treaty."●

THAI PRISONER TRANSFER TREATY

Mr. PERCY. Mr. President, this afternoon the Senate considers the Treaty on Cooperation in the Execution of Penal Sentences Between the United States and the Kingdom of Thailand (Calendar No. 35). The Foreign Relations Committee conducted a hearing on the treaty on June 14, 1984, at which time the administration strongly urged Senate advice and consent of the treaty. The committee approved the treaty without dissent on June 21, 1984.

Earlier today the Senate approved two other prisoner transfer treaties. What are the reasons for entering into these kinds of agreements? The problem of Americans jailed abroad for a variety of offenses, especially drug-related ones, has mushroomed during the past 15 years. In 1983, over 3,000 U.S. citizens were arrested abroad and over 1,800 remained in jail at the end of that year. This is not just an American problem but involves citizens of many other countries, particularly those of Western Europe.

The solution that developed to cope with this growing problem was the implementation of treaties on the transferability of penal sanctions, otherwise known as prisoner transfer treaties. The underlying purposes of such treaties are to assist in law enforcement, relieve the country in which a foreigner may be imprisoned of an unwanted economic and administrative burden, and promote the social rehabilitation of the offender in his home country where he may be placed in a more favorable environment and where he may receive the support of family and friends.

The United States has previously entered into bilateral prisoner transfer treaties with Mexico, Canada, Panama, Peru, Bolivia, and Turkey. In general, these treaties allow the return of prisoners to their home country to serve out their foreign sentence, provided that a set of conditions are met. In 1977, the United States enacted implementing legislation to authorize the transfer of offenders to and from foreign countries (18 U.S.C. 4100-4115).

Senator HAWKINS chaired the committee hearing on the Thai Prisoner Transfer Treaty, and I wish to commend her for the fine work she has done in reviewing the treaty to make sure that it will not hamper U.S. efforts to combat international narcotics trafficking. I am confident, based on assurances made to the committee by the Department of Justice, that the Thai Prisoner Transfer Treaty will be a productive and effective bilateral agreement between our Government and the Government of Thailand.

Mr. President, I strongly recommend Senate approval of the Prisoner Transfer Treaty between the United States and Thailand.

Mr. DODD. Mr. President, I suggest the absence of a quorum and ask that the time be charged to both sides.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BAKER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BAKER. Mr. President, I ask unanimous consent that I may proceed for 1 minute notwithstanding the previous order.

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

Mr. BAKER. Mr. President, I thank the Chair.

I thank the minority leader. He just advised me that he is in a position now to clear our going to another appropriation bill which is here and available.

Mr. President, I ask unanimous consent that after the Senate returns to legislative session under the order previously entered the Senate then proceed to the consideration of the Commerce, Justice, State, and Judiciary appropriations bill H.R. 5712.

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

Mr. BAKER. I thank the Chair. I yield back all time remaining.

The PRESIDING OFFICER. All time having expired, under the previous order, the Senate will now go into executive session to conduct one rollcall vote to count as 16 rollcall votes on the resolutions of ratification to 16 treaties, Executive Calendar Nos. 16, 17, 18, 21, 22, and 24 through 34.

The question is on agreeing to the resolutions of ratification.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 100, nays 0, as follows:

[Rollcall Vote Nos. 163—Ex. T—96-2
164—Canada—98-7
165—Canada—98-22
166—France—98-21
167—Sweden—98-11
168—Sweden—98-4
169—France—98-15
170—Thailand—98-16
171—Costa Rica—98-17
172—Jamaica—98-18
173—Ireland—98-19
174—Italy—98-20
175—98-23
176—Morocco—98-24
177—Italy—98-25
178—Canada—98-26]

YEAS—100

Abdnor	Baucus	Boren
Andrews	Bentsen	Boschwitz
Armstrong	Biden	Bradley
Baker	Bingaman	Bumpers
Burdick	Hecht	Packwood
Byrd	Heflin	Pell
Chafee	Heinz	Percy
Chiles	Helms	Pressler
Cochran	Hollings	Proxmire
Cohen	Huddleston	Pryor
Cranston	Humphrey	Quayle
D'Amato	Inouye	Randolph
Danforth	Jepsen	Riegle
DeConcini	Johnston	Roth
Denton	Kassebaum	Rudman
Dixon	Kasten	Sarbanes
Dodd	Kennedy	Sasser
Dole	Lautenberg	Simpson
Domenici	Laxalt	Specter
Durenberger	Leahy	Stafford
Eagleton	Levin	Stennis
East	Long	Stevens
Evans	Lugar	Symms
Exon	Mathias	Thurmond
Ford	Matsunaga	Tower
Garn	Mattingly	Trible
Glenn	McClure	Tsongas
Goldwater	Melcher	Wallop
Gorton	Metzenbaum	Warner
Grassley	Mitchell	Weicker
Hart	Moynihan	Wilson
Hatch	Murkowski	Zorinsky
Hatfield	Nickles	
Hawkins	Nunn	

The PRESIDING OFFICER. Two-thirds of the Senators present and having voted in the affirmative, the resolutions of ratification are agreed to.

The resolutions of ratification agreed to are as follows:

CONVENTION WITH CANADA WITH RESPECT TO TAXES ON INCOME AND CAPITAL

PROTOCOL AMENDING THE TAX CONVENTION WITH CANADA

SECOND PROTOCOL AMENDING THE 1980 TAX CONVENTION WITH CANADA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the United States of America and Canada With Respect to Taxes on Income and on Capital (the Convention), together with a related exchange of notes, signed at Washington on September 26, 1980: the Protocol Amending the 1980 Convention (the First Protocol), together with a related exchange of notes, signed at Ottawa on June 14, 1983; and the Second Protocol Amending the 1980 Convention (as amended by the First Protocol), signed at Washington on March 28, 1984.

PROTOCOL TO THE TAX CONVENTION WITH THE FRENCH REPUBLIC

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Protocol to the Tax Convention between the United States of America and the French Republic with respect to Taxes on Income and Property, signed at Paris on January 17, 1984.

ESTATE AND GIFT TAX CONVENTION WITH THE GOVERNMENT OF SWEDEN

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of Sweden for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Estates, Inheritances, and Gifts, signed at Stockholm on June 13, 1983.

SUPPLEMENTARY CONVENTION ON EXTRADITION WITH SWEDEN

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Supplementary Convention on Extradition Between the United States of America and the Kingdom of Sweden, signed in Stockholm on March 14, 1983.

CONVENTION WITH FRANCE ON THE TRANSFER OF SENTENCED PERSONS

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention Between the United States of America and the Republic of France on the Transfer of Sentenced Persons, signed at Washington on January 25, 1983.

EXTRADITION TREATY WITH THAILAND

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty Between the United States of America and the Kingdom of Thailand Relating to Extradition, signed at Washington on December 14, 1983.

EXTRADITION TREATY WITH COSTA RICA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and the Republic of Costa Rica, signed at San Jose on December 4, 1982, together with a related exchange of notes signed on December 16, 1982.

EXTRADITION TREATY WITH JAMAICA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and the Government of Jamaica, signed at Kingston on June 14, 1983.

EXTRADITION TREATY WITH IRELAND

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and Ireland, signed at Washington on July 13, 1983.

EXTRADITION TREATY WITH ITALY

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Extradition Between the United States of America and the Republic of Italy, signed at Washington on October 13, 1983.

CONVENTION ON THE TRANSFER OF SENTENCED PERSONS

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention on the Transfer of Sentenced Persons drawn up within the Council of Europe with observers from the United States and Canada as adopted by the Council of Ministers, and signed on behalf of the United States at Strasbourg on March 21, 1983.

CONVENTION ON THE MUTUAL LEGAL ASSISTANCE WITH THE KINGDOM OF MOROCCO

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Mutual Legal Assistance Between the United States of America and the Kingdom of Morocco, signed at Rabat on October 17, 1983.

MUTUAL LEGAL ASSISTANCE TREATY WITH ITALY

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty of Mutual Legal Assistance with a related memorandum of understanding Between the United States of America and the Italian Republic, signed at Rome on November 9, 1982.

TREATY WITH CANADA RELATING TO THE SKAGIT RIVER AND ROSS LAKE IN THE STATE OF WASHINGTON AND THE SEVEN MILE RESERVOIR ON THE PEND D'OREILLE RIVER IN THE PROVINCE OF BRITISH COLUMBIA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Treaty between the United States and Canada relating to the Skagit River and Ross Lake in the State of Washington, and the Seven Mile Reservoir on the Pend D'Oreille River in the Province of British Columbia, signed at Washington on April 2, 1984.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

LEGISLATIVE SESSION

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection it is so ordered.

COMMERCE - JUSTICE - STATE - JUDICIARY APPROPRIATIONS, FISCAL YEAR 1985

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of H.R. 5712, which the clerk will now report.

The assistant legislative clerk read as follows:

A bill (H.R. 5712) making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Appropriations with amendments, as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

H.R. 5712

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes, namely:

TITLE I—DEPARTMENT OF COMMERCE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the general administration of the Department of Commerce, including not to exceed $2,000 for official entertainment, **[**$36,590,000**]** *$35,990,000.*

SPECIAL FOREIGN CURRENCY PROGRAM

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States, for necessary expenses for the promotion of foreign commerce and for scientific and technological research and development, as authorized by law, $500,000, to remain available until expended: *Provided,* That this appropriation shall be available, in addition to other appropriations to the Department of Commerce, for payments in the foregoing currencies.

BUREAU OF THE CENSUS

SALARIES AND EXPENSES

For expenses necessary for collecting, compiling, analyzing, preparing, and publishing statistics, provided for by law, **[**$85,406,000**]** *$85,500,000.*

PERIODIC CENSUSES AND PROGRAMS

For expenses necessary to collect and publish statistics for periodic censuses and programs provided for by law, **[**$84,214,000**]** *$81,000,000,* to remain available until expended.

ECONOMIC AND STATISTICAL ANALYSIS

SALARIES AND EXPENSES

For necessary expenses, as authorized by law, of economic and statistical analysis programs, **[**$30,787,000**]** *$31,450,000.*

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

For economic development assistance as provided by the Public Works and Economic Development Act of 1965, as amended, and Public Law 91-304, and such laws that were in effect immediately before September 30, 1982, $198,500,000: Provided, That during fiscal year 1985 total commitments to guarantee loans shall not exceed $150,000,000 of contingent liability for loan principal.

SALARIES AND EXPENSES

For necessary expenses of administering the economic development assistance programs as provided for by law, $28,350,000: Provided, That these funds may be used to monitor projects approved pursuant to title I of the Public Works Employment Act of 1976, as amended, title II of the Trade Act of 1974, as amended, and the Community Emergency Drought Relief Act of 1977. Notwithstanding any other provision of this Act or any other law, funds appropriated in this paragraph shall be used to fill and maintain forty-seven permanent positions designated as Economic Development Representatives out of the total number of permanent positions funded in the Salaries and Expenses account of the Economic Development Administration for fiscal year 1985.

INTERNATIONAL TRADE ADMINISTRATION

OPERATIONS AND ADMINISTRATION

For necessary expenses for international trade activities of the Department of Commerce, including trade promotional activities abroad without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703; full medical coverage for dependent members of immediate families of employees stationed overseas; employment of Americans and aliens by contract for services abroad; rental of space abroad for periods not exceeding five years, and expenses of alteration, repair, or improvement; purchase or construction of temporary demountable exhibition structures for use abroad; payment of tort claims, in the manner authorized in the first paragraph of 28 U.S.C. 2672 when such claims arise in foreign countries; not to exceed $165,200 for official representation expenses abroad; awards of compensation to informers under the Export Administration Act of 1979, and as authorized by 22 U.S.C. 401(b); purchase of passenger motor vehicles for official use abroad **[**and motor vehicles for law enforcement use**]**; **[**$198,898,000**]** *$186,037,000,* to remain available until expended**[**, of which: not to exceed $1,700,000 is for Executive direction, Administration; not to exceed $895,000 is for consulting and related services; and not to exceed $1,000,000 is for periodicals**]**: *Provided,* That the provisions of the first sentence of section 105(f) and all of section 108(c) of the Mutual Educational and Cultural Exchange Act of 1961 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying out these activities. **[**During fiscal year 1985 and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed $7,500,000. During fiscal year 1985, total commitments to guarantee loans shall not exceed $15,000,000 of contingent liability for loan principal.**]**

MINORITY BUSINESS DEVELOPMENT AGENCY

MINORITY BUSINESS DEVELOPMENT

For necessary expenses of the Department of Commerce in fostering, promoting, and developing minority business enterprise, including expenses of grants, contracts, and other agreements with public or private organizations, $49,885,000, of which $36,000,000 shall remain available until expended: *Provided,* That not to exceed $13,885,000 shall be available for program management: *Provided further, That the Minority Business Development Agency shall maintain a permanent position and full-time office in the city of Pittsburgh, Pennsylvania: Provided further,* That none of the funds appropriated in this paragraph or in this title for the Department of Commerce shall be available to reimburse the fund established by 15 U.S.C. 1521 **[**on account of the performance of a program, project, or activity, nor shall such fund be available for the performance of a program, project, or activity, which had not been performed as a central service pursuant to 15 U.S.C. 1521 before July 1, 1982, unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such action in accordance with the Committees' reprograming procedures**]** *for charges not certified by the Department's Inspector General as proper payment for the services charged.*

UNITED STATES TRAVEL AND TOURISM ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the United States Travel and Tourism Administration, **[**as provided for by law,**]** *including travel and tourism promotional activities abroad without regard to the provisions of law set forth in 44 U.S.C. 3702 and 3703;* employment of aliens by contract for services abroad; rental of space abroad for periods not exceeding five years, and expenses of al-

teration, repair, or improvement; *purchase or construction of temporary demountable exhibition structures for use abroad;* advance of funds under contracts abroad; payment of tort claims in the manner authorized in the first paragraph of 28 U.S.C. 2672, when such claims arise in foreign countries; and not to exceed [$5,000] *$8,000* for representation expenses abroad; [$8,583,000] *$13,000,000: Provided, That not later than January 1, 1985, the Secretary of Commerce shall establish offices of the United States Travel and Tourism Administration in Italy, the Netherlands, and Australia, and that such offices be in addition to rather than in lieu of any offices of the United States Travel and Tourism Administration that existed in foreign nations on April 1, 1984.*

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of activities authorized by law for the National Oceanic and Atmospheric Administration, including acquisition, maintenance, operation, and hire of aircraft; *399 commissioned officers on the active list;* construction of facilities, including initial equipment; alteration, modernization, and relocation of facilities; and acquisition of land for facilities; [$1,114,551,000] *$1,123,686,000,* to remain available until expended, *of which $2,000,000 shall be available for emergency beach rehabilitation in the State of New Jersey, notwithstanding any other provision of this paragraph;* and in addition, $27,000,000 shall be derived *by nonexpenditure transfer* from the Airport and Airways Trust Fund*; and in addition, $24,900,000 shall be derived by nonexpenditure transfer from the Fund entitled "Promote and develop fishery products and research pertaining to American Fisheries"; and in addition, $9,300,000 shall be derived by nonexpenditure transfer from the Fund entitled "Coastal Energy Impact Fund": Provided, That unobligated balances in the account "Coastal Zone Management" are merged with this account on October 1, 1984: Provided further, That grants to States pursuant to section 306 of the Coastal Zone Management Act, as amended, shall not exceed $2,000,000 and shall not be less than $450,000: Provided further, That the National Oceanic and Atmospheric Administration is authorized to accept a contribution of real or personal property from any public or private source, and to undertake a project in cooperation with any Federal or State agency, or any private person or entity: Provided further, That upon reimbursement by the Secretary of the Navy for the cost of the NOAA-D spacecraft, the Administrator shall make the spacecraft available for the Navy Remote Ocean Sensing System, and the Secretary of the Navy shall provide the Administrator with access to the civil data produced by the system: Provided further, That of the funds appropriated in this paragraph, necessary funds shall be used to fill and maintain a staff of three persons, as National Oceanic and Atmospheric Administration personnel, to work on contracts and purchase orders at the National Data Buoy Center in Bay St. Louis, Mississippi, and report to the Director of the National Data Buoy Center in the same manner and extent that such procurement functions were performed at Bay St. Louis prior to June 26, 1983, except that they may provide procurement assistance to other Department of Commerce activities pursuant to ordinary interagency agreements. Where practicable, these positions shall be filled by the employees who performed such functions prior to June 26, 1983.*

FISHERMEN'S CONTINGENCY FUND

For carrying out the provisions of title IV of Public Law 95-372, not to exceed $250,000, to be derived from receipts collected pursuant to that Act, to remain available until expended.

FOREIGN FISHING OBSERVER FUND

For expenses necessary to carry out the provisions of the Atlantic Tunas Convention Act of 1975, as amended (Public Law 96-339), the Magnuson Fishery Conservation and Management Act of 1976, as amended (Public Law 94-265), and the American Fisheries Promotion Act (Public Law 96-561), there are appropriated from the fees imposed under the foreign fishery observer program authorized by these Acts, not to exceed $4,500,000, to remain available until expended.

FISHERMEN'S GUARANTY FUND

For expenses necessary to carry out the provisions of the Fishermen's Protective Act of 1967, as amended, $1,800,000, to be derived from the receipts collected pursuant to that Act, to remain available until expended.

[FISHERIES LOAN FUND

[For expenses necessary to carry out the provisions of section 221 of the American Fisheries Promotion Act of December 22, 1980 (Public Law 96-561), there are appropriated to the Fisheries Loan Fund, $3,000,000 from receipts collected pursuant to that Act: *Provided,* That during fiscal year 1985 not to exceed $300,000 of the Fisheries Loan Fund shall be available for administrative expenses.]

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Patent and Trademark Office, including defense of suits instituted against the Commissioner of Patents and Trademarks, $101,631,000, and, in addition, such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, to remain available until expended.

NATIONAL BUREAU OF STANDARDS

SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Bureau of Standards, [$125,545,000] *$123,985,000,* to remain available until expended, *of which $500,000 shall be made available to establish a regional radiation calibration center at the University of Arkansas, and* of which not to exceed $5,229,000 may be transferred to the "Working Capital Fund".

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses, as provided for by law, of the National Telecommunications and Information Administration, [$13,537,000] *$13,944,000,* of which $700,000 shall remain available until expended.

PUBLIC TELECOMMUNICATIONS FACILITIES, PLANNING AND CONSTRUCTION

For grants authorized by section 392 of the Communications Act of 1934, as amended, [$25,000,000] *$30,000,000,* to remain available until expended*: Provided, That not to exceed $1,200,000 shall be available for program management as authorized by section 391 of the Communications Act of 1934, as amended.*

GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

SEC. 101. During the current fiscal year, applicable appropriations and funds available to the Department of Commerce shall be available for the activities specified in the Act of October 26, 1949 (15 U.S.C. 1514), to the extent and in the manner prescribed by said Act.

SEC. 102. During the current fiscal year, appropriations to the Department of Commerce which are available for salaries and expenses shall be available for hire of passenger motor vehicles; services as authorized by 5 U.S.C. 3109; and uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902).

SEC. 103. No funds in this title shall be used to sell to private interests, except with the consent of the borrower, or contract with private interests to sell or administer, any loans made under the Public Works and Economic Development Act of 1965 or any loans made under section 254 of the Trade Act of 1974.

RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT AUTHORITY)

For the payment of obligations incurred for operating-differential subsidies as authorized by the Merchant Marine Act, 1936, as amended, $377,750,000, to remain available until expended.

RESEARCH AND DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses for research and development activities, as authorized by law, $3,000,000, to remain available until expended, and in addition, $7,000,000, to remain available until expended, which shall be derived by transfer from the unobligated balances of the Ship Construction account.

OPERATIONS AND TRAINING

For necessary expenses of operations and training activities authorized by law, $72,467,000, to remain available until expended: Provided, That reimbursements may be made to this appropriation from receipts to the "Federal ship financing fund" for administrative expenses in support of that program.

GENERAL PROVISIONS—MARITIME ADMINISTRATION

Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: Provided, That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act and all receipts which otherwise would be

deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

FEDERAL COMMUNICATIONS COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by law (5 U.S.C. 5901-02); not to exceed $200,000 for land and structures; not to exceed $200,000 for improvement and care of grounds and repair to buildings; not to exceed $3,000 for official reception and representation expenses; purchase (not to exceed twelve) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; $94,111,000. Not to exceed $300,000 of the foregoing amount shall remain available until September 30, 1986, for research and policy studies.

FEDERAL MARITIME COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Maritime Commission, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-02; $12,292,000: Provided, That not to exceed $1,500 shall be available for official reception and representation expenses.

FEDERAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-5902; services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and not to exceed $2,000 for official reception and representation expenses; the sum of $64,311,000: Provided, That the funds appropriated in this paragraph are subject to the limitations and provisions of sections 10(a) and 10(c) (notwithstanding section 10(e)), 11(b), 18, and 20 of the Federal Trade Commission Improvements Act of 1980 (Public Law 96-252; 94 Stat. 374).

INTERNATIONAL TRADE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles and services as authorized by 5 U.S.C. 3109, $24,030,000.

MARINE MAMMAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92-522, as amended, $929,000.

OFFICE OF THE U.S. TRADE REPRESENTATIVE

SALARIES AND EXPENSES

For expenses necessary for the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $13,782,000: Provided, That not to exceed $68,000 shall be available for official reception and representation expenses.

SECURITIES AND EXCHANGE COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed $2,000 for official reception and representation expenses, $105,337,000.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles and not to exceed $2,500 for official reception and representation expenses; $205,500,000. In addition, $65,000,000 for disaster loan making activities, including loan servicing, shall be transferred to this appropriation from the "Disaster loan fund".

WHITE HOUSE CONFERENCE ON SMALL BUSINESS

For necessary expenses of the White House Conference on Small Business as authorized by Public Law 98-276, $4,000,000, to remain available until expended.

REVOLVING FUNDS

The Small Business Administration is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to its revolving funds, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for the "Disaster loan fund", the "Business loan and investment fund", the "Lease guarantees revolving fund", the "Pollution control equipment contract guarantees revolving fund", and the "Surety bond guarantees revolving fund".

BUSINESS LOAN AND INVESTMENT FUND

For additional capital for the "Business loan and investment fund", authorized by the Small Business Act, as amended, $408,000,000, to remain available without fiscal year limitation. During fiscal year 1985, total commitments to guarantee debentures for the program authorized by title III of the Small Business Investment Act of 1958 shall be $250,000,000; and total commitments to guarantee loans and debentures for the programs authorized by title V of the Small Business Investment Act of 1958 shall be $500,000,000.

SURETY BOND GUARANTEES REVOLVING FUND

For additional capital for the "Surety bond guarantees revolving fund", authorized by the Small Business Investment Act, as amended, $8,910,000 to remain available without fiscal year limitation.

This title may be cited as the "Department of Commerce *and Related Agencies* Appropriation Act, 1985".

TITLE II—DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

For expenses necessary for the administration of the Department of Justice, [$81,147,000] *$71,150,000*[, *of which $18,000 is to remain available until expended for the Federal justice research program.*

[WORKING CAPITAL FUND

[For additional capital, $6,000,000 to remain available until expended.]

U.S. PAROLE COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the United States Parole Commission, as authorized by law, [$8,986,000] *$8,446,000.*

LEGAL ACTIVITIES

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including not to exceed $20,000 for expenses of collecting evidence, to be expended under the direction of the Attorney General and accounted for solely on his certificate; and rent of private or Government-owned space in the District of Columbia; [$176,153,000] *$191,454,000*, of which not to exceed $6,000,000 for litigation support contracts shall remain available until September 30, 1986; and of which $3,079,000 shall be for the Office of Special Investigations[; and, in addition $22,698,000 for expenses necessary for the activities of the Civil Rights Division].

SALARIES AND EXPENSES, ANTITRUST DIVISION

For expenses necessary for the enforcement of [antitrust, consumer protection] *antitrust* and kindred laws, $43,519,000.

SALARIES AND EXPENSES, FOREIGN CLAIMS SETTLEMENT COMMISSION

For expenses necessary to carry out the activities of the Foreign Claims Settlement Commission, including services as authorized by 5 U.S.C. 3109; allowances and benefits similar to those allowed under the Foreign Service Act of 1980 as determined by the Commission; expenses of packing, shipping, and storing personal effects of personnel assigned abroad; rental or lease, for such periods as may be necessary, of office space and living quarters of personnel assigned abroad; maintenance, improvement, and repair of properties rented or leased abroad, and furnishing fuel, water, and utilities for such properties; insurance on official motor vehicles abroad; advances of funds abroad; advances or reimbursements to other Government agencies for use of their facilities and services in carrying out the functions of the Commission; hire of motor vehicles for field use only; and employment of aliens; $929,000.

SALARIES AND EXPENSES, U.S. ATTORNEYS AND MARSHALS

For necessary expenses of the offices of the United States attorneys[, marshals, and bankruptcy trustees;] and marshals; including acquisition, lease, maintenance, and operation of aircraft, [$433,533,000] *$421,051,000.* [In addition, section 408(c) of Public Law 95-598, the Bankruptcy Reform Act of 1978, as amended by Public Law 98-166, is further amended by inserting 1985 in lieu of 1984.]

SUPPORT OF U.S. PRISONERS

For support of United States prisoners in non-Federal institutions, [$53,240,000;] *$58,240,000*, [and in addition, $15,000,000] *of which $5,000,000* shall be available under the Cooperative Agreement Program for the purpose of renovating, constructing, and equipping State and local jail facilities that confine Federal prisoners: *Provided*, That amounts made available for constructing any local jail facility shall not exceed the cost of constructing space for the average Federal prisoner population for that facility as projected by the Attorney General: *Provided further*, That following agreement on or completion of any federally assisted jail construction, the availability of such space shall be assured and the per diem rate charged for housing Federal prisoners at that facility shall not exceed direct operating costs for the period of time specified in the cooperative agreement.

FEES AND EXPENSES OF WITNESSES

For expenses, mileage, compensation, and per diems of witnesses and for per diems in lieu of subsistence, as authorized by law, in-

cluding advances; for use of facilities required as command posts in the protection of witnesses, and for official phone calls made from command posts; $40,600,000, of which not to exceed $500,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

For necessary expenses of the Community Relations Service, established by title X of the Civil Rights Act of 1964, [$33,934,000] *$33,500,000* of which $27,561,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c), the Refugee Education Assistance Act of 1980, Public Law 96-422, for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants: *Provided,* That notwithstanding section 501(e)(2)[(8)] *(B)* of the Refugee Education Assistance Act of 1980 (Public Law 96-422; 94 Stat. 1810), funds may be expended for assistance with respect to Cuban and Haitian entrants as authorized under section 501(c) of such Act.

INTERAGENCY LAW ENFORCEMENT

[ORGANIZED CRIME DRUG ENFORCEMENT]

PRESIDENTIAL COMMISSION ON ORGANIZED CRIME

For expenses necessary for the Presidential Commission on Organized Crime, [$2,500,000] *$1,500,000.*

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For expenses necessary for detection, investigation, and prosecution of crimes against the United States; including purchase for police-type use of, not to exceed one thousand seven hundred passenger motor vehicles of which one thousand five hundred fifty will be for replacement only, without regard to the general purchase price limitation for the current fiscal year, and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and not to exceed $70,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; [$1,147,358,000] *$1,147,223,000,* of which not to exceed $23,000,000 for automated data processing and telecommunications and $1,000,000 for undercover operations shall remain available until September 30, 1986; and of which $10,000,000 for research related to investigative activities shall remain available until expended: *Provided,* That notwithstanding the provisions of title 31 U.S.C. 3302, the Director of the Federal Bureau of Investigation may establish and collect fees to process fingerprint identification records for noncriminal employment and licensing purposes, and credit not more than $13,500,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services: *Provided further,* That $12,782,000 shall remain available until expended for constructing and equipping new facilities at the FBI Academy, Quantico, Virginia: *Provided further, That not to exceed $45,000 shall be available for official reception and representation expenses.*

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Drug Enforcement Administration, including not to exceed $70,000 to meet unforseen emergencies of a confidential character, to be expended under the direction of the Attorney General, and to be accounted for solely on his certificate; purchase of not to exceed five hundred seventeen passenger motor vehicles of which four hundred eighty-nine are for replacement only for police-type use without regard to the general purchase price limitation for the current fiscal year; and acquisition, lease, maintenance, and operation of aircraft; [$333,258,000] *$329,988,000,* of which not to exceed $1,200,000 for research shall remain available until expended and $1,700,000 for purchase of evidence and payments for information shall remain available until September 30, 1986.

IMMIGRATION AND NATURALIZATION SERVICE

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, *including payment of allowances (at a rate not in excess of $4 per diem) to aliens for work performed while held in custody under the immigration law;* including not to exceed $50,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on his certificate; purchase for police-type use (not to exceed six hundred eight, of which four hundred sixteen shall be for replacement only) and hire of passenger motor vehicles; acquisition, lease, maintenance and operation of aircraft; and research related to immigration enforcement; [$591,043,000] *$570,417,000,* of which not to exceed $400,000 for research shall remain available until expended: *Provided,* That none of the funds available to the Immigration and Naturalization Service shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $20,000 except in such instances when the Commissioner makes a determination that this restriction is impossible to implement.

FEDERAL PRISON SYSTEM

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses necessary for the administration, operation, and maintenance of Federal penal and correctional institutions, including purchase (not to exceed forty of which thirty are for replacement only) and hire of law enforcement and passenger motor vehicles; [$494,831,000] *$497,700,000; and in addition, $4,450,000 shall be derived by transfer from the unobligated balances of the "Buildings and facilities" account: Provided,* That there may be transferred to the Health Resources and Services Administration such amounts as may be necessary, in the discretion of the Attorney General, for direct expenditures by that Administration for medical relief for inmates of Federal penal and correctional institutions.

NATIONAL INSTITUTE OF CORRECTIONS

For carrying out the provisions of sections 4351-4353 of title 18, United States Code, which established a National Institute of Corrections, [$12,500,000] *$15,000,000,* to remain available until expended.

BUILDINGS AND FACILITIES

For planning, acquisition of sites and construction of new facilities; purchase and acquisition of facilities and remodeling and equipping of such facilities for penal and correctional use, including all necessary expenses incident thereto, by contract or force account; and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, [$82,556,000] *$97,806,000,* to remain available until expended: *Provided,* That labor of United States prisoners may be used for work performed under this appropriation.

FEDERAL PRISON INDUSTRIES, INCORPORATED

The Federal Prison Industries, Incorporated, is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available, and in accord with the law, and to make such contracts and commitments, without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase of not to exceed five (for replacement only) and hire of passenger motor vehicles, except as hereinafter provided.

LIMITATION ON ADMINISTRATIVE AND VOCATIONAL EXPENSES, FEDERAL PRISON INDUSTRIES, INCORPORATED

Not to exceed $2,044,000 of the funds of the corporation shall be available for its administrative expenses, and not to exceed $6,920,000 for the expenses of vocational training of prisoners, both amounts to be computed on an accrual basis and to be determined in accordance with the corporation's prescribed accounting system in effect on July 1, 1946, and shall be exclusive of depreciation, payment of claims, expenditures which the said accounting system requires to be capitalized or charged to cost of commodities acquired or produced, including selling and shipping expenses, and expenses in connection with acquisition, construction, operation, maintenance, improvement, protection, or disposition of facilities and other property belonging to the corporation or in which it has an interest.

OFFICE OF JUSTICE ASSISTANCE

JUSTICE ASSISTANCE

(INCLUDING TRANSFER OF FUNDS)

For grants, contracts, cooperative agreements, and other assistance authorized by the Justice Assistance Act of 1984, as amended, including salaries and expenses in connection therewith, [$88,738,000] *$142,041,000,* to remain available until expended: *Provided,* That [$23,618,000 of this amount shall be for a criminal justice assistance program, to be available only upon enactment of authorizing legislation;] *$7,000,000 shall be available to carry out the Missing Children's Assistance Act of 1983 (S. 2014) as reported to the Senate:* [and] *Provided further, That $70,000,000 shall be available* for grants, contracts, cooperative agreements, and other assistance authorized by title II of the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, including salaries and expenses in connection therewith[, $70,240,000, to remain available until expended]. *In addition, $5,000,000 for the purpose of making grants to States for their expenses by reason of Mariel-Cubans having to be incarcerated in*

State facilities for terms requiring incarceration for the full period October 1, 1984 through September 30, 1985 following their conviction of a felony committed after having been paroled into the United States by the Attorney General: Provided, That within thirty days of enactment of this Act the Attorney General shall announce in the Federal Register that this appropriation will be made available to the States whose Governors certify by February 1, 1985 a listing of names of such Mariel-Cubans incarcerated in their respective facilities: Provided further, That the Attorney General, not later than April 1, 1985, will complete his review of the certified listings of such incarcerated Mariel-Cubans, and make grants to the States on the basis that the certified number of such incarcerated persons in a State bears to the total certified number of such incarcerated persons: Provided further, That the amount of reimbursements per prisoner per annum shall not exceed $12,000. The obligated and unobligated balances of funds previously appropriated to the Office of Justice Assistance, Research, and Statistics, Law Enforcement Assistance and Research and Statistics appropriations shall be merged with this appropriation.

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

SEC. 201. A total of not to exceed $75,000 from funds appropriated to the Department of Justice in this title shall be available for official reception and representation expenses in accordance with distributions, procedures, and regulations established by the Attorney General.

SEC. 202. Notwithstanding any other provision of law or this Act, materials produced by convict labor may be used in the construction of any highways or portion of highways located on Federal-aid systems, as described in section 103 of title 23, United States Code.

SEC. 203. (a) Subject to subsection (b) of this section, authorities contained in Public Law 96-132, "The Department of Justice Appropriation Authorization Act, Fiscal Year 1980", shall remain in effect until the termination date of this Act or until the effective date of a Department of Justice Appropriation Authorization Act, whichever is earlier.

(b)(1) With respect to any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration which is necessary for the detection and prosecution of crimes against the United States or for the collection of foreign intelligence or counterintelligence—

(A) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1985, may be used for purchasing property, buildings, and other facilities, and for leasing space, within the United States, the District of Columbia, and the territories and possessions of the United States, without regard to section 1341 of title 31 of the United States Code, section 3732(a) of the Revised Statutes (41 U.S.C. 11(a)), section 305 of the Act of June 30, 1949 (63 Stat. 396; 41 U.S.C. 255), the third undesignated paragraph under the heading "Miscellaneous" of the Act of March 3, 1877 (19 Stat. 370; 40 U.S.C. 34), section 3324 of title 31 of the United States Code, section 3741 of the Revised Statutes (41 U.S.C. 22), and subsections (a) and (c) of section 304 of the Federal Property and Administrative Service Act of 1949 (63 Stat. 395; 41 U.S.C. 254 (a) and (c)),

(B) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1985, may be used to establish or to acquire proprietary corporations or business entities as part of an undercover investigative operation, and to operate such corporations or business entities on a commercial basis, without regard to section 9102 of title 31 of the United States Code,

(C) sums authorized to be appropriated for the Federal Bureau of Investigation and for the Drug Enforcement Administration, for fiscal year 1985, and the proceeds from such undercover operation, may be deposited in banks or other financial institutions, without regard to section 648 of title 18 of the United States Code and section 3302 of title 31 of the United States Code, and

(D) proceeds from such undercover operation may be used to offset necessary and reasonable expenses incurred in such operation, without regard to section 3302 of title 31 of the United States Code,

only, in operations designed to detect and prosecute crimes against the United States, upon the written certification of the Director of the Federal Bureau of Investigation (or, if designated by the Director, a member of the Undercover Operations Review Committee established by the Attorney General in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, as in effect on July 1, 1983) or the Administrator of the Drug Enforcement Administration, as the case may be, and the Attorney General (or, with respect to Federal Bureau of Investigation undercover operations, if designated by the Attorney General, a member of such Review Committee), that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation. If the undercover operation is designed to collect foreign intelligence or counterintelligence, the certification that any action authorized by subparagraph (A), (B), (C), or (D) is necessary for the conduct of such undercover operation shall be by the Director of the Federal Bureau of Investigation (or, if designated by the Director, the Assistant Director, Intelligence Division) and the Attorney General (or, if designated by the Attorney General, the Counsel for Intelligence Policy). Such certification shall continue in effect for the duration of such undercover operation, without regard to fiscal years.

(2) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under subparagraphs (C) and (D) of subsection (a) are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

(3) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (B) of paragraph (1) with a net value of over $50,000 is to be liquidated, sold, or otherwise disposed of, the Federal Bureau of Investigation or the Drug Enforcement Administration, as much in advance as the Director or the Adminstrator, or the designee of the Director or the Adminstrator, determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

(4)(A) The Federal Bureau of Investigation or the Drug Enforcement Administration, as the case may be, shall conduct a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1985,

(i) submit the results of such audit in writing to the Attorney General, and

(ii) Not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

(B) The Federal Bureau of Investigation and the Drug Enforcement Administration shall each also submit a report annually to the Congress specifying as to their respective undercover investigative operations—

(i) the number, by programs, of undercover investigative operations pending as of the end of the one-year period for which such report is submitted,

(ii) the number, by programs, of undercover investigative operations commenced in the one-year period preceding the period for which such report is submitted, and

(iii) the number, by programs, of undercover investigative operations closed in the one-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained. With respect to each such closed undercover operation which involves any of the sensitive circumstances specified in the Attorney General's Guidelines on Federal Bureau of Investigation Undercover Operations, such report shall contain a detailed description of the operation and related matters, including information pertaining to—

(I) the results,

(II) any civil claims, and

(III) identification of such sensitive circumstances involved, that arose at any time during the course of such undercover operation.

(5) For purposes of paragraph (4)—

(A) the term "closed" refers to the earliest point in time at which—

(I) all criminal proceedings (other than appeals) are concluded, or

(II) covert activities are concluded, whichever occurs later,

(B) the term "employees" means employees, as defined in section 2105 of title 5 of the United States Code, of the Federal Bureau of Investigation, and

(C) the terms "undercover investigative operation" and "undercover operation" mean any undercover investigative operation of the Federal Bureau of Investigation or the Drug Enforcement Administration (other than a foreign counterintelligence undercover investigative operation)—

(i) in which—

(I) the gross receipts (excluding interest earned) exceed $50,000, or

(II) expenditures (other than expenditures for salaries of employees) exceed $150,000, and

(ii) which is exempt from section 3302 or 9102 of title 31 of the United States Code,

except that clauses (i) and (ii) shall not apply with respect to the report required under subparagraph (B) of such paragraph.

RELATED AGENCIES

COMMISSION ON CIVIL RIGHTS

SALARIES AND EXPENSES

For expenses necessary for the Commission on Civil Rights, including hire of passenger motor vehicles, $12,747,000.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

SALARIES AND EXPENSES

For necessary expenses for the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621-634), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $19,500,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act, as amended, and sections 6 and 14 of the Age Discrimination in Employment Act; $161,155,000, of which not less than $10,500,000 shall be for systemic programs.

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For payment to the Legal Services Corporation to carry out the purposes of the Legal Services Corporation Act of 1974, as amended, $297,550,000: Provided, That the funds appropriated in this paragraph shall be expended in accordance with the provisions under the heading "Legal Services Corporation, Payment to the Legal Services Corporation" contained in Public Law 98-166 except that "fiscal year 1984", wherever it appears in such provisions, shall be construed as "fiscal year 1985"; "fiscal year 1983", wherever it appears in such provisions, shall be construed as "fiscal year 1984"; "January 1, 1984" shall be construed as "January 1, 1985"; "$6.50" shall be construed as "$7.61"; and "$13" shall be construed as "$13.57": Provided further, That notwithstanding the preceding proviso, no more than $1,158,000 shall be expended for the budget category entitled "Program Improvement and Training", no more than $1,829,000 shall be expended for the budget category entitled "Delivery Research and Experimentation", and no more than $11,283,000 shall be expended for the budget category entitled "Support for the Provision of Legal Assistance": Provided further, That none of the funds appropriated in this Act for the Corporation shall be used, directly or indirectly, by the Corporation to promulgate new regulations or to enforce, implement, or operate in accordance with regulations effective after April 27, 1984 unless the Appropriations Committees of both Houses of Congress have been notified fifteen days prior to such use of funds as provided for in section 509 of this Act: Provided further, That none of the funds appropriated by this paragraph shall be used to pay for travel by directors of the Corporation (except as necessary to travel to Washington to attend meetings of the Board of Directors), the President of the Corporation, or employees of the Corporation who work in Washington, D.C.

This title may be cited as the "Department of Justice *and Related Agencies* Appropriation Act, 1985".

TITLE III—DEPARTMENT OF STATE

ADMINISTRATION OF FOREIGN AFFAIRS

SALARIES AND EXPENSES

For necessary expenses of the Department of State and the Foreign Service, not otherwise provided for, including obligations of the United States abroad pursuant to treaties, international agreements, and binational contracts (including obligations assumed in Germany on or after June 5, 1945) expenses authorized by section 9 of the Act of August 31, 1964, as amended (31 U.S.C. 3721), and section 2 of the State Department Basic Authorities Act of 1956, as amended (22 U.S.C. 2669); telecommunications; expenses necessary to provide maximum physical security in Government-owned and leased properties and vehicles abroad; permanent representation to certain international organizations in which the United States participates pursuant to treaties, conventions, or specific Acts of Congress; expenses of the United States-Japan Advisory Commission; acquisition by exchange or purchase of vehicles as authorized by law, except that special requirement vehicles may be purchased without regard to any price limitation otherwise established by law; [$1,281,032,000] *$1,269,901,000,* of which $26,459,000 shall remain available until September 30, 1986.

[REOPENING CONSULATES

[For necessary expenses of the Department of State and the Foreign Service for reopening and operating certain United States consulates as specified in section 103 of the Department of State Authorization Act, fiscal years 1982 and 1983, $1,929,000.]

REPRESENTATION ALLOWANCES

For representation allowances as authorized by section 905 of the Foreign Service Act of 1980, as amended (22 U.S.C. 4085), and for representation by United States missions to the United Nations and the Organization of American States, $4,500,000.

PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

For expenses, not otherwise provided, to enable the Secretary of State to provide for [extraordinary protective services in accordance with the provisions of section 605 of Public Law 98-164, $6,000,000, and to provide for] the protection of foreign missions in accordance with the provisions of 3 U.S.C. 208, $7,000,000.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD

For necessary expenses for carrying out the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 292-300), [$234,007,000] *$211,000,000,* to remain available until expended.

ACQUISITION, OPERATION, AND MAINTENANCE OF BUILDINGS ABROAD (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States for the purposes authorized by section 4 of the Foreign Service Buildings Act of 1926, as amended (22 U.S.C. 295), [$23,353,000] *$19,353,000,* to remain available until expended.

EMERGENCIES IN THE DIPLOMATIC AND CONSULAR SERVICE

For expenses necessary to enable the Secretary of State to meet unforseen emergencies arising in the Diplomatic and Consular Service, to be expended pursuant to the requirement of 31 U.S.C. 3526(e), [$4,400,000] *$4,000,000.*

PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

For necessary expenses to carry out the Taiwan Relations Act, Public Law 96-8 (93 Stat. 14), $9,800,000.

PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND DISABILITY FUND

For payment to the Foreign Service Retirement and Disability Fund, as authorized by law, $106,738,000.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For expenses, not otherwise provided for, necessary to meet annual obligations of membership in international multilateral organizations, pursuant to treaties, conventions, or specific Acts of Congress, $522,570,000: *Provided,* That none of the funds appropriated in this paragraph shall be available for a United States contribution to an international organization for the United States' share of interest costs made known to the United States Government by such organization for loans incurred on or after October 1, 1984, through external borrowings.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

For payments, not otherwise provided for, by the United States for expenses of the United Nations peacekeeping forces, [$55,400,000] *$47,400,000.*

INTERNATIONAL CONFERENCES AND CONTINGENCIES

For necessary expenses authorized by section 5 of the State Department Basic Authorities Act of 1956, contributions for the United States share of general expenses of international organizations and representation to such organizations, and personal services without regard to civil service and classification laws, $10,000,000 to remain available until expended, of which not to exceed $207,000 may be expended for representation as authorized by law.

INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, to meet obligations of the United States arising under treaties, conventions, or specific Acts of Congress, as follows:

INTERNATIONAL BOUNDARY AND WATER COMMISSION, UNITED STATES AND MEXICO

For necessary expenses for the United States Section of the United States and Mexico International Boundary and Water Commission, and to comply with laws applicable to the United States Section; and leasing of private property to remove therefrom sand, gravel, stone, and other materials, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); as follows:

SALARIES AND EXPENSES

For salaries and expenses, not otherwise provided for, including preliminary surveys, $12,000,000: *Provided,* That expenditures for the Rio Grande bank protection project shall be subject to the provisions and conditions contained in the appropriation for said project as provided by the Act approved April 25, 1945 (59 Stat. 89): *Provided further,* That the Anzalduas diversion dam shall not be operated for irrigation or water supply purposes in the United States unless suitable arrangements have been made with the prospective water users for repayment to the Government of such portions of the cost of said dam as shall have been allocated to such purposes by the Secretary of State: *Provided further,* That not to exceed $1,800,000 of the amount appropriated in this paragraph shall be available for reimbursement of the city of San Diego, in the State of California, for expenses incurred in treating domestic sewage received from the city of Tijuana, in the State of Baja California, Mexico.

CONSTRUCTION

For detailed plan preparation and construction of authorized projects, to remain available until expended, [$2,100,000] *$2,600,000.*

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For necessary expenses, not otherwise provided for, [$3,800,000] *$3,620,000*; for the International Joint Commission, including salaries and expenses of the Commissioners on the part of the United States who shall serve at the pleasure of the President; salaries of employees appointed by the Commissioners on the part of the United States with the approval solely of the Secretary of State; travel expenses and compensation of witnesses; not to exceed $3,000 for representation; and the International Boundary Commission, for necessary expenses, not otherwise provided for, including expenses required by awards to the Alaskan Boundary Tribunal and existing treaties between the United States and Canada or Great Britain.

INTERNATIONAL FISHERIES COMMISSIONS

For necessary expenses for international fisheries commissions, not otherwise provided for, [$9,482,000] *$9,400,000*: *Provided,* That the United States share of such expenses may be advanced to the respective commissions.

OTHER

[U.S. BILATERAL SCIENCE AND TECHNOLOGY AGREEMENTS

[For expenses, not otherwise provided for, to enable the United States to participate in programs of scientific and technological cooperation with Yugoslavia; $2,000,000, to remain available until expended.]

PAYMENT TO THE ASIA FOUNDATION

For a grant to the Asia Foundation, [$10,000,000] *$9,900,000,* to remain available until expended.

[SOVIET-EAST EUROPEAN RESEARCH AND TRAINING

[For expenses not otherwise provided to enable the Secretary of State to reimburse private firms and American institutions of higher education for research contracts and graduate training for development and maintenance of knowledge about the Soviet Union and Eastern European countries, $5,000,000.]

CONTRIBUTION TO UNITED STATES-INDIA FUND FOR CULTURAL, EDUCATIONAL AND SCIENTIFIC COOPERATION

There is hereby provided to the President $110,000,000 worth of Indian rupees, which are owned by the United States in India or owed to the United States by the Government of India, [for deposit in] *for investment by the Treasury to generate earnings which shall be available to* the United States-India Fund for Cultural, Educational, and Scientific Cooperation as authorized by title IX of Public Law 98-164.

GENERAL PROVISIONS—DEPARTMENT OF STATE

SEC. 301. None of the funds appropriated in this title shall be used (1) to pay the United States contribution to any international organization which engages in the direct or indirect promotion of the principle or doctrine of one world government or one world citizenship; (2) for the promotion, direct or indirect, of the principle or doctrine of one world government or one world citizenship.

SEC. 302. Funds appropriated under this title shall be available for expenses of international arbitrations and other proceedings for the international resolution of disputes arising under treaties or other international agreements, including international air transport agreements, and arbitrations arising under contracts authorized by law for the performance of services or acquisition of property abroad.

SEC. 303. Funds appropriated under this title shall be available, except as otherwise provided, for salaries and expenses of personnel and dependents as authorized by the Foreign Service Act of 1980 (94 Stat. 2071); allowances and differentials as authorized by subchapter III of chapter 59 of 5 U.S.C.; services as authorized by 5 U.S.C. 3109; expenses as authorized by section 2 (a), (c), and (e) of the State Department Basic Authorities Act of 1956; and hire of passenger or freight transportation.

RELATED AGENCIES

ARMS CONTROL AND DISARMAMENT AGENCY

ARMS CONTROL AND DISARMAMENT ACTIVITIES

For necessary expenses, not otherwise provided for, for arms control and disarmament activities, including not to exceed $28,000 for official reception and representation expenses, authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.), $19,468,000.

BOARD FOR INTERNATIONAL BROADCASTING

GRANTS AND EXPENSES

For expenses of the Board for International Broadcasting, including grants to RFE/RL, Inc., $100,498,000, of which not to exceed $52,000 may be made available for official reception and representation expenses: Provided, That not to exceed $15,000 shall be available for engineering consultant fees, and no such fees shall be paid after January 1, 1985 at any time the Board's Director of Engineering position is vacant.

COMMISSION ON SECURITY AND COOPERATION IN EUROPE

SALARIES AND EXPENSES

For expenses necessary for the Commission on Security and Cooperation in Europe, as authorized by Public Law 94-304, $550,000 to remain available until expended: Provided, That not to exceed $6,000 of such amount shall be available for official reception and representation expenses.

JAPAN-UNITED STATES FRIENDSHIP COMMISSION

JAPAN-UNITED STATES FRIENDSHIP TRUST FUND

For expenses of the Japan-United States Friendship Commission as authorized by Public Law 94-118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund, $1,600,000, to remain available until expended; and an amount of Japanese currency not to exceed the equivalent of $1,200,000 based on exchange rates at the time of payment of such amounts, to remain available until expended: Provided, That not to exceed a total of $2,500 of such amounts shall be available for official reception and representation expenses.

U.S. INFORMATION AGENCY

SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 2 of 1977, the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), and the United States Information and Educational Exchange Act, as amended (22 U.S.C. 1431 et seq.), to carry out international communication, educational and cultural activities, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $270,000, of which $250,000 is to facilitate U.S. participation in international expositions abroad); expenses authorized by the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.), living quarters as authorized by 5 U.S.C. 5912, and allowances as authorized by 5 U.S.C. 5921-5928; and entertainment, including official receptions, within the United States, not to exceed $20,000; $527,356,000, of which not to exceed $7,303,000 of the amounts allocated by the United States Information Agency to carry out section 102(a)(3) of the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2452(a)(3)), shall remain available until expended: Provided, That not to exceed $674,000 may be used for representation abroad: Provided further, That receipts not to exceed $500,000 may be credited to this appropriation from fees or other payments received from or in connection with English-teaching programs as authorized by section 810 of Public Law 80-402, as amended.

SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies which the Department of the Treasury determines to be excess to the normal requirements of the United States, for necessary expenses of the United States Information Agency, as authorized by law, $8,000,000, to remain available until expended.

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag Exchange Programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), $124,052,000. For the Private Sector Exchange Programs, $8,948,000, of which $1,500,000, to remain available until expended, is for the Eisenhower Exchange Fellowship Program.

ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $85,000,000, to remain available until expended.

RADIO BROADCASTING TO CUBA

For an additional amount, necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act (providing for the Radio Marti program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $12,000,000, to remain available until expended.

CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, $19,000,000: Provided, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract

providing the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended.

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants made by the United States Information Agency to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, $31,300,000.

This title may be cited as the "Department of State *and Related Agencies* Appropriation Act, 1985".

TITLE IV—THE JUDICIARY

SUPREME COURT OF THE UNITED STATES

SALARIES AND EXPENSES

For expenses necessary for the operation of the Supreme Court, as required by law, excluding care of the building and grounds, including purchase, or hire, driving, maintenance and operation of an automobile for the Chief Justice, hire of passenger motor vehicles; not to exceed $10,000 for official reception and representation expenses; and for miscellaneous expenses, to be expended as the Chief Justice may approve; $14,143,000, *of which $834,000 shall be derived by transfer from "Bicentennial Expenses, the Judiciary".*

CARE OF THE BUILDINGS AND GROUNDS

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the Act approved May 7, 1934 (40 U.S.C. 13a-13b), including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenances; special clothing for workmen; and personal and other services (including temporary labor without regard to the Classification and Retirement Acts, as amended), and for snow removal by hire of men and equipment or under contract without compliance with section 3709 of the Revised Statutes, as amended (41 U.S.C. 5); $2,242,000, of which $275,000 shall remain available until expended.

U.S. COURT OF APPEALS FOR THE FEDERAL CIRCUIT

SALARIES AND EXPENSES

For salaries of the chief judge, judges, and other officers and employees, and for all necessary expenses of the court, $5,150,000.

U.S. COURT OF INTERNATIONAL TRADE

SALARIES AND EXPENSES

For salaries of the chief judge and eight judges; salaries of the officers and employees of the court; services as authorized by 5 U.S.C. 3109; and necessary expenses of the court, including exchange of books and traveling expenses, as may be approved by the court; $6,070,000: *Provided,* That travel expenses of judges of the Court of International Trade shall be paid upon written certificate of the judge.

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

SALARIES OF JUDGES

For salaries of circuit judges; district judges (including judges of the district courts of the Virgin Islands, Guam, and the Northern Mariana Islands); judges of the United States Claims Court; and justices and judges retired or resigned under title 28, United States Code, sections 371, 372, and 373; $74,540,000.

SALARIES OF SUPPORTING PERSONNEL

For the salaries of secretaries and law clerks to circuit and district judges, magistrates and staff, circuit executives, clerks of court, probation officers, pretrial service officers, staff attorneys, librarians, the supporting personnel of the United States Claims Court, and all other officers and employees of the Federal Judiciary, not otherwise specifically provided for, [$370,255,000] *$374,400,000: Provided,* That the secretaries and law clerks to circuit and district judges shall be appointed in such number and at such rates of compensation as may be determined by the Judicial Conference of the United States: *Provided further,* That the number of staff attorneys to be appointed in each of the courts of appeals shall not exceed the ratio of one attorney for each authorized judgeship.

DEFENDER SERVICES

For the operation of Federal Public Defender and Community Defender organizations, the compensation and reimbursement of expenses of attorneys appointed to represent persons under the Criminal Justice Act of 1964, as amended, and the compensation of attorneys appointed to represent jurors in civil actions for the protection of their employment, as authorized by law; [$42,760,000] *$42,000,000,* to remain available until expended.

FEES OF JURORS AND COMMISSIONERS

For fees and expenses and refreshments of jurors; compensation of jury commissioners; and compensation of commissioners appointed in condemnation cases pursuant to Rule 71A(h) of the Federal Rules of Civil Procedure; [$43,500,000] *$42,000,000,* to remain available until expended: *Provided,* That the compensation of land commissioners shall not exceed the daily equivalent of the highest rate payable under section 5332 of title 5, United States Code.

EXPENSES OF OPERATION AND MAINTENANCE OF THE COURTS

For necessary operation and maintenance expenses, not otherwise provided for, incurred by the Judiciary, including the purchase of firearms and ammunition, [$102,581,000] *$102,000,000,* of which $5,500,000 shall be available for contractual services and expenses relating to the supervision of drug dependent offenders.

BANKRUPTCY COURTS, SALARIES AND EXPENSES

For salaries and expenses of the judges and other officers and employees of the Bankruptcy Courts of the United States, not otherwise provided for, [$117,500,000] *$116,950,000.*

SPACE AND FACILITIES

For rental of space, alterations, and related services and facilities for the United States Courts of Appeals, District Courts, Bankruptcy Courts, and Claims Court, [$143,026,000] *$142,000,000.*

COURT SECURITY

For necessary expenses, not otherwise provided for, incident to the procurement, installation, and maintenance of security equipment and protective services for the United States Courts in courtrooms and adjacent areas, including building ingress-egress control, inspection of packages, directed security patrols, and other similar activities; $25,500,000, to be expended directly or transferred to the United States Marshals Service which shall be responsible for administering elements of the Judicial Security Program consistent with standards or guidelines agreed to by the Director of the Administrative Office of the United States Courts and the Attorney General.

ADMINISTRATIVE OFFICE OF THE U.S. COURTS

SALARIES AND EXPENSES

For necessary expenses of the Administrative Office of the United States Courts, including travel, advertising, hire of a passenger motor vehicle, and rent in the District of Columbia and elsewhere, [$28,500,000] *$28,250,000,* of which an amount not to exceed $5,000 is authorized for official reception and representation expenses.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

For necessary expenses of the Federal Judicial Center, as authorized by Public Law 90-219, $9,330,000.

GENERAL PROVISIONS—THE JUDICIARY

SEC. 401. Appropriations and authorizations made in this title which are available for salaries and expenses shall be available for services as authorized by 5 U.S.C. 3109.

SEC. 402. Appropriations made in this title shall be available for salaries and expenses of the Temporary Emergency Court of Appeals authorized by Public Law 92-210.

SEC. 403. The position of trustee coordinator in the Bankruptcy Courts of the United States shall not be limited to persons with formal legal training.

SEC. 404. Notwithstanding any other provision of law, the Administrative Office of the United States Courts, or any other agency or instrumentality of the United States, is prohibited from restricting solely to staff of the Clerks of the United States Bankruptcy Courts the issuance of notices to creditors and other interested parties. The Administrative Office shall permit and encourage the preparation and mailing of such notices to be performed by or at the expense of the debtors, trustees or such other interested parties as the Court may direct and approve. The Administrator of the United States Courts shall make appropriate provisions for the use of and accounting for any postage required pursuant to such directives. The provisions of this paragraph shall terminate on October 1, 1985.

This title may be cited as the "Judiciary Appropriation Act, 1985".

[TITLE V—RELATED AGENCIES

[DEPARTMENT OF TRANSPORTATION

[MARITIME ADMINISTRATION

[OPERATING-DIFFERENTIAL SUBSIDIES (LIQUIDATION OF CONTRACT AUTHORITY)

[For the payment of obligations incurred for operating-differential subsidies as authorized by the Merchant Marine Act, 1936, as amended, $377,750,000, to remain available until expended.

[RESEARCH AND DEVELOPMENT

[(INCLUDING TRANSFER OF FUNDS)

[For necessary expenses for research and development activities, as authorized by law, $3,000,000, to remain available until expended, and in addition, $7,000,000, to remain available until expended, which shall be derived by transfer from the unobligated balances of the Ship Construction account.

[OPERATIONS AND TRAINING

[For necessary expenses of operations and training activities authorized by law, $80,807,000, to remain available until expended: *Provided,* That reimbursements may be made to this appropriation from receipts to the "Federal ship financing fund" for administrative expenses in support of that program.

[GENERAL PROVISIONS—MARITIME ADMINISTRATION

[Notwithstanding any other provision of this Act, the Maritime Administration is authorized to furnish utilities and services and make necessary repairs in connection with any lease, contract, or occupancy involving Government property under control of the Maritime Administration and payments received by the Maritime Administration for utilities, services, and repairs so furnished or made shall be credited to the appropriation charged with the cost thereof: *Provided,* That rental payments under any such lease, contract, or occupancy on account of items other than such utilities, services, or repairs shall be covered into the Treasury as miscellaneous receipts.

[No obligations shall be incurred during the current fiscal year from the construction fund established by the Merchant Marine Act, 1936, or otherwise, in excess of the appropriations and limitations contained in this Act, or in any prior appropriation Act and all receipts which otherwise would be deposited to the credit of said fund shall be covered into the Treasury as miscellaneous receipts.

[None of the funds provided in this Act for the Maritime Administration shall be used for enforcement of any rule with respect to the repayment of construction differential subsidy for permanent release of vessels from the restrictions in section 506 of the Merchant Marine Act, 1936.

[ARMS CONTROL AND DISARMAMENT AGENCY

[ARMS CONTROL AND DISARMAMENT ACTIVITIES

[For necessary expenses, not otherwise provided for, for arms control and disarmament activities, including not to exceed $28,000 for official reception and representation expenses, authorized by the Act of September 26, 1961, as amended (22 U.S.C. 2551 et seq.), $19,468,000.

[BOARD FOR INTERNATIONAL BROADCASTING

[GRANTS AND EXPENSES

[For expenses of the Board for International Broadcasting, including grants to RFE/RL, Inc., $100,498,000, of which not to exceed $52,000 may be made available for official reception and representation expenses.

[COMMISSION ON CIVIL RIGHTS

[SALARIES AND EXPENSES

[For expenses necessary for the Commission on Civil Rights, including hire of passenger motor vehicles, $12,747,000, of which: $2,299,000 is for reports, studies, and program monitoring as authorized by section 5(a)(1) and section 5(a)(5) of Public Law 98-183; $1,642,000 is for hearings, legal analysis and legal services as authorized by section 6(f) and section 5(a)(1), section 5(a)(2) and section 5(a)(5) of Public Law 98-183; $4,999,000 is for field operations as authorized by section 5(a)(1) and section 5(a)(5) of Public Law 98-183; $831,000 is for publications preparation and dissemination as authorized by section 5(a)(4) of Public Law 98-183; $1,217,000 is for Federal evaluation as authorized by section 5(a)(3) and section 5(a)(5) of Public Law 98-183; $1,231,000 is for liaison and information dissemination as authorized by section 5(a)(4) of Public Law 98-183; and $528,000 is for a clearinghouse library as authorized by section 5(a)(4) of Public Law 98-183.

[COMMISSION ON SECURITY AND COOPERATION IN EUROPE

[SALARIES AND EXPENSES

[For expenses necessary for the Commission on Security and Cooperation in Europe, as authorized by Public Law 94-304, $550,000 to remain available until expended: *Provided,* That not to exceed $6,000 of such amount shall be available for official reception and representation expenses.

[EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses for the Equal Employment Opportunity Commission as authorized by title VII of the Civil Rights Act of 1964, as amended (29 U.S.C. 206(d) and 621-634), including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; not to exceed $19,000,000 for payments to State and local enforcement agencies for services to the Commission pursuant to title VII of the Civil Rights Act, as amended, and sections 6 and 14 of the Age Discrimination in Employment Act; not to exceed $400,000 for the Office of the Chairman; not to exceed $904,000 for the Offices of the Commissioners; not to exceed $269,000 for the Office of Congressional Affairs; not to exceed $839,000 for the Office of Public Affairs; and not to exceed $563,000 for the Office of Special Projects; $160,255,000.

[FEDERAL COMMUNICATIONS COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses for the Federal Communications Commission, as authorized by law, including uniforms and allowances therefor, as authorized by law (5 U.S.C. 5901-02); not to exceed $200,000 for land and structures; not to exceed $200,000 for improvement and care of grounds and repair to buildings; not to exceed $3,000 for official reception and representation expenses; purchase (not to exceed twelve) and hire of motor vehicles; special counsel fees; and services as authorized by 5 U.S.C. 3109; $94,111,000. Not to exceed $300,000 of the foregoing amount shall remain available until September 30, 1986, for research and policy studies.

[FEDERAL MARITIME COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses of the Federal Maritime Commission, including services as authorized by 5 U.S.C. 3109; hire of passenger motor vehicles; and uniforms or allowances therefor, as authorized by 5 U.S.C. 5901-02; $12,292,000: *Provided,* That not to exceed $1,500 shall be available for official reception and representation expenses.

[INTERNATIONAL TRADE COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses of the International Trade Commission, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109, and not to exceed $2,500 for official reception and representation expenses, $26,088,000.

[JAPAN-UNITED STATES FRIENDSHIP COMMISSION

[JAPAN-UNITED STATES FRIENDSHIP TRUST FUND

[For expenses of the Japan-United States Friendship Commission as authorized by Public Law 94-118, as amended, from the interest earned on the Japan-United States Friendship Trust Fund, $1,600,000, to remain available until expended; and an amount of Japanese currency not to exceed the equivalent of $1,200,000 based on exchange rates at the time of payment of such amounts, to remain available until expended: *Provided,* That not to exceed a total of $2,500 of such amounts shall be available for official reception and representation expenses.

[MARINE MAMMAL COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses of the Marine Mammal Commission as authorized by title II of Public Law 92-522, as amended, $929,000.

[OFFICE OF THE U.S. TRADE REPRESENTATIVE

[SALARIES AND EXPENSES

[For expenses necessary for the Office of the United States Trade Representative, including the hire of passenger motor vehicles and the employment of experts and consultants as authorized by 5 U.S.C. 3109, $13,782,000. *Provided,* That not to exceed $68,000 shall be available for official reception and representation expenses.

[SECURITIES AND EXCHANGE COMMISSION

[SALARIES AND EXPENSES

[For necessary expenses for the Securities and Exchange Commission, including services as authorized by 5 U.S.C. 3109, and not to exceed $2,000 for official reception and representation expenses, $106,737,000.

[SMALL BUSINESS ADMINISTRATION

[SALARIES AND EXPENSES

[(INCLUDING TRANSFER OF FUNDS)

[For necessary expenses, not otherwise provided for, of the Small Business Administration, including hire of passenger motor vehicles and not to exceed $1,500 for official reception and representation expenses; $199,387,000; and for grants for Small Business Development Centers as authorized by section 21(a) of the Small Business Act, as amended, $30,000,000. In addition, $45,000,000 for disaster loan making activities, including loan servicing, shall be transferred to this appropriation from the "Disaster loan fund".

[WHITE HOUSE CONFERENCE ON SMALL BUSINESS

[For necessary expenses of the White House Conference on Small Business as authorized by Public Law 98-276, $2,000,000, to remain available until expended.

[REVOLVING FUNDS

[The Small Business Administration is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to its revolving funds, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for the "Disaster loan fund", the "Business loan and investment fund", the "Lease guarantees revolving fund", the "Pollution control equipment contract guarantees revolving fund", and the "Surety bond guarantees revolving fund".

[BUSINESS LOAN AND INVESTMENT FUND

[For additional capital for the "Business loan and investment fund", authorized by the Small Business Act, as amended, $323,000,000, to remain available without fiscal year limitation; and for additional capital for new direct loan obligations to be incurred by the "Business loan and investment fund", authorized by the Small Business Act, as amended, $242,000,000, to remain available without fiscal year limitation.

[SURETY BOND GUARANTEES REVOLVING FUND

[For additional capital for the "Surety bond guarantees revolving fund", authorized by the Small Business Investment Act, as amended, $8,910,000 to remain available without fiscal year limitation.

[U.S. INFORMATION AGENCY

[SALARIES AND EXPENSES

[For expenses, not otherwise provided for, necessary to enable the United States Information Agency, as authorized by Reorganization Plan No. 2 of 1977, the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), and the United States Information and Educational Exchange Act, as amended (22 U.S.C. 1431 et seq.), to carry out international communication, educational and cultural activities, including employment, without regard to civil service and classification laws, of persons on a temporary basis (not to exceed $270,000, of which $250,000 is to facilitate U.S. participation in international expositions abroad); expenses authorized by the Foreign Service Act of 1980 (22 U.S.C. 3901 et seq.), living quarters as authorized by 5 U.S.C. 5912, and allowances as authorized by 5 U.S.C. 5921-5928; and entertainment, including official receptions, within the United States, not to exceed $20,000; $537,143,000 of which not to exceed $7,303,000 of the amounts allocated by the United States Information Agency to carry out section 102(a)(3) of the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2452(a)(3)), shall remain available until expended: *Provided*, That not to exceed $674,000 may be used for representation abroad: *Provided further*, That receipts not to exceed $500,000 may be credited to this appropriation from fees or other payments received from or in connection with English-teaching programs as authorized by section 810 of Public Law 80-402, as amended.

[SALARIES AND EXPENSES (SPECIAL FOREIGN CURRENCY PROGRAM)

[For payments in foreign currencies which the Department of the Treasury determines to be excess to the normal requirements of the United States, for necessary expenses of the United States Information Agency, as authorized by law, $8,000,000, to remain available until expended.

[EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

[For expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag exchange programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), $122,352,000. For the Private Sector Exchange Programs, $7,448,000.

[ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

[For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $100,966,000, to remain available until expended.

[RADIO BROADCASTING TO CUBA

[For an additional amount, necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act (providing for the Radio Marti program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $8,500,000.

[CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

[To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, $19,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended.]

TITLE [VI] *V*—GENERAL PROVISIONS

SEC. [601.] *501.* No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. [602.] *502.* No part of any appropriation contained in this Act shall be used to administer any program *(except the United States-India fund for Cultural, Educational, and Scientific Cooperation under title IX of Public Law 98-164)* which is funded in whole or in part from foreign currencies or credits for which a specific dollar appropriation therefor has not been made.

SEC. [603.] *503.* No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. [604.] *504.* The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. [605.] *505.* None of the funds appropriated or otherwise made available by this Act shall be available to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. [606.] *506.* No funds appropriated under this Act may be used for any action by the Attorney General or by the Secretary of State which is not in compliance with the provisions of the Refugee Act of 1980.

SEC. [607.] *507.* If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act and the application of such provision to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

SEC. [608.] *508.* None of the funds in this Act shall be available for payment of that portion of Standard Level User Charges (SLUC) for space owned by the Government of the United States that is in excess of a 7 per centum *rate* increase over [the amounts paid for] such charges in fiscal year 1984.

[SEC. 609. None of the funds appropriated in title II and title V of this Act may be used for any activity to alter the per se prohibition on resale price maintenance in effect under Federal antitrust laws: *Provided*, That nothing in this provision shall prohibit any employee of a department or agency for which funds are provided in titles II and V of this Act from presenting testimony on this matter before appropriate committees of the House and Senate.]

SEC. 509. (a) None of the funds provided under this Act shall be available for obligation or expenditure through a reprograming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out any functions or activities presently performed by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprograming of funds.

(b) None of the funds provided under this Act shall be available for obligation or expenditure for activities, programs, or projects through a reprograming of funds in excess of $250,000 or 10 per centum, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 per centum funding for any existing program, project, or activity, or numbers of personnel by 10 per centum as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress, unless, the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprograming of funds.

SEC. [610.] *510.* None of the funds appropriated or otherwise made available by this Act *to the Department of Justice or the Federal Trade Commission* may be obligated or expended to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government, except that this limitation shall not apply to private antitrust actions.

[SEC. 611. Except as otherwise provided in this section, each dollar amount contained in this Act is hereby reduced by 4 per centum. This section shall not apply to amounts on page 14 line 16, page 14 line 17, page 18 line 3, page 25 line 6, page 27 line 22, page 27 line 25, page 31 line 4, page 38 line 9, page 42 line 22, and page 35 line 5.]

SEC. 511. Section 7(b) of the Radio Broadcasting to Cuba Act is amended in the second sentence by striking out, "(replaced less" and inserting in lieu thereof "replaced (less".

This Act may be cited as the "Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriation Act, 1985".

Mr. RUDMAN. Mr. President, today I am pleased to bring before the Senate on behalf of the chairman of the subcommittee, the Senator from Nevada [Mr. LAXALT], H.R. 5712, a bill to appropriate money for the Departments of Commerce, Justice, and State, the Judiciary and related agencies for fiscal year 1985. This bill was carefully crafted by the Appropriations Committee. It provides the needed resources to fund a number of very important law enforcement, foreign policy, and commerce-related initiatives. At the same time, the totals are under the subcommittee's budget

allocation. It is a good bill, one that meets all the requirements of an appropriations measure and one that deserves the support of the Senate.

H.R. 5712, as amended by the Senate Appropriations Committee, totals $11,471,988,000. This amount includes $11,250,110,000 in new discretionary budget authority, and $221,878,000 in mandatory accounts. The budget allocation for the subcommittee totals $11.3 billion in discretionary spending. Thus, we are $49,890,000 below our allocation. However, I believe that in conference, the bill will have to absorb some increases to fund programs popular with Members of the House. The Senate conferees will need all the room we can get to write a conference report that remains within our budget allocation.

I think it should be pointed out that the bill as reported to the Senate is nearly $1 billion over the amount appropriated for the same programs in fiscal year 1984. This level of increase far exceeds a strict freeze level. However, both the White House and the Senate leadership have given the subcommittee an extra allowance due to the critical nature of its programs. Thus, I have been assured that if this bill stays under $11.3 billion in new budget authority for discretionary programs, it will be in line with the Omnibus Deficit Reduction Act of 1984, as well as the Senate budget allocation, and would be signed into law by the President. In short, Mr. President, both the White House and the Senate budget process are willing to provide enough room for us to write a bill that adequately funds the programs under its jurisdiction. With that concession, it would be a shame if we couldn't get a bill enacted into law.

At the end of my statement, I will provide details about all the accounts in the bill, but at this time, I would like to highlight a few items. The bill provides $198 million for economic development grants to continue to fund job-producing projects throughout the United States. It provides the full budget request for the Patent and Trademark Office, part of the multiyear effort to modernize that operation and to get the backlog of patent applications down. It provides $30 million to the National Telecommunications and Information Agency to expand the coverage of public television and radio and to replace old worn-out facilities. It provides the resources to the National Oceanic and Atmospheric Administration to undertake a number of new and exciting studies.

In the Justice area, the bill provides $69 million more for the INS in 1985 than has been appropriated for that agency in 1984. This will start the process of controlling our borders. The administration's efforts to stop organized crime drug smuggling are continued and expanded. And, the bill continues the Department's prison construction program—the largest in Federal history. For the Justice related agencies, the bill provides the full budget request for the U.S. Commission on Civil Rights and the Equal Employment Opportunity Commission and a $22.5 million increase for the Legal Services Corporation.

In the State area, the bill continues to fund the administration's vital foreign policy initiatives. The bill provides $85 million to modernize the radio transmitters used by the Voice of America. It increases academic and cultural exchanges by 33 percent. Finally, it continues a process of strengthening the reporting and analysis functions of the State Department.

As you can see, Mr. President, this bill has much to recommend it. I ask unanimous consent that a more detailed list apear at the end of my opening statement.

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

(See exhibit 1.)

Mr. RUDMAN. Mr. President, this bill is truly bipartisan. It would have never reached the floor without the help and assistance of every member of the subcommittee. I particularly thank the ranking minority member, Senator HOLLINGS. His knowledge of the programs and the agencies covered by this bill is invaluable to the committee, and I must say personally to this Senator, who is after all only in his fourth year on the committee as compared to Senator Hollings' very long service. His advice is constantly good. Every other member of the subcommittee has also actively participated in the drafting of the bill. All are responsible for the achievements of this bill. I extend to each my heartfelt thanks.

EXHIBIT 1

HIGHLIGHTS—H.R. 5712

(PARTIAL LIST)

FISCAL YEAR 1985 COMMERCE, JUSTICE, STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATION BILL

Title I—Department of Commerce and Related Agencies

Department of Commerce

For the Department of Commerce, the Committee recommends an appropriation of $2,137,008,000. This recommendation includes:

General Administration	$35,990,000
Special Foreign Currency Program	500,000
Bureau of the Census	85,500,000
Periodic Censuses and Programs	81,000,000
Economic and Statistical Analysis	31,450,000
Economic Development Administration	198,500,000
International Trade Administration	186,037,000
Minority Business Development Agency	49,885,000
United States Travel and Tourism Administration	13,000,000
National Oceanic and Atmospheric Administration	1,123,686,000
Patent and Trademark Office	101,631,000
National Bureau of Standards	123,985,000
National Telecommunications and Information Administration	13,944,000
Public Telecommunications Facilities, Planning, and Construction	30,000,000

Related Agencies (Commerce)

Federal Communications Commission	94,111,000
Federal Trade Commission	64,311,000
International Trade Commission	24,030,000
Marine Mammal Commission	929,000
Office of U.S. Trade Representative	13,782,000
Securities and Exchange Commission	105,337,000
Small Business Administration	205,500,000
SBA Business Loan and Investment Fund	408,000,000

Title II—Department of Justice and Related Agencies

Department of Justice

For the Department of Justice, the Committee recommends an appropriation of $3,675,564,000. This recommendation includes:

General Administration	71,150,000
United States Parole Commission	8,446,000
Legal Activities	191,454,000
Antitrust Division	43,519,000
U.S. Attorneys and Marshals	421,051,000
Support of U.S. Prisoners	58,240,000
Fees and Expenses of Witnesses	40,600,000
Community Relations Service	33,500,000
Federal Bureau of Investigation	1,147,223,000
Drug Enforcement Administration	329,988,000
Immigration and Naturalization Service	570,417,000
Federal Prison System	497,700,000
National Institute of Corrections	15,000,000
Federal Prison System—Buildings and Facilities	97,806,000
Office of Justice Assistance Research and Statistics	147,041,000

Related Agencies (Justice)

Commission on Civil Rights	12,747,000
Equal Employment Opportunity Commission	161,155,000
Legal Services Corporation	297,550,000

Title III—Department of State and Related Agencies

Department of State

For the Department of State, the Committee recommends an appropriation of $2,249,782,000. This recommendation includes:

Administration of Foreign Affairs	1,269,901,000
Acquisition, Operation, and Maintenance of Buildings Abroad	211,000,000
Contributions to International Organizations	522,570,000
Contributions for International Peacekeeping Activities	47,400,000
International Conferences and Contingencies	10,000,000
Related Agencies (State)	
Arms Control and Disarmament Agency	19,468,000
Board for International Broadcasting	100,498,000
Commission on Security and Cooperation in Europe	550,000
U.S. Information Agency	815,656,000
Title IV—The Judiciary	
Total, the Judiciary	983,741,000

Mr. RUDMAN. Mr. President, I now yield to the Democratic floor manager for any opening statement he may have.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. I thank the distinguished acting chairman of our subcommittee.

Mr. President, our acting chairman, the distinguished junior Senator from New Hampshire [Mr. RUDMAN], has fully outlined the major provisions of this bill. I will not detain the Senate with unnecessary repetition, but want to commend our acting chairman for the outstanding way he has handled this bill.

I am reminded that I, too, was pressed into service as acting chairman early in my membership on the State, Justice, Commerce Appropriations Subcommittee. In 1971, the late Senator McClellan asked me to take that responsibility when he was involved in a tough primary. It has always been an interesting bill to me. The Senator from New Hampshire has certainly mastered the many factors involved with the funding of the Departments of Commerce, Justice, and State, the Judiciary, and the several related agencies assigned to our subcommittee. Senator RUDMAN has been professional in every respect. He has been very considerate of the minority side, and he has put together a good bill on which we can all agree.

On behalf of the minority, I want to thank our acting chairman for his response to the items of particular importance to the minority Members. Within our recommendations, there are funds to restore the economic development assistance and the trade adjustment assistance programs. We provide a significant boost to the Office of Textiles and Apparel, particularly for automation in the apparel industry. We have restored the administration's unwise cuts to NOAA's budget, as well as beginning a major expansion of our ability to forecast severe storms.

The subcommittee has always maintained solid support of our law enforcement agencies. Last year we gave the FBI its first billion dollar appropriation and this bill provides the full 538 additional FBI personnel requested. Likewise, we support the full number of other law enforcement positions requested by the Justice Department, including 872 new Immigration and Naturalization Service personnel.

Of special interest to me was: The $1 million recommended for an Ocean Service Center in Charleston, SC; the additional $500,000 for the State and local enforcement agencies funded by the Equal Employment Opportunity Commission; the identification of the Martin Luther King, Jr. Center in Atlanta for participation in the educational and cultural exchange programs; and the continued expansion and modernization of the Voice of America and Radio Free Europe and Radio Liberty.

Mr. President, we have worked out a good bill that is within our overall budget allocation. We have some amendments, that the acting chairman and I have reviewed and in most instances, support. We definitely disagree on the general provision regarding the antitrust actions against municipalities, and I expect a good debate on that. We are ready to proceed with the bill and amendments.

We were allocated some $11.5 billion, and the summation is on the back page of the report. We are under the budget. We are at $11.471 billion. So the subcommittee has held the line set within the budget and I believe has made the proper allocations throughout.

Whatever the Senate's judgment is with respect to the FTC and the National Endowment for Democracy, there is no reason why we cannot handle this bill very quickly on the floor today.

I thank the Senator from New Hampshire.

Unless any Members on our side wish to speak, we will start proceeding in the way the chairman would like to proceed.

Mr. RUDMAN. I thank my friend from South Carolina for his gracious remarks. He is a pleasure to work with on this committee.

Mr. President, in accordance with section 904 of the Budget Act, I move to waive section 303 of that act with respect to the pending measure, H.R. 5712, as reported from the Committee on Appropriations, and any amendments thereto. I make this motion because, as the Chair knows, we do not have a budget resolution at this time. In order to bring the pending appropriations measure before the Senate, such a motion is necessary.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the committee amendments—with the exception of the committee amendment on page 51, beginning on line 11 and continuing on line 12; the committee amendment on page 72, line 4, beginning with the word "to" and continuing through the word "Commission" on page 72, line 5; and the committee amendment on page 72, beginning on line 16 and continuing through line 19—be considered and agreed to en bloc, and that the bill as amended be considered as original text, for the purpose of further amendment, with the understanding that no points of order shall be waived by reason thereof and that the excepted committee amendments may be temporarily laid aside by agreement of the floor managers.

Mr. HELMS. Mr. President, reserving the right to object, I wish to make an inquiry of the Senator. He is referring to the Legal Services Corporation. Is that correct?

Mr. RUDMAN. No.

Mr. HELMS. I object, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. RUDMAN. Mr. President, if I understand the Senator from North Carolina correctly, I believe he would like us to further except at this time the portion on page 37 beginning with line 5, through line 14 on page 38.

Mr. HELMS. Mr. President, I think we will save time if we have a small conference, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. RUDMAN. Mr. President, I also include in my prior request, in terms of exceptions, that we include line 5 on page 37, through line 14 on page 38. I believe that is what the Senator from North Carolina wants.

Mr. HELMS. That is correct.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. RUDMAN. Mr. President, I believe the Senator from North Carolina would like to address this issue, and so I yield the floor.

Mr. HELMS. I thank the distinguished Senator from New Hampshire, who is managing this bill.

Mr. President, I raise a point of order against the indicated amendment, on line 5 of page 37 through and including line 14 on page 38, that it is legislation on an appropriations bill.

The PRESIDING OFFICER. The point of order is well taken. The amendment falls.

Mr. RUDMAN. Mr. President, I appeal the ruling of the Chair, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I want to make it clear that I raised the point of order that the amendment constitutes legislation on an appropriations bill in clear violation of rule XVI of the Standing Rules of the Senate.

The PRESIDING OFFICER. Is there further debate? If not, the questions is, Shall the decision of the Chair stand as the judgment of the Senate? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that Senator from North Carolina [Mr. EAST] is necessarily absent.

The PRESIDING OFFICER [Mr. KASTEN]. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 27, nays 72, as follows:

[Rollcall Vote No. 179 Leg.]

YEAS—27

Armstrong	Helms	Simpson
Cochran	Humphrey	Symms
Denton	Jepsen	Thurmond
Garn	Long	Tower
Goldwater	Mattingly	Trible
Grassley	McClure	Wallop
Hatch	Nickles	Warner
Hawkins	Proxmire	Wilson
Hecht	Quayle	Zorinsky

NAYS—72

Abdnor	Durenberger	Matsunaga
Andrews	Eagleton	Melcher
Baker	Evans	Metzenbaum
Baucus	Exon	Mitchell
Bentsen	Ford	Moynihan
Biden	Glenn	Murkowski
Bingaman	Gorton	Nunn
Boren	Hart	Packwood
Boschwitz	Hatfield	Pell
Bradley	Heflin	Percy
Bumpers	Heinz	Pressler
Burdick	Hollings	Pryor
Byrd	Huddleston	Randolph
Chafee	Inouye	Riegle
Chiles	Johnston	Roth
Cohen	Kassebaum	Rudman
Cranston	Kasten	Sarbanes
D'Amato	Kennedy	Sasser
Danforth	Lautenberg	Specter
DeConcini	Laxalt	Stafford
Dixon	Leahy	Stennis
Dodd	Levin	Stevens
Dole	Lugar	Tsongas
Domenici	Mathias	Weicker

NOT VOTING—1

East

So the decision of the Chair was overruled.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the decision of the Chair was overruled.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I thank the Chair.

Mr. President, I hope Senators will consider what they have just done. The distinguished Parliamentarian advised the Chair correctly. In other words, the Parliamentarian told the Chair what the rule of the Senate is relating to the subject. There is no dispute about that between the distinguished Senator from New Hampshire—and my friend—Mr. RUDMAN. He agrees that the Chair ruled correctly, yet the Senate has just voted to overrule the Chair when the Chair was correct.

This Senator wants to compliment the Parliamentarian, and say to him that the shoe has been on the other foot from time to time insofar as the Senator from North Carolina is concerned, and I have had to swallow hard and uphold the Chair. We have a fine Parliamentarian.

I believe, Mr. President, that if the Senate embarks on this business of abiding by the rules of the Senate only when it suits the Senators' fancy that we are on a slippery slope. But the Senate has spoken. I accept that.

Mr. President, in a moment I am going to ask for the yeas and nays on this amendment. But before I do that, let me read to the Senate a letter from the Honorable Donald P. Bogard, president of the Legal Services Corporation who describes the substantive impact of this amendment that the Senate just voted in effect to uphold. And I have no doubt in my mind that the Senate will go on pellmell to support this amendment, when I ask for the yeas and nays, and the rollcall begins. This letter is dated June 26. It says:

DEAR SENATOR HELMS: Thank you for your inquiry concerning the impact of H.R. 5712 on the Legal Services Corporation.

The bill as reported by the Senate Appropriations Committee would prevent the Legal Services Corporation, even under a confirmed Board of Directors, from performing its fiduciary responsibilities for the funds appropriated. The bill would specify the identity of every recipient of the appropriated funds and the amount of its grant. It purports to render unenforceable 8 sets of regulations already promulgated, including those to curb illegal lobbying activities, prevent the hoarding of funds, and prevent discrimination against rural areas. It would subject future regulations to the informal veto of the Appropriations Committee. It would deny funds to our Washington staff to audit grantee activities and financial practices, investigate complaints, defend the Corporation against suit, or assist in the resolution of EEO complaints in the local programs.

These provisions make the enforcement of the remaining prohibitions against lobbying, politically oriented training, etc., impossible. Therefore, we would prefer adoption of a simple appropriations measure with no legislative provisions, to the onerous provisions reported by the Senate Appropriations Committee. The provisions politicize all significant areas of decision making by LSC. We can do a far better job of operating an effective, nonpolitical program which emphasizes the delivery of legal assistance to eligible clients if the Committee amendments are deleted.

Mr. President, in part because of the substantive problems raised by Mr. Bogard, I made the point of order a little while ago. I had hoped that Senators would consider what they are doing. But apparently, the Senate felt otherwise inclined, and, as I said earlier, I accept that.

Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. RUDMAN. Mr. President, I will be brief. I want to say to my good friend from North Carolina, I am sure he had every reason to believe the letter he read was accurate. It is, in fact, inaccurate.

Let me tell my good friend the experiences that this Senator had with the Legal Services Corporation.

Roughly 8 weeks ago we had a hearing. It became apparent that Legal Services Corporation was being mismanaged. For instance, it turned out they had been reprogramming funds and were totally unaware of the fact there was a law that covers reprogramming.

Because of the concern in the Appropriations Committee for what they seemed to be doing, we asked them a series of questions, like most committees do, for the record, and gave them a full 6 weeks to answer the questions.

We called them, we harassed them, we wrote them, and we did not receive answers.

As a matter of fact, the day of the subcommittee markup we received no answers. The day of the full committee markup we received no answers. Finally, yesterday, we received the answers.

Mr. HATCH. Will the Senator yield?

Mr. RUDMAN. I want to finish this one point and then I will be happy to yield without losing my right to the floor.

The fact of the matter is I want to comment on the point of order of the Senator from North Carolina, which certainly under the rules of the Senate he was quite correct in raising.

The problem we have with Legal Services Corporation is for 4 years we have not had an authorization bill. If we were to strike the language from the appropriations bill, all controls on the corporation and its grantees would evaporate. We would leave it solely to that corporation and its unconfirmed board to decide everything, and congressionally imposed controls on lob-

buying in the field would no longer exist.

The fact is that this language, while being permissive, in many ways is very restrictive. I think Mr. Bogard by that letter demonstrates a fine disregard for the facts.

I yield.

Mr. HATCH. I think it is outrageous that these people have not cooperated with the Appropriations Committee. There has been nobody more concerned about the Legal Services Corporation or about the problems it has raised through the years or about the excesses it has gone through, who has done more to show those excesses and those problems.

I am convinced that the distinguished Senator from New Hampshire and others on the Appropriations Committee are working with us to make sure that this corporate board has the flexibility to be able to function as a corporate board. In fact, we are going to have a colloquy that will resolve most of the problems.

What I am concerned about, I want to tell my dear friend from North Carolina, is we have put a lot of reforms into this appropriations bill. We did it last year. It is the first time we have really gotten together, those who are ardent supporters of the Legal Services Corporation and those who are not.

I can tell the Senator those reforms are absolutely crucial.

One of the big problems we have had, I bring to the attention of my dear friend from North Carolina, is that the board has not really been able to function as a support. We had almost all of the board members come before our committee, which is a very complex and divisive committee on this issue, very much in disagreement with each other. All but two came out unanimously by a vote of the committee.

We have had all of these people held up during their period of time, and I think that is ridiculous, too.

I appreciate the problems that the distinguished Senator from North Carolina and others have had with this corporation. I think we have brought out point after point after point as to how this corporation really has been run in the past and the excesses it has subscribed to and actually implemented.

My concern is that the confirmed board, and I call the attention of the distinguished Senator from New Hampshire to this point, will have the freedom to make the funding decisions that previous boards have made. I believe they will make adequate and good decisions. I believe there is really no contest with regard to 9 out of the 11 board members. I think we ought to get as many of those board members through as we can, and then we ought to take on the two and get them through.

That is all I am saying. I ask my distinguished friend to comment on this. Of course, I agree to have our colloquy for the RECORD that will clarify a lot of the problems that our friend from North Carolina has had.

Mr. HELMS. The Senator from New Hampshire has the floor, but I wonder if he will yield for a moment.

Mr. RUDMAN. I am happy to yield.

Mr. HELMS. These nominations were reported out 9 months ago?

Mr. HATCH. No, this year. Several weeks ago. None of them came out unanimously from the committee. We have had nothing but problems.

Mr. HELMS. Will the Senator describe for the Senator from North Carolina what is going on with the holdup of these nominations?

Mr. HATCH. I cannot describe it. All I can say is there are certain people who have put holds on these nominees. I think it will be incumbent on the majority leader to call up those nominations and resolve the issues. None will go through quickly.

Mr. HELMS. Perhaps it will be well for the RECORD if one or the other of the Senators would indicate the present composition of the board, how many members, how many vacancies, and so forth.

Mr. HATCH. There are only four members on the board, as I understand it, and they are recess appointments.

Mr. RUDMAN. I believe there are five with six vacancies. The five are recess appointments.

Mr. HELMS. I see.

Mr. HATCH. And they have been that way for well over a year. So the point of the distinguished Senator from North Carolina is well taken.

Mr. RUDMAN. Nobody would be more pleased than the Senator from New Hampshire to see this board confirmed and let them run Legal Services Corporation. The point that I made earlier, and I have great respect for the Senator from North Carolina, is the Senator from North Carolina is precisely correct in what he said about this being legislation on an appropriations bill. But there are times in life when you have to do the practical thing. Were we not to put language in this appropriations bill we would have an uncontrolled situation in the Legal Services Corporation. Hopefully we can get these 9 or 11 people confirmed and be off to something more important.

Mr. HATCH. Will the Senator yield for one other point?

Mr. RUDMAN. I yield.

Mr. HATCH. Without this language in this bill we can lose the reforms we have actually worked on and which I think everybody is proud are in this bill. I think the distinguished Senator from New Hampshire has done a tremendous job in working with us to try to resolve these problems. I believe our colloquy will resolve further problems that exist. I just call upon my friend to assert strongly that once the board is confirmed it will have the complete power to operate as prior boards.

Mr. RUDMAN. Subject to those provisions that the Senator is aware of.

Mr. HATCH. Mr. President, I have several questions concerning the portion of H.R. 5712 that provides appropriations for the Legal Services Corporation. I would like to address these questions to my distinguished colleague from New Hampshire, who has worked so diligently on this bill and has seen to it that the bill has moved quickly through the Appropriations Committee. I want again to express my gratitude for the courtesy and cooperation that he has shown my staff and me, as we have attempted to address the controversial and complex issues surrounding the Corporation.

My first question to my distinguished colleague concerns language in the report which states as follows:

> This appropriation provides an 8.2-percent increase for all non-census-based field positions (field programs or components thereof, whose funding levels are not based on the poverty population within the geographical area they serve), national support (including the clearinghouse), State support, special programs, and the regional training centers.

My questions are these: If a Board is confirmed by the Senate, would they be bound to provide an increase to all Corporation programs and activities or would they be free to determine, as previous Boards have done, who to fund and at what level? Would they be free, for example, to move money from a national support activity over to the direct delivery of legal aid? Perhaps stated more broadly, how do the programming procedures work and how do they interact with the report language adopted by the committee?

Mr. RUDMAN. To address the questions in reverse order, the manner in which the reprogramming procedure works is thoroughly explained on pages 87 and 88 of the committee's report on this bill (S. Rept. 98-514). It is basically a "report and wait" provision under which an agency must inform the House and Senate Appropriations Committees of any changes they wish to make in their congressionally approved budgets and give the two committees the opportunity to comment thereon. The provision works to the advantage of the agencies involved since they retain the ability to respond to unforeseen or changing circumstances.

The alternative would be for Congress to enact into law a budget in such detail that agencies would have no flexibility over the course of the fiscal year. I should note that the reprogramming provision has been law

for the last several years and the Legal Services Corporation has failed to abide by it. Furthermore, when this issue was raised at the Corporation's fiscal 1985 budget hearing, they asked for permission to reply for the record and have, 8 weeks later, still failed to do so.

In the case of the Corporation's budget, the reprogramming requirements apply to the functional areas or activities as laid out in the Corporation's budget submission to Congress and specified in the committee's report on this measure. Since funds have not been earmarked for specific grantees or contractors, the reprogramming procedure would not apply to a specific decision by the Corporation to fund or deny funding to such grantees or contractors. Of course, to the extent there are other applicable provisions of law that address this question, the Corporation would still be bound by those.

With regard to the first question, the Corporation has the flexibility to shift funds around between functional areas subject, of course, to the reprogramming procedures I have just outlined.

Mr. HATCH. I understand that the Corporation is currently conducting a study of the effectiveness and value of the existing network of national and State support centers, and that completion of this study is expected in the fall. If that study is completed, and the Corporation wishes to take steps to implement the findings from this study, would they be free to do so under the existing language of H.R. 5712?

Mr. RUDMAN. Yes, of course, but any such steps would be subject to the reprogramming requirements enunciated in the bill.

Mr. HATCH. Concerns have arisen regarding the allocation formula for basic field programs, specifically that the formula will protect specific grantees even if there is a confirmed board. Would the Senator from New Hampshire elaborate on these concerns?

Mr. RUDMAN. The purpose of the allocation formula for the basic field programs is to ensure that specified minimum levels of funding are available throughout the country for legal services to the poor. Assuming a confirmed Board, it would not prevent the Corporation from denying refunding to an existing basic field program. I should note that this is another provision which the Corporation has brought upon itself. The Corporation would like to equalize funding for basic field programs throughout the country, a goal I share. However, rather than adopting a reasonable plan under which that goal could be reached over several years, the Corporation last year insisted that it would equalize every basic field program's funding level immediately. That would have led to 30 or 40 percent of reductions for a number of grantees, nearly doubled the funding for others, and led to dramatic changes in funding levels for most programs and created tremendous disruption throughout the country. Our suggestion that they phase in toward that goal was ignored.

This year, the Corporation did not even come up with a comprehensive plan, leaving the provison adopted by Congress last year as the only alternative by default. This is something that the Corporation should attempt to address in an intelligent manner, and if they do so, the statutory funding formula can be dispensed with next year. I might add that the Corporation has, under the bill, the flexibility where two programs have been combined to equalize funding levels across the areas being served.

Mr. HATCH. Following up on this point, would a confirmed Board be free to issue regulations which specified how nonfield programs can spend their money?

Mr. RUDMAN. Yes, subject, of course, to the reprogramming provision in the bill.

Mr. HATCH. The answer by the Senator from New Hampshire goes to another concern with the bill; namely, the portion of H.R. 5712 which requires the Corporation to provide the House and the Senate Appropriations Committee with 15-day notice of all regulations issued after April 27, 1984, or that will be issued in 1985, prior to their promulgation in fiscal year 1985.

Under current law, as I am sure the Senator will agree, a notice provision may be warranted, especially given the record of the Corporation in complying with requests from the Senator's committee for information. Yet, in most instances, this notice requirement and the traditional reprogramming requirements adopted by this body address how a Federal agency or department will spend funds, what formula will be used, and how that formula is to be interpreted. The provision included in H.R. 5712 goes much further and would cover all substantive actions taken by the Corporation as well.

Thus, if the purpose of the provision is to invest in these two committees either a formal or informal veto power over all of the Corporation's activities, then I believe the provision is both unwarranted and illegal. Not only would it be unconstitutional, it would also violate the oft repeated congressional desire to keep the Corporation politically independent. For the first time since its inception, Congress would be involving itself in the day-to-day operations of the Corporation. It is hard to imagine how the Corporation could be further politicized.

Consequently, I ask my distinguished colleague, is this provision simply a notice requirement or by it does he mean to provide these two congressional committees with an informal veto over every activity and decision of the Corporation?

Mr. RUDMAN. The concerns raised by the Senator from Utah regarding the application of section 509, the reprogramming section of this bill, to all regulations issued by the Legal Services Corporation effective after April 27, 1984, are not unreasonable. The reprogramming procedures are, under normal circumstances, intended to address questions regarding how appropriated funds are spent, questions that fall within the jurisdiction of the Appropriations Committee. The application of reprogramming to policy issues is, I would concede, unusual.

The committee and the Senate, with regard to the Legal Services Corporation, is faced with an extraordinary problem, one that called for a somewhat unusual response. Before addressing that situation, I should emphasize that it is my hope, and I believe I can speak for the members of the Appropriations Committee, that this is a one time action and that it will not be necessary to include the provision in the fiscal year 1986 appropriations bill.

The committee adopted the provision only after considerable internal discussion and after careful consideration of a number of alternatives. The course chosen was the only one that addressed itself to all the aspects of the problem in a scalpel-like, as opposed to shotgun, fashion. Basically the situation we faced was as follows:

First, the Corporation, in February, published a proposed regulation regarding legislative and administrative advocacy, a regulation commonly known as the lobbying regulation, although that is something of a misnomer since the legal services programs around the country are flatly prohibited from lobbying as most Members of Congress understand the term.

The proposed regulation was, in large part, intended to implement statutory language by the Appropriations Committee and somewhat modified on the Senate floor last year following extensive negotiations between the Senator from Utah, myself, and other Senators. Many Senators felt that the portions of the proposed regulation far exceeded the scope of the statutory language and 18 Senators, including myself, wrote Robert McCarthy, chairman of the Corporation's Board on March 27 expressing that view. The Corporation's response was totally inadequate and, on April 28, the Corporation's Board promulgated the regulation with no significant modifications.

At the Commerce-Justice-State appropriations Subcommittee hearing on May 2, nearly 20 questions were either asked or submitted for the record on

that one regulation alone. For most of the questions asked live, the Corporation's President was going to provide additional information for the record. Neither that additional information nor the answers to the questions submitted for the record were received until yesterday, 8 weeks later and 2 weeks after the committee markup.

Accordingly, the committee faced three choices. The problem could be ignored, a position that had no support. A provision could be included in this bill overturning the regulation, a course that was not adopted because it was a meataxe approach to a problem that Senators felt could be resolved if the corporation would answer questions and engage in some two-way communication. The third course was to block the regulation until such time as the corporation decided to talk to us. That is what this provision does.

The second problem the committee faced was a disturbing pattern on the part of the Corporation to issue new regulations, or instructions to grantees, with the minimum or no opportunity for public comment. A consistent disregard for the spirit, if not the letter, of the Sunshine Act and relevant provisions of the Legal Services Corporation Act and the Corporation's bylaws was developing. The most recent example of this came when the Corporation recently promulgated a regulation revising their bylaws. The proposed regulation was issued April 19, 1984, with the minimum 30-day comment period required by law. The comment period closed on May 18 and the Corporation's Board met on May 19 and adopted the proposed regulations without change.

Obviously, the public's comments were not reviewed. Major changes in the terms and conditions of grants, such as an increase in the funds that have to be earmarked for the private bar and procedures to handle fund balances, were issued last year without any opportunity for public comment or review whatsoever. This is entirely unacceptable. The provision in our bill, by forcing the final version of the regulations to be on the table for 15 days, addresses this problem by slowing the Corporation's rush to regulate down just a little.

Parenthetically, it should be noted that most of the Corporation's most significant policy changes are being delayed by court injunctions. If they stopped long enough to think a little and listen to Congress, that problem might be avoided. Certainly, Congress has an interest in avoiding it since tax dollars are, in most instances, paying for both sides in the litigation as well as the court costs.

Finally, it is the committee's view that the Corporation has failed to comply with the so-called mandatory refunding provision. That provision was first enacted into law in fiscal year 1983 and the relevant conference report, House Report 97-780, clearly states that the provision applies to the terms and conditions of grants as well as the dollar amounts. The Corporation failed, however, to respond to the committee's questions on that point and the committee, accordingly, felt it had no choice but to come up with an appropriate response.

Although the actual workings of the reprogramming provision were discussed earlier, I shall quickly review it in terms of the regulations. The Corporation decides what it wants by way of a new regulation. It then submits that regulation to both the House and Senate Appropriations Committees, and waits no less than 15 days. During that 15 days, they will hopefully reflect a little on what they have done and listen to comments from Congress. Presumably, all problems will be worked out and thereafter they are free to promulgate the regulation.

One other comment is in order. The Corporation has brought this provision on itself by its own actions. Hopefully, the lesson will be learned and it will exist for 1 fiscal year only. Certainly, I do not want to be in the business of reviewing every regulation they choose to promulgate. The Corporation, however, whether through incompetence, stupidity, or malice, is currently doing the worst job of any agency with which I am in the least bit familiar and there is a possibility that the problem cannot be solved without a thorough house cleaning. There is a full slate of Board nominations pending on the Senate's Executive Calendar. Addressing this problem should be their highest priority.

Mr. HATCH. I believe, then, it would be fair to say that the purpose of this provision is not to grant these two committees with formal veto power over the Corporation's regulations. What I hear my colleague from New Hampshire saying is that the purpose behind this provision is to ensure that the Corporation keeps these two Committees informed of their activities and provides this information on a timely basis.

Mr. RUDMAN. That is correct.

Mr. HATCH. Mr. President, the report language accompanying H.R. 5712 states that the Appropriations Committee feels that the regulations promulgated by the Corporation implementing last year's statutory language on lobbying were not in keeping with the expressed language and intent of the lobbying provisions found in Public Law 98-166. Since the Senator from New Hampshire and I were the principal cosponsors of these provisions, I was most concerned with his apparent condemnation of the implementing regulations. This issue is perhaps the single most important aspect of last year's compromise because lobbying by the Corporation represents the heart of the controversy surrounding the legal services program.

As the report language now stands, a third party might believe that the Appropriations Committee and by implication, the Senate, feels that all of the promulgated lobbying regulations are at odds with the statute. In fact, I believe that the overwhelming majority of those regulations are acceptable, yet there are provisions which might give rise to questions. Would my colleague be more specific as to the actual provisions in the regulations which he feels are contrary to the language of the statute?

Mr. RUDMAN. I appreciate the inquiry by the Senator from Utah. Clearly, each and every section of the regulation, which is over eight pages long in the Federal Register, is not bad. As I indicated earlier, it is portions of the regulation, albeit important portions, which are the problem. I would also note that the committee, had it felt that the lobbying regulation was hopeless and could not be revised to more accurately reflect the underlying statutory language, it could and probably would have included bill language simply nullifying it. It chose not to follow that course for a more modest one of forcing the Corporation to come up to the Hill and talk about what they are doing. It should also be noted that part of the problem may simply be one of communication. The fact is that much of what is in the regulation is open to varying interpretations. Efforts at clarification have failed because of the Corporation's past refusal to respond to questions posed by the Appropriations Committee.

Having said that, I list some of the specific concerns. However, this is not an all inclusive list and it should not be construed as such. First, the requirement that legal services programs can only respond to requests from legislators or agency officials when the request is or will be placed in writing has no justification whatsoever. Second, the provision relating to administrative advocacy is at best indecipherable and at worst could be construed to prohibit administrative advocacy beyond the legislative intent.

Third, a provision in Public Law 98-166 which precludes communications to legislators on behalf of clients if such communication is the result of participation in a coordinated effort to provide communication, the purpose of which was to prevent legal services programs from getting involved in grassroots lobbying campaigns, has been interpreted to prevent legal services attorneys from consulting with experts in a field who may be legislatively active. Leaving aside the issue of whether the attorney would even know what the expert is doing, that

provision of the regulation would limit the sources of expertise that can be drawn on in violation of their Code of Professional Responsibility.

Fourth, section 1612.5(c)(2) of the regulation precludes the use of LSC funds to pay dues to any organization, other than a bar association, a "substantial" purpose or function of which is to take positions on matters before legislative or administrative bodies. The word "substantial" is undefined and the provision could preclude a legal services program from joining legitimate State or local human service provider groups, such as the New Hampshire Social Welfare Council, that express views on public policy issues.

Fifth, the prohibition in section 1612.5(d) on the making of "indirect suggestions" to eligible clients to engage in lobbying and the prohibition in section 1612.(c)(6) on "assist(ing) others to influence legislation through legislative liaison activities" could both be construed to prevent neutral reporting on legislative matters, functions routinely and properly undertaken by a number of LSC grantees.

Sixth, the Corporation appears to have imposed reporting and paperwork requirements which go well beyond the already burdensome requirements Congress enacted with Public Law 98-166 last year.

Let me reiterate again that this is not an exclusive list of the concerns that I and other Senators have, just some of the major ones. Frankly, I believe that many of these concerns could be worked out if there was just some open, two-way communication between interested Members of Congress and the Corporation. They, unfortunately, have been unwilling or unable to engage in such a dialog.

Mr. HATCH. Finally, the report language as it now reads indicates that action taken by the Corporation, should some Board members be confirmed and others not, would not be valid solely because a quorum could be established with confirmed members.

I find this language troubling from two aspects. First, it can be interpreted to mean that any vote involving a recess appointee is per se invalid. I personally thought that last year when this point was discussed at some length, it was agreed that until at least six members of the Board were confirmed by the Senate, the Corporation was under a presumptive refunding requirement. On the other hand, once six members were confirmed, they were free to make funding decisions on their own, as previous Boards have done.

The report language could also be interpreted as an absolute bar to any recess appointee to the Board voting, regardless of the number of confirmed Board members.

This interpretation raises the second issue. What happens if the Senate confirms the President's nomination of all 11 nominees, and 1, due to death or some other reason, can no longer serve on the Board. Would his or her replacement, if a recess appointee, be barred from exercising the traditional functions of a Board member? Moreover, what happens if the Senate confirms 9 or 10 of the nominees and the President makes a recess appointment to fill the open seat or seats. Would such a recess appointee be barred from serving on the Board and voting on all issues that the Board will have before it?

Mr. RUDMAN. Let me start out by stating that I believe the committee's report language clarifying the two statutory provisions, one now entering its third year, is buttressed by the plain language of the statute. However, neither the statutory provision nor the report language is designed to address a situation where the President has to make a recess appointment because a Director of the Corporation has died or suddenly resigned. The intent of both the statutory language and the clarifying report language has been to address the situation that has existed over the past several years; namely, the President has been unwilling to submit a full slate of Directors, who serve for fixed terms and cannot be removed by the President, who the Senate will confirm, and has attempted to undermine the independence of the Corporation by operating it with recess appointees who serve at his pleasure.

That does not now appear to be the case. The President has submitted 11 nominees to the Board of the Corporation and all 11 are now before this body. The two kinds of scenarios mentioned in my colleague's question are simply not what we are addressing with the statutory provision and the report language.

Mr. HATCH. Will the Senator yield for one other question?

Mr. RUDMAN. I yield.

Mr. HATCH. I believe we should support the distinguished Senator from New Hampshire, that we should vote down this amendment. I believe the amendment will not accomplish that which the distinguished Senator from North Carolina would like to accomplish. I believe there has been a good faith effort to resolve these problems. I intend to vote for the committee amendment and I call upon my colleagues to vote for it as well. I intend to vote with the distinguished Senator from New Hampshire.

Mr. RUDMAN. I yield the floor.

● Mr. CHILES. Mr. President, today, I want to call attention to an issue of great concern to me and to a number of my colleagues on the Appropriation Committee. That is the attitude toward open government at the Legal Services Corporation.

During recent weeks I have heard reports of the Board's unwillingness to fully comply with the spirit of the Government in the sunshine act. I have been told that open meetings of the Legal Service's Board often appear to be little more than stage presentations. There is little debate among Board members over important decisions, leading observers to conclude that most critical issues are actually resolved beforehand, behind closed doors. I have also heard of instances in which meetings have been rescheduled to inconvenient locations with short notice to the public. As the author of the sunshine act, I'm disturbed by these reports. I feel compelled to remind the Corporation's Board, that the act presumes Board decisions will be made in meetings, and that these meetings will be open to the public unless the subject matter falls into one of the act's narrow exemptions and it is determined the public would be better served by keeping the information confidential.

The new bylaw adopted by LSC are a particular area of concern for they contain tools which could be used to frustrate public access to Board meetings. First, they provide that special meetings of the Board may be conducted over the telephone. It is unclear to me how the public will be able to attend a conference call meeting of the Board, or how a transcript can be made of such a meeting in the event it is properly closed under one of the sunshine exemptions. The bylaws should be improved by language making clear that the telephone will only be used as a way to let absent board members participate in a meeting in which a quorum is physically present.

Second, the bylaws say any decision that can be made in a meeting may also be made without a meeting if all the directors agree in writing to the procedure. I understand that many of the simple, routine matters of running a Federal agency can be handled efficiently by notation voting without violating the spirit of open government. But it is obviously inappropriate for substantive decisions to be made outside of the meeting structure.

The Senate Appropriations Committee has just been over this same issue with the Interstate Commerce Commission. This important regulatory body was so opposed to sunshine it simply did not meet from October 1982 until April 1984. Like Congress, multimember agencies are collegial bodies and their decisions should be reached through debate and compromise with the public looking on. To the extent that members of Federal agencies determine agency policy with-

out meeting, they are not properly doing their job.

Finally, I am concerned by the creations of "emergency proceedings" under which the Board may adjourn a meeting if it finds the acts of the public audience to be disruptive, reschedule the meeting at a different location, and invite representatives of the public to attend. The very inclusion of such a provision demonstrates an unfortunate hostility between the Board and the interested public which is antithetical to the principles of open government. The public and the Board must work cooperatively to make open meetings successful. The public should not attempt to disrupt meetings or interfere with the conduct of agency business. By the same token, the Board should not be overly sensitive to efforts by the public to make their views known. I'm extremely concerned this provision will be used to reschedule meetings to a distant location to prevent members of the interested public from attending. Such tactics are clearly violative of the spirit of the law. I remind the Board that open meetings are not invitation only affairs.

Moreover, when meetings are legitimately rescheduled, the public should be given as much notice as possible. If the meetings is held in a location that is many miles from where meetings are ordinarily held, the Board should, ideally, demonstrate its good faith by giving the public more notice than the 7-day minimum required by the act.

In conclusion, Mr. President, I want to send clear notice to the Board of the Legal Service Corporation that Congress is concerned about complaints that the Board is attempting to discourage public access to Board meetings. The Sunshine Act establishes a presumption of openness in the decisionmaking processes of Federal agencies. This is a presumption that Congress takes seriously and I, for one, intend to keep an eye on the Board's sunshine record.●

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, let me first note that the Senator from New Hampshire stated accurately the position of the Appropriations Committee and our consideration of this provision and what the President of the Legal Services Corporation is contending for. He is off base. The full Committee on Appropriations considered this matter and that is it. It is not outrageous. It is totally in line with the facts of the case.

I did want to add a note of bipartisanship in behalf of the distinguished Parliamentarian.

The Parliamentarian made his ruling; he did his duty as he saw it. We, as Senators, when we want to pass things and put a little legislation on the bill—my senior Senator from South Carolina, the chairman of the Committee on the Judiciary, has been sitting dutifully for an hour—to do what? Put legislation on this appropriations bill.

And the Senator from North Carolina is interested in the cities having the right to issue taxi regulations. I know the Senator from North Carolina is a great disciple of the Government that is closest to the people. Amen. So do not come around here and raise a point of order on him. Do not do that.

Mr. President, it is not an insult to the Parliamentarian. He has done his job. And of course, the Senate has expressed its will.

Mr. RUDMAN. Mr. President, I believe everybody who wishes to speak has spoken. I believe the yeas and nays have been ordered.

The PRESIDING OFFICER. The Senator is correct.

The question is on agreeing to the committee amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 78, nays 22, as follows:

[Rollcall Vote No. 180 Leg.]

YEAS—78

Abdnor	Exon	Metzenbaum
Andrews	Ford	Mitchell
Baker	Glenn	Moynihan
Baucus	Gorton	Murkowski
Bentsen	Hart	Nunn
Biden	Hatch	Packwood
Bingaman	Hatfield	Pell
Boren	Hawkins	Percy
Boschwitz	Heflin	Pressler
Bradley	Heinz	Pryor
Bumpers	Hollings	Quayle
Burdick	Huddleston	Riegle
Chafee	Inouye	Roth
Chiles	Johnston	Rudman
Cohen	Kassebaum	Sarbanes
Cranston	Kasten	Sasser
D'Amato	Kennedy	Simpson
Danforth	Lautenberg	Specter
DeConcini	Laxalt	Stafford
Dixon	Leahy	Stennis
Dodd	Levin	Stevens
Dole	Long	Trible
Domenici	Lugar	Tsongas
Durenberger	Mathias	Warner
Eagleton	Matsunaga	Weicker
Evans	Melcher	Wilson

NAYS—22

Armstrong	Hecht	Randolph
Byrd	Helms	Symms
Cochran	Humphrey	Thurmond
Denton	Jepsen	Tower
East	Mattingly	Wallop
Garn	McClure	Zorinsky
Goldwater	Nickles	
Grassley	Proxmire	

So the committee amendment (page 37, line 5) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SECOND EXCEPTED COMMITTEE AMENDMENT: PAGE 51, LINE 11

Mr. RUDMAN. Mr. President, I understand that the pending matter is the second committee amendment.

The PRESIDING OFFICER. The clerk will report the next excepted committee amendment.

The assistant legislative clerk read as follows:

On page 51, lines 11 and 12, insert "and Related Agencies."

AMENDMENT NO. 3347

Mr. RUDMAN. Mr. President, I send a second-degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], for himself, Mr. THURMOND, and Mr. GORTON, proposes an amendment numbered 3347 to the amendment on page 51.

Mr. RUDMAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike "Agencies", at the end of the amendment and insert the following: "Agencies and United States Information Agency Appropriation Act, 1985".

ADMINISTRATIVE PROVISION

SEC. (a) Sections 4, 4A, and 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) shall not apply to any law or other action of or official action directed by, a city, village, town, township, county, or other general function unit of local government in the exercise of its regulatory powers, including but not limited to zoning, franchising, licensing, and the establishment or provision of public services on an exclusive or nonexclusive basis in a manner designed to ensure public access or otherwise to protect the public health, safety, or welfare, but excluding the purchase or sale of goods or services on a commercial basis by the unit of local government in competition with private persons, where such law or action is valid under State law.

(b) No damages, interest on damages, costs, or attorney's fees may be recovered under section 4, 4A, or 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) from any unit of local government or official thereof acting in his official capacity.

SEC. 2. Funds appropriated to the Department of Justice or the Federal Trade Commission may be obligated or expended to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government, notwithstanding Section 510 or any other provision of the "Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies.

Mr. RUDMAN. Mr. President, in a moment, I am going to ask unanimous consent to lay this amendment aside temporarily, for the purpose of accommodating an amendment to be offered by the Senator from Georgia, which will be accepted by the committee.

At this point, I state for the record that the second-degree amendment I have just sent to the desk deals with the issue of antitrust immunity; and the amendment is sent to the desk on behalf of Senator THURMOND, the chairman of the Judiciary Committee; myself, and the Senator from Washington [Mr. GORTON]. I will explain the amendment in detail later.

At this point, I ask unanimous consent that the pending amendment be laid aside for the purpose of considering an amendment to be offered by the Senator from Georgia.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 3348

(Purpose: To provide funds for the Small Business Administration's 501 State Development Company program)

Mr. NUNN. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Georgia [Mr. NUNN] proposes an amendment numbered 3348.

Mr. NUNN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 17, line 22, before the period insert the following: ", and of such funds, $5,000,000 to be made available for loans for the program authorized by section 501 of the Small Business Investment Act of 1958".

Mr. NUNN. Mr. President, the amendment I am offering today would provide a limited amount of money from funds already made available under this bill for the Small Business Administration to continue its financial partnership with the State Development Company Program administered by SBA. The bill, as reported by the Senate Appropriations Committee, includes an additional $52 million for capital for the repurchase of loans guaranteed by the agency. Under my amendment, $5 million of these funds provided to the Small Business Administration for fiscal year 1985 under the Business Loan and Investment Fund will be used for a continuation of loans for the State Development Company Program. No additional funds will need to be appropriated if this amendment is agreed to.

Pursuant to the laws of individual States, an economic development authority, or business development corporation, may be formed. These entities derive their private capital by borrowing funds from member financial institutions. Under section 501 of the Small Business Investment Act of 1958, SBA is given explicit statutory authority to make long-term, direct loans only to these State development companies. In 1982, there were 24 State development corporations, although only 16 were active. Bank financings made in conjunction with 501 companies totaled over $71 million, with almost half of the assistance going to manufacturing firms. Now, there are 18 active corporations, including in Georgia.

However, during the past several years, the Congress and the agency have limited access to the direct loan funds of the agency, which has had the unintended effect of cutting off a source of funds to these State development corporations. In this interim period, the State development companies have relied on the funds previously made available to them by SBA, and on the increase in their private capital contributed by member financial institutions.

To my knowledge, neither the Congress nor the SBA has actively sought to terminate the authority of these State development corporations. The amendment I am offering today will provide $5 million for fiscal year 1985 so that SBA can continue this program.

Mr. President, this is a needed but temporary fix. For the past 2 years, I have proposed legislation that would provide additional authority to the Small Business Administration to make assistance available to 501 companies through the sale and guarantee of debentures. In this Congress, I introduced S. 745 for that purpose. This bill was cosponsored by Senators TSONGAS, BURDICK, WALLOP, CHILES, HUDDLESTON, SASSER, BAUCUS, LEVIN, DIXON, BOREN, SIMPSON, and PELL. The bill was incorporated without substantive amendment into S. 1323, the SBA authorization bill which passed the Senate on October 7, 1983. That authorization bill has been stalled in conference with the House over provisions unrelated to the 501 authority. I hope that we will be able to reach agreement on that conference report in the very near future.

Mr. President, I recognize that there are a number of questions that have been raised about the relationship between the 501 State development corporations and the 503 certified development corporations enacted in 1980. I was a principal cosponsor of that latter provision as well. There are differences, as was clearly identified during the Senate Small Business Committee's hearings on S. 745, and other bills, on April 13, 1983. I am willing to reassess the similarities and differences between all of the development company programs authorized by title V of the Small Business Investment Act of 1958 during the next Congress. But in the interim, I am not prepared to see this proven 501 program atrophy through a lack of attention or funding.

Mr. President, I appreciate the cooperation which the chairman of the Small Business Committee, Senator WEICKER, and my successor as ranking Democratic member on that committee, Senator BUMPERS, have provided me on this matter. I also appreciate the support of the chairman and ranking member of the Commerce, Justice Appropriations Subcommittee in considering this amendment.

Mr. President, we have talked with the Senator from New Hampshire and the Senator from South Carolina about this matter. The staff has discussed it.

I repeat: No additional funds will need to be appropriated if this amendment is agreed to. It is a shifting of funds. I think all parties agree that there is enough in this $52 million account to be able to accommodate this shift without disrupting any programs.

I thank my colleagues for their cooperation in facilitating this amendment, and I hope it will be accepted by the Senate.

Mr. RUDMAN. Mr. President, let me simply state that this matter has been cleared with the ranking minority member, and it has been cleared with the chairman of the Small Business Committee.

The Senator from Georgia has stated quite correctly how the amendment works and what it does.

We are willing to accept that amendment.

I yield to my friend from South Carolina.

Mr. HOLLINGS. Mr. President, on behalf of our side of the aisle, we accept the amendment.

Mr. NUNN. I thank our colleagues.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Georgia.

The amendment (No. 3348) was agreed to.

Mr. NUNN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUDMAN. It is my understanding that we now return to the second-degree amendment that is now pending.

The PRESIDING OFFICER. The Senator is correct.

Mr. RUDMAN. It is my understanding that the Senator from Alaska [Mr. STEVENS] had also a very brief amendment which he was going to offer at this time.

I would wish to have a few moments delay to give him that opportunity.

Mr. President, for those Senators who have inquired as to the commit-

tee's view on the timetable, we believe that there will be about an hour debate on this pending amendment, followed by a rollcall vote. We also believe there will be probably close to an hour debate on the National Endowment for Democracy which will follow this. We hope it will be about an hour debate. Following that we do not believe there will be other items of controversy to be considered.

So if all goes well, hopefully we can get through this bill by some time between 3:30 p.m. and 4 p.m. this afternoon.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MELCHER. Mr. President, I ask unanimous consent that the order for the quorom call be rescinded.

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

Mr. MELCHER. Mr. President, I have an amendment which I send to the desk and ask for its immediate consideration.

Mr. RUDMAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. RUDMAN. I believe that we would have to agree to waive the pending committee amendment before that amendment could be considered. Is the Senator from New Hampshire correct?

The PRESIDING OFFICER. The Senator is correct. There is a pending amendment.

Mr. RUDMAN. Mr. President, I suggest the absence of a quorum so I may discuss this with my friend.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. STEVENS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. STEVENS. Mr. President, I send an amendment to the desk.

Mr. RUDMAN. Mr. President, will the Senator withhold?

Mr. STEVENS. I withhold.

THE PRESIDING OFFICER. There is an amendment pending.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the committee amendment be laid aside for the purpose first of consideration of an amendment to be offered by the Senator from Alaska [Mr. STEVENS] and, second, an amendment to be offered by the Senator from Montana [Mr. MELCHER].

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

AMENDMENT NO. 3349

(Purpose: To increase the amount appropriated for the Fisheries Oceanography Coordinated Investigations program under the National Marine Fisheries Service)

Mr. STEVENS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

THE PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] proposes an amendment numbered 3349.

On page 7, line 16, strike out "$1,123,686,000" and insert in lieu thereof "1,124,286,000".

On page 7, line 20, strike out the semicolon and insert in lieu thereof "and, of which $600,000 shall be available to the Fisheries Oceanography Coordinated Investigations program for a joint research project sponsored by the University of Alaska and the Hawaiian Oceanic Institute on factors influencing the year class strength of subarctic bottom fishes;".

Mr. STEVENS. Mr. President, this amendment provides for a small increase in the fiscal year 1985 appropriation for the National Marine Fisheries Service.

This additional appropriation is required to support urgently needed research on the sub-Arctic ecosystem. In the past several years, many traditional fisheries of the Bering Sea and north Pacific region have suffered serious declines. Landings of Alaskan king crab, tanner crab, dungeness crab, and shrimp have all dropped quite dramatically. At the same time, fisheries for pollock and other species have become increasingly important to the Alaskan fishing industry. Unfortunately, little is known of the population dynamics of many bottom dwelling assemblages of fish. These fish are becoming subject to increasing levels of exploration. In order to make prudent management decisions, research is urgently needed to develop an understanding of the ecosystem which supports these fisheries. Recent concern about the well being of marine mammal populations in the north Pacific is a further indication of the importance of this research.

This amendment will provide $600,000 to fund north Pacific—Bering Sea fisheries oceanography research. Provision of support for this program will allow scientists to investigate mechanisms and processes by which fish spawning, growth, and survival are controlled. This research will provide the necessary background information to optimize the management of Marine fish stocks for greater economic benefit to the United States. Funds will go to the University of Alaska and the Hawaiian Oceanic Institute to conduct a joint study of the sub-Arctic ecosystem.

We must provide some measure of support for this vital program. I urge my colleagues to join me in supporting this amendment. It will provide our fishery managers with the tools required for wise management of our fisheries.

Mr. RUDMAN. Mr. President, the Senator from Alaska has described the amendment accurately. It has been cleared on both sides. I believe the Senator from South Carolina has also cleared this amendment on his side. I yield to him for any comment he may wish to make before moving that we accept the amendment.

Mr. HOLLINGS. Mr. President, we accept the amendment on this side.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 3349) was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I thank the managers of the bill for their courtesy.

Mr. RUDMAN. Mr. President, I believe under the previous order it will now be in order to recognize the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized.

AMENDMENT NO. 3350

(Purpose: to make it the sense of Congress that, in cooperation with Mexico, newly enacted authority under section 416 of the Agriculture Act shall be used on an expedited basis to make surplus wheat and milk available to help feed Guatemalan refugees in Mexico)

Mr. MELCHER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana (Mr. MELCHER) proposes an amendment numbered 3350.

At the appropriate place, add the following new section:

"It is the sense of the Congress that in cooperation with the Government of Mexico, the newly enacted authority under section 416 of the Agricultural Act dealing with U.S. surplus wheat and dairy products shall be used on an expedited basis to make these commodities avaiable to help feed the Guatemalan refugees in Mexico."

Mr. MELCHER. Mr. President, I purposely did not ask to dispense with the reading of the amendment because I think in reading the amendment in full it tells the whole story.

We have had this proposal before us. We put it on a bill. It was on the supplemental bill a couple months ago, and it was washed out in conference.

It is necessary to have this type of sense of Congress resolution passed simply to show to the Mexican Gov-

ernment that we are willing to participate in their undertaking to supply the nourishment and the shelter to the refugees, the Guatemalan refugees in Mexico.

It is also necessary in dealing with this that we stress in this resolution to the State Department and to the Department of Agriculture that we want to expedite the new regulations on 416.

This language will do that.

It is not objectionable to anyone in the Senate, and has the full concurrence of the authorizing committee and I believe the backing of every Senator who has looked at it.

Mr. RUDMAN. Mr. President, the amendment as proposed by the Senator from Montana is acceptable. I believe the Senator from South Carolina has also cleared that amendment. I move that we accept the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Montana [Mr. MELCHER].

The amendment (No. 3350) was agreed to.

AMENDMENT NO. 3347

Mr. RUDMAN. Mr. President, will the Chair please state the pending business?

The PRESIDING OFFICER. The pending business is the Rudman amendment to the excepted committee amendment on page 51.

Mr. RUDMAN. I thank the Chair.

Mr. President, I think we are now ready to proceed with the issue that is popularly known as the FTC-taxicab issue. I anticipate a number of Senators wish to be heard on it. I would certainly appreciate it, as would my friend from South Carolina, if they would come to the floor within the next hour so that we might move this expeditiously.

The amendment is offered as an alternative to language in the bill adopted in the Appropriations Committee which would strip the FTC and the Department of Justice of their enforcement powers.

The Appropriations Committee rider establishes bad precedent and bypasses the Judiciary Committee which has reported legislation on the issue that is currently pending on the Senate Calendar. Because the Appropriations Committee rider is misguided, we are offering the Judiciary Committee's bill as a substitute. And the chairman of the committee, Senator THURMOND, will be here on the floor shortly to state the position of that committee.

In order to fully understand the issue, let me provide some history on the issue. In 1982, the Supreme Court, in Community Communications Co. against City of Boulder, held that local governmental units are not immune from the operation of the Federal antitrust laws unless their anticompetitive activity is in furtherance of a "clearly articulated and affirmatively expressed State policy." Hence, the Court did not eliminate antitrust immunity for local governments, but simply stated that broad, home rule grants of immunity are not enough.

Recently, after concluding a long study of the taxicab industry, the FTC filed complaints against two cities on the basis that their regulatory activities "were and are to the prejudice and injury of the public and constituted and constitute unfair methods of competition in or affecting commerce in violation of section 5 of the Federal Trade Commission Act."

Instead of the enforcement stripping legislation contained in the bill, what we are offering here today as an alternative is legislation which was unanimously reported out of the Judiciary Committee. I commend this alternative to my colleagues as a more responsible approach to the issue. The amendment would do two things.

First, it would provide that local government units may not be sued for treble damages under sections 4, 4A, or 4C of the Clayton Act. Injunctive relief under section 15 of the Clayton Act, however, may still be obtained against local governments.

Second, the substitute would set forth the conditions under which private parties, acting pursuant to the direction of general function local government units, may also claim immunity from damage suits, so long as the criteria contained in the amendment are met.

The amendment is a far better solution for a number of reasons:

Unlike the appropriations rider, the legislation does not provide a blanket shield for local governments to establish local monopolies free from Federal consumer protection activities designed to provide the benefits of competition.

Instead, the substitute amendment would allow enforcement agencies to protect the public, but would protect taxpayers from paying damages for the anticompetitive activities of their local government regulators.

The enforcement stripping rider is misdirected for two reasons: First, the cities' real concern ought to be with private suits for which they could be liable for treble damages. The FTC cannot seek damages and seeks only to enjoin anticompetitive regulatory activities. Indeed, in testimony before the House Judiciary Committee, Kenneth Gibson, mayor of Newark, NJ, on behalf of the U.S. Conference of Mayors, states:

"The best solution on the remedies side would be to eliminate damages all together and to allow governmental plaintiffs, such as the FTC, the Attorney General and the state attorneys general to bring injunction actions to deter unfair or egregious actions by governments.

Second, it would be noted that a number of cities have removed restrictions on entering the taxi business and/or permitting discount taxi fares. These cities include Milwaukee, Madison, Jacksonville, Charlotte, NC, Seattle, Spokane, San Diego, Oakland, Berkeley, and Sacramento. Furthermore, there are a number of ongoing private antitrust actions and a number of cities are either facing multimillion damage awards or are in the process of revising their rules on the issue under threat of litigation. These include Miami, Chicago, and Manchester, NH. The amendment, under those circumstances, will have the effect of sticking a finger in the leaking dam, but, in the process, it will set a precedent we shall regret.

The FTC actions would not prevent local governments from effective regulation of taxicabs by which they can protect the public from incompetent drivers, unsafe vehicles, and other matters of local, public concern.

Proponents of the enforcement stripping rider suggest that Federal enforcement of antitrust laws violate federalist principles. As one who strongly supports federalism, I take particular exception to this argument. In fact, the States are completely and totally in control. To prevent Federal intervention, or, for that matter, private antitrust actions, the States may simply pass legislation granting specific antitrust immunity for local governments, which I understand has now been done at least in one State.

The attempt to defund legal enforcement efforts is improper. Instead, the alternative now before the Senate, reported by the Senate Judiciary Committee, would provide local governments with protection from treble damage suits, but maintain effective antitrust enforcement.

Mr. President, there is just one other item I wish to address, and I think it is rather interesting. We have a letter here dated the 14th of June of this year from the Office of Gov. Bob Graham of Florida addressed to the Secretary of State of Florida.

It is very interesting because, as I understand the Governor's letter, he is essentially saying he would not favor a grant of antitrust immunity at the local level for taxicab regulation for the very reason that Governor Graham states that he is interested that consumers in his State get a fair shake. Accordingly, he vetoed a bill approved by the Florida legislature on the issue.

Now, let me just say a couple of words about my friend from South Carolina and the action he took in subcommittee. I could understand that action—I did not support it, but I could understand it—because at the

time we took the action in the Appropriations Committee, there was no assurance whatsoever that there would, in fact, be any action from the Judiciary Committee prior to this bill being reported. There was the hope of some legislation, but we did not know.

And I cannot argue completely with the motivation of the Senator from South Carolina who, obviously, was concerned about the effect that could be had on the cities from this particular FTC action and particularly what could happen with treble damage suits that were pyramided on these actions brought by the FTC. But the reason for that amendment has gone.

The amendment now before us was carefully studied by the Judiciary Committee and supported by the National Conference of Mayors and I certainly hope that our colleagues will look at this issue very carefully. This is balanced approach between protecting the cities and, at the same time, not offending the rights of consumers. I hope that the full Senate will support this amendment.

Mr. PACKWOOD. Will my colleague yield for a question?

Mr. RUDMAN. I am pleased to yield to my friend from Oregon.

Mr. PACKWOOD. I know the Judiciary Committee had hearings on this subject last year and again this year. How many hearings were held in the Senator's subcommittee and in the full Appropriations Committee?

Mr. RUDMAN. To my knowledge, there were certainly none in the subcommittee or any before the full committee.

Mr. PACKWOOD. I know there was none in the House on this subject. What we have is a rider offered by the Appropriations Committee on a subject for which, to the best of the Senator's knowledge, there have been no hearings?

Mr. RUDMAN. The Senator is correct, unfortunately.

Mr. PACKWOOD. As opposed to an amendment, a well-thought-out, crafted amendment, from the Judiciary Committee, which will solve a broad panoply of problems, unlike the approach taken by the Appropriations Committee rider?

Mr. RUDMAN. I agree completely with my friend, the chairman of the Senate Commerce Committee, that, in fact, this is a very carefully thought-out piece of legislation.

Chairman THURMOND has crafted a piece of legislation which very properly balances the rights of all the interested parties and removes the greatest threat to the cities of the treble damages.

Mr. PACKWOOD. As a matter of fact, as I look at the appropriations rider, it does not free the cities from the potential of treble damages from private suits.

Mr. RUDMAN. The Senator is absolutely correct.

Mr. PACKWOOD. So if the municipalities are worried, they should be much happier with the Judiciary Committee action, because it eliminates treble damages, than the Appropriations Committee action.

Mr. RUDMAN. I would have to assume that is correct.

Mr. PACKWOOD. It is interesting that this rider was not added a day or two after the Boulder case, while it was a relatively recent case. Boulder has been kicking around for about a year.

Mr. RUDMAN. At least a year, 1½ or 2.

Mr. PACKWOOD. The genesis of this rider was the taxicab investigation. I do not want to say what the outcome of the suit will be. There has been no outcome of the suit. For all I know, for all anybody else knows, the defendants may win. It is one more example of coming to this Congress in midstream in an investigation undertaken by an agency—that happens to be the Federal Trade Commission here but it could be any agency—without knowing what the outcome is going to be and saying "stop."

I have had of course contacts from taxicab companies in Oregon. Most of us have had contacts from the taxicab companies, at least in our States where there may exist some clubbiness in the awarding of taxi franchises. I think what we really have here is a situation where in many areas taxicab franchises are the benefits of the cozy cocoon of cronyism. I do not mean that in an evil sense. It can happen quite easily in towns where the regulated establishment knows the regulator establishment, and the establishment "knows" what is good for the public. Franchises are awarded to "good" people. And "bad" people are kept out.

But "bad" is a very subjective definition. It is interesting to look at the comparison between New York City and Washington, DC. Washington, DC, for all practical purposes, has almost no taxicab regulation. They have a fare structure, but in terms of entry, anybody can enter. In this town that is heavily black you have a heavy preponderance of black taxicab owners entering the business. In New York, a town that is heavily black and heavily ethnically Latin, you have a disproportionately small number of blacks and Latins in the taxicab business, because there you have a franchise system where the allocations are made by the city, and try as they might, minorities have had a difficult time in getting in.

In New York, in order to get in—they have a limited number of franchises—you have to buy your way in. You have to have a medallion. A medallion costs somewhere between $80,000 and $90,000 just to get in the business. That does not guarantee the first 10 cents of fare. You have to buy the medallion from somebody else who has the medallion. Then you have to recoup the cost in your fares.

What we have discovered in preliminary studies is where entry in the taxicab business is relatively wide open, the fares are lower, the competition keener, and the entry freer. But where the franchises are awarded by the company's cocoon system, you find the fares higher, the services worse. That is a substantive argument about taxicabs, and I think that the amendment of the Senator from South Carolina—it was already added in the House bill—was a reaction to that situation clearly, because it did not arise a few days after the Boulder case of years ago that my distinguished colleague from New Hampshire referred to.

I hope that this Senate would act on the amendment offered by the Senator from New Hampshire, the Judiciary Committee amendment, which is a well-crafted, thought-out piece of legislation. The amendment does not say that the cities are exempt from the antitrust laws. It does say that they cannot be sued for treble damages, which is a justifiable fear of any town, be it 500 or 5 million in population. It does allow them to be sued to prohibit them from clearly violating the antitrust laws and allows the Federal Government to demand injunctive relief—that is: "quit doing it." But they do not have to pay any money damages.

What we seek is to benefit consumers, and end a buddy system in the awarding of all kinds of municipal monopolies to private persons. We are not talking just about taxicabs; in the Boulder case we were talking about telecommunications and the awarding of franchises in that field. If we want to protect the public and ensure access in entry, and if at the same time we want to protect the city against punitive treble damages that can bankrupt some cities in a large antitrust case, then I would very, very much hope that we would follow the advice of my distinguished colleague from New Hampshire and adopt his amendment.

I thank the Senator.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, my distinguished colleague, Senator RUDMAN, offers a substitute amendment to section 510 of the bill. I was the chief proponent of section 510, which was accepted by the Appropriations Subcommittee and was overwhelmingly approved by the full House.

Section 510 prohibits funding for 1 year for Department of Justice or Federal Trade Commission suits against the cities for anticompetitive city reg-

ulations or agreements. Currently, the Federal Government may sue even if the regulation in question was enacted to protect the health, safety, and welfare of the cities' citizens. This provision would prohibit the FTC for 1 year from seeking injunctive relief to terminate these city actions and would prohibit the Department of Justice for 1 year from seeking civil penalties, criminal fines, and/or jail sentences as a result of city actions. This provision would not affect private party suits.

Senator RUDMAN's substitute approach—like S. 1578, Senator THURMOND's bill—prohibits city officials from being sued for monetary damages, including suits by private parties. But it does not go far enough. The cities need relief from Federal Government suits to terminate city actions, as provided by section 510, as well as from monetary damages, as provided by the Rudman amendment and S. 1578. I would certainly support accepting Senator RUDMAN's amendment in addition to the language already in the bill.

Mr. President, I must admit that when this matter first came to my attention I could scarcely believe it. Right now we are seeing the biggest oil mergers in American history threaten competition, consumers, and our energy independence. We are seeing a wave of resale price fixing squeezing the discount stores where consumers get their best bargains. And yet when this Congress tries to light a fire under the Federal Trade Commission in order to get a little antitrust enforcement, the Commission responds by initiating a lawsuit against local governments over taxicab regulations.

I think it is safe to say that isn't what we had in mind.

There's further irony in all this, especially when you look at it from the standpoint of the municipal official. I ask my colleagues to think back to the days when they were mayors, or city council members, or county commissioners. If they have ever served at this level of government, they know the meaning of the word "accountability." When times are tough—as they have been these past several years—these local officials face the difficult prospect of finding a way to maintain necessary government services without resorting to the unlimited credit card that we here in Washington are so fond of using. And those local officials who cannot formulate innovative policies to keep their government running in the black don't have the luxury of pointing their fingers at some faceless colleagues or proclaiming that "you can't do anything in an election year." If they did, their constituents would have only one response: "There isn't gonna be any reelection for you."

So now a bureaucratic arm of the Federal Government—the antithesis of accountability—has the audacity to tell these municipal officials that it knows what's best for their constituents on matters of regulatory policy? I have heard that the FTC has some novel methods, but this antitrust approach is totally unprecedented and downright ridiculous. In effect, the Commission is saying that a city's adoption of taxi regulations after consultation with the industry amounts to an illegal conspiracy. That is troubling, indeed. Consultation is a necessary element of responsible government—and I dare say that this body would be in deep trouble if it were banned outright.

The intent of our Federal antitrust laws is to protect the public from businesses which conspire to restrain trade in order to maximize profits. They are clearly not intended to prevent municipal governments from enacting ordinances to protect the safety and welfare of their citizens. Until several years ago, the city and county governments of our Nation had no reason to worry about the possibility of being sued by the Federal Government for violation of antitrust laws. A 1943 U.S. Supreme Court decision, in the case Parker against Brown, held that Federal antitrust laws do not prohibit a State from exercising its sovereign powers to impose restraints upon competition. The case involved a raisin marketing program imposed by the State of California which prevented raisin growers from freely selling their product. The Court held that the program was exempt from the antitrust laws because it was enacted by the State legislature and that the antitrust laws were not intended to restrain a State or its officers from engaging in activities directed by the legislature.

Two more recent cases, however, have given city officials causes for concern. In 1978, the Supreme Court ruled in City of Lafayette against Louisiana Power & Light Co. that the "State action" exemption from antitrust laws applies to municipalities only when it is clear that the State has authorized cities to engage in the type of anticompetitive conduct in question. The Court said in its decision that the exemption only exists for cities when there is a clearly articulated and affirmatively expressed State policy to limit competition, as well as a mechanism by which the State can actively supervise a certain municipality's otherwise anticompetitive conduct.

This approach was further defined by the Court in a 1982 decision, Community Communications Co. against City of Boulder. In this case, a city council imposed a 3-month moratorium on the installation of new cable television systems while the council drafted a comprehensive cable TV ordinance. One company sued the city, claiming that the moratorium ordinance was an unreasonable restraint of trade. The city, however, had been granted "home rule" status by the State legislature; that is, the legislature had expressly granted the city every power to conduct municipal affairs. It defended the suit by claiming that its home rule status qualified the city for an antitrust exemption under the Parker against Brown State action doctrine. But the Supreme Court disagreed, saying that the city could point to no legislation specifically authorizing the type of anticompetitive restraint represented by the moratorium ordinance. Thus, said the Court, the city enjoyed no exemption from antitrust laws.

Now the FTC has decided to take the ball and run with it. The Commission has initiated lawsuits against the cities of New Orleans and Minneapolis over their right to regulate taxicabs. We have reached a point where mere utterance of the phrase "antitrust liability" has come to induce fear in local officials across the Nation. And for good reason. The City of Lafayette and the City of Boulder cases have, in effect, stripped municipalities of the automatic antitrust immunity they once enjoyed, thus opening the gates for a flood of costly and time-consuming litigation.

What are the ramifications of this new FTC adventure? As far as I am concerned, there is just no end to it. My position is supported by Justice Rehnquist's dissent in the City of Boulder case. Writing for himself, Chief Justice Burger, and Justice O'Connor, Justice Rehnquist wrote:

> Unless the municipality could point to an affirmatively expressed state policy to displace competition in the given area sought to be regulated, the municipality would be held to violate the Sherman Act and the regulatory scheme would be rendered invalid. Surely, the Court does not seek to require a municipality to justify every ordinance it enacts in terms of its procompetitive effects. If municipalities are permitted only to enact ordinances that are consistent with the procompetitive policies of the Sherman Act, a municipality's power to regulate the economy would be all but destroyed.

In his dissent, Justice Rehnquist makes it clear that municipalities could be sued for almost any action which replaces competition with regulation—no matter what the intent. For instance, a city might enact restrictive zoning ordinances to protect the peaceful and quiet environment in certain neighborhoods. But under the current interpretation, that city could be sued by the FTC for antitrust violations because the developer feels that such laws infringe on his ability to compete with other developers in the area. He might want to put a shopping center in a purely residential area, and

if the city tries to stop him it could be sued.

Or consider this: A municipality chooses to use its police power to regulate the number of pawn shops as a means of controlling the spread of weapons. Here is the expression of a concern for the safety of local citizens, but its also restraint of trade. The city could be sued for violation of antitrust laws—and yet it could not claim as a defense that the regulation had other, more important benefits, such as the protection of its citizens. The antitrust laws do not take into account such defense because they were not written to be applied to governmental entities.

Without a doubt, under the current interpretation a municipality would be subject to a lawsuit for violation of antitrust laws over other regulatory issues—the issuance of occupational licenses, or the granting of exclusive franchises to utility services, even if the city fathers had determined that such regulations are in the best interests of their constituents. In addition, we simply cannot expect local officials to run to their respective State governments each time they wish to pass an anticompetitive ordinance. This is what is required under the current Supreme Court interpretation, and it has the potential of foisting a huge legislative and bureaucratic monster upon both State and local governments—something which no one wants.

By allowing the Federal Trade Commission to sue municipal governments, we are asserting that local officials have no legitimate right to exercise control over local entities when the intent is merely to protect the safety, health, and welfare of their citizens.

I say that right is at the very foundation of our governmental system. It is a right which Congress must preserve. My colleague from South Carolina, Senator THURMOND, has sponsored legislation—which has been reported from the Judiciary Committee—to immunize local governments from the antitrust laws—a bill made necessary by the recent Supreme Court decisions in this area. I am proud to cosponsor it. But like Senator RUDMAN's amendment, his bill only deals with eliminating the monetary threat faced by cities and city officials who are sued for violation of the antitrust laws. My amendment would go further by preventing the Federal Government from initiating suits against cities for injunctive relief to cause them to stop whatever activity they're engaging in. I remind my colleagues again that my amendment has received overwhelming House approval. It is not just the threat of treble damages which worries local officials, but also the tremendous cost of defending the city in what would often turn out to be very lengthy and very expensive litigation. That is why the National League of Cities endorses both the Thurmond and the Hollings approaches as a complete solution to the problem.

I ask my colleagues to consider the plight of citizens who reside in any of these municipalities that would be sued by the FTC. On one hand, they would be sending their tax dollars to Washington to finance the cost of the Commission's lawsuits. And on the other hand, their local tax moneys would be paying for their municipality's defense from these very same lawsuits. I can tell you one thing—if I found out I was paying the expenses of both sides of a lawsuit, I'd hit the roof. And I imagine many other people would do the same if this were allowed to happen.

My amendment would bar the FTC from spending any money to sue local governments for 1 year—time enough to give the Congress a chance to fully address this issue. Although it is evident that my colleagues in the Senate and those over on the House side are fully aware of the urgency of this issue, it is still less than certain that a bill could be passed in this session, given the short legislative schedule. Therefore, it is important that the Congress provide some relief to local governments until it has a chance to work out a more permanent solution.

Mr. President, local officials are fully competent to promulgate regulations that protect the safety and welfare of their citizens. What is more, they have an accountability to their constituents which is unparalleled by most Members of Congress. If the citizens of Minneapolis and New Orleans don't like the regulatory policies of their elected officials, then let them show their displeasure at the ballot box. The Federal Government should not be in the business of suing local governments. Such actions are counterproductive, and they bring forth the frightening prospect of taxpayers financing both sides of expensive litigation. Our cities should have the same antitrust immunity as that currently enjoyed by our States.

Mr. President, let me make clear—I am afraid by making it clear I am making it totally confusing because it is totally and clearly confusing. But what is being done here as you have heard from a majority—and I think the majority of the Appropriations Committee should be heard for it is highly misleading for the manager of the bill to come up, state what is appropriate, what is responsible, what is being done, and enforce the minority to have to stand and protect the majority of the Appropriations Committee on this particular bill.

It is highly unlikely, Mr. President, that the Judiciary Committee will pass a formative amendment to the Antitrust Act with respect to treble damages for the municipalities, or with respect to injunctions. The entire case history has been presented in the remarks just accepted with respect to the Parker case, the city of Boulder, CO, and the other cases. The result of it all is we are facing over on the House side a Judiciary Committee that has not indicated a disposition to go along with the Judiciary Committee on this side.

We are dealing of course with an appropriations bill. Most of the lawyer-Senator members on the Subcommittee of State, Justice, Commerce also are on the Judiciary Committee. So this was fully discussed in the subcommittee markup when my amendment was accepted. It was thought that the main problem we were threatened with at this particular time was the Federal Trade Commission suits against the cities. I will discuss the Federal Trade Commission, the conduct of going out into the new fields, not fulfilling its designated responsibilities, and going about in the most arbitrary and infractious manner.

But be that as it may, we lawyers looking at it in the proper fashion said yes, let the Judiciary Committee work its will, and we would support it.

I support, Mr. President, the proposition that the city should be immune to treble damages. But that is only a limited relief. We will discuss that when the distinguished senior Senator from South Carolina comes back to the floor. But that is only limited and is not the major threat. One major threat, of course, and problem caused, as the League of Cities has pointed out—we will complete that in the RECORD, too, later—is with the Federal Trade Commission.

So after deliberate consideration of our subcommittee we went along with the rider that none of the funds be expended by either the Department of Justice or the Federal Trade Commission to enforce antitrust provisions against the municipalities of America. That is the majority position, and well considered. And we can get a vote on that again a little bit later. Senator RUDMAN could get the first vote. The other side has been breaking down fairly well the walls of the Congress to be sure they got the first vote.

You can move to recommit the bill and put our amendment back in and we will get the first vote. I am obligated to the distinguished parliamentarian who advises accordingly. So we can still get the first vote, but then by doing that, I think there would be more confusing. The ultimate is not for HOLLINGS to win over THURMOND, with parliamentary maneuvers on the floor. But I hope the cities can prevail on the floor of the Senate today, because there is a fundamental involved that does not need hearings I say to the Senator. If you do not understand the fundamental between the national and the local, State and municipal gov-

ernments of this land, then we are all suffering from battle fatigue.

We cannot balance the budget, we cannot pay our bills, we cannot do anything to get the Government moving, but all of a sudden, after a total departure in responsibility, with this "I am concerned" politics, and absolutely doing nothing this year, all we have is a reelection machine going in the national Congress and in this administration. If we can come forth ourselves and all get reelected, then we will be happy and adjourn. But in the meanwhile, we are now all of a sudden worried about the cities.

Cities would be involved in a conspiracy if they consulted with a taxi driver. Would that not be wonderful? That is what a violation of the Sherman Act requires. So you almost have the local government lock-jawed from actually discussing the problems of safety, health, and welfare of the citizens of the community.

And we are leading the way on the floor of the Senate for that kind of nonsense.

I happen to have been one of the appointees of our distinguished President on Federalism. The distinguished chairman of this subcommittee, Senator LAXALT of Nevada, was chairman. We called it the Laxalt Commission or Committee on Federalism. He chaired our movements and we had hearings galore. We invited the Senator from Oregon and everyone around. We had almost a 2-year bout in 1981 and 1982 talking about just this particular principle.

I do not know how many hearings the Judiciary Committee had, or the number of witnesses which testified about treble damages.

I know the people of America streamed in, mayors, State officials, county officials, and otherwise, to the Commission on Federalism. They made it absolutely clear, as the President is trying to make it, that the best government is that closest to the people of America. This is the old Jeffersonian principle. I was glad to see a Republican President adopt some Jeffersonian and Democratic principles as his initiative on first becoming President.

I rather appreciated that. I did not think we needed further hearings then or need them now. In trying to do our duties, we did not put in the legislation.

Maybe the distinguished Senator from North Carolina will return because he championed that day.

You can raise a point of order about legislation on an appropriations bill, because that would change the fundamental law. We did not want to do that today. We were, as the House of Representatives has determined by an overwhelming vote on the House side, determining that we ought to bar the Federal Trade Commission from further proceedings in this particular field. If we could do it in an appropritions bill with a lifetime of 1 year, then we would allow the Judiciary Committees, not only on the Senate side but on the House side, to have the two bodies get together and have a law on whatever the will of Congress would be in an orderly fashion.

I think we have a consummate majority, I hope we do, on the floor of the Senate who want to relieve the cities from harassment.

We Democrats lost in 1980 because the President, then candidate Reagan, said, "We are going to get the Federal Government off your backs."

Now not having done any of our jobs with respect to the budget, defense, or anything else around here, we are discussing the city of New York and the city of Washington, DC.

I have been to New York as much as the distinguished Senator from Oregon has. I made it a habit for the 4 years we were trying to attract industry to South Carolina.

I do not remember being driven by a majority taxi driver. Let the record stand on that one. I am the witness.

If we are going to start comparing, if we want to go into the merits of so-called deregulation, the antitrust proceedings, I have none other than the greatest consumer advocate of the greatest, Michael Pertschuk. He received every award from every consumer group that you can possibly think of. I do not even believe the distinguished Presiding Officer, who fights in the vanguard of the consumers of America at every particular turn, can come up with a record of one Federal Trade commissioner, Michael Pertschuk, who worked in Congress over 20-some years in this particular field.

I quote on this particular score: "Studies commissioned by the Department of Transportation and others of cities where taxi service was deregulated do not demonstrate that the public benefits."

So much for that.

If we are to get into the merits of it, I think I have better authority than the city of New York and the city of Washington. We have had those studies over there. But that is not the point.

We are not to be burdened here on the floor of the national Congress about the cities of America and whether or not they are operating their taxi services properly, if someone is being overcharged; whether or not a monopoly is given, because they could well be doing it for other reasons. I just feel strongly on the fundamental involved here that the cities of America should not be harassed.

Of course, the Senator from New Hampshire says the more responsible approach, if you had to divide the two, would be the least responsible or I should say lesser responsible. In that, we still have the cities subject to harassment for the simple reason we have now on the one hand the cities of America being told by the Federal Trade Commission that their adoption of taxi regulations, after consultation with the industry, is a matter of conspiracy.

That intimidates any city father.

Incidentally, having been a professional in Government holding office for 32 years at every particular level, and I hope we have some former mayors in this body, you would have to know that it is difficult to get those to serve in these capacities in this day and age. A mayorality job is perhaps the most difficult in the country. But as its difficulties are being solved with all of the fluctuations and changes in societal practices, we find now they should at least be relieved of the Federal Government breathing down their neck for consulting with the constituencies in their several cities.

It is not only that, but here it is now contended on the floor of the Senate that the municipalities in order to defend themselves, which the Judiciary Committee bill does not really do, have to go out and get antitrust lawyers.

I remember back some years ago that a substantial client came to this particular Senator and asked that I represent him on an antitrust case a city of the size of a couple hundred thousand, my hometown in Charleston, SC. I said, "You do not want me. There are only two lawyers really to handle those cases in this town or who would know anything about them." And he said yes, he knew those two lawyers but they had already refused to handle the case and I had to handle it. I had to go to school and learn. And so I have been to the circuit court of appeals on antitrust measures. I spent 3 years on one particular case. I learned that that is a very lucrative field. I had a classmate who had one of these antitrust suits that he handled for 13 years. He is now retired in Florida.

That gives you some idea. If you are the mayor of the town, now you have to go out and find not just a lawyer but an antitrust lawyer. And that crowd is retained for x thousands of dollars at hundreds and hundreds per hour; this is an antitrust case. But do you know what has happened? Under this amendment of the Senator from New Hampshire and the senior Senator from South Carolina, we city dwellers are not only going to have to pay the taxes to find and hire that antitrust lawyer to defend the city against the Federal Government, we will have to pay our Federal taxes for that Federal crowd in Washington to bring the suit.

We have not only put a $200 billion deficit burden on every productive citizen, whether he is in business or on the farm, we not only have put a 25-percent penalty on everything manufactured in the factory or produced on the farm, but we have now found a wonderful way for the taxpayers of America to pay for both sides of a lawsuit. How wonderful. You pay your Federal taxes for the national "nanny," the Federal Trade Commission, to come down and tell you how to run the city of Phoenix, AZ, or Scottsdale where we are having a hard time; the air right now gets hazy some evenings. It gets even more hazy in the Congress with these kinds of premises. If the municipalities of America cannot handle, if you please, the proposition of taxi service, then we are really going down the tube.

Mr. President, I have an article that appeared on the front page of the Washington Post last week on Chevron versus the National Resources Council. This is good. We are making progress in this country, as the article states:

In uncommonly strong language, the court rebuked the Court of Appeals of the District of Columbia which had set aside a particular industry growth policy.

Here is what the unanimous decision said:

Federal judges who have no constituency have a duty to respect legitimate policy choices made by those who do.

Here we have the city fathers, the councilmen, the mayors, with constituencies and a responsibility to those constituencies. You could paraphrase that to say:

Federal Trade Commissioners who have no constituencies have a duty to respect legitimate policy decisions made by the city fathers who do.

Maybe Congress is going loco but the Court is not. It is coming in on a beam; the policy is to be made at the local level by the city fathers.

Mr. President, I see other Senators want to say a word, so I will stop at this particular time for further discussion, but I want to emphasize that the majority of the Appropriations Committee put a rider on, which is deleted by the Rudman amendment but is still contained in another part later on in the bill, with respect to funds being expended.

I have no doubt how we will come out in conference, but we might want to clear that up. What I am opposing is the idea that you can only eliminate treble damages but let the Federal Trade Commission run amuk. I have no better authority on the eccentric priorities of the FTC than a letter, which I want to read to educate my colleagues, from some fine, outstanding Members over on the House side who really worked hard over the many, many years that I have worked with them. It is dated June 5, 1984, from JOHN D. DINGELL, chairman of the Committee on Energy and Commerce, and JAMES J. FLORIO, chairman of the Subcommittee on Commerce, Transportation and Tourism, our Commerce Committee counterparts on the House side, to James C. Miller III, chairman of the Federal Trade Commission:

DEAR CHAIRMAN MILLER: We are writing to urge that the Federal Trade Commission heed the recent action of the House of Representatives of the FTC appropriations bill as a signal that the Commission should return to vigorous implementation of its traditional mandate.

The overwhelming rejection of the effort to remove a restriction of the FTC's authority to bring actions against cities was one of the most devastating votes of no confidence in the program of a Federal agency in memory. At the same time, for the second year in succession, the House enacted a provision signaling its desire that you cease ignoring the Supreme Court's *per se* ban on resale price fixing and enforce the law to protect consumers. The point is obvious. The eccentric priorities that have been imposed during the last three years by the Commission majority are without support. The recent zeal to bring a few novel cases in an untested area of the law does not make up for the abandonment of enforcement in virtually all other respects.

The Commission's self-inflicted wounds are comparable to the recent conduct of the Environmental Protection Agency and the Civil Rights Commission in tending to discredit in the eyes of the public the agency's performance of the vital responsibilities entrusted to it. One reason both of us voted to oppose the restriction of the FTC's authority was to record our support for the long term integrity of the agency, in the hope that it will survive the current misconceived course.

During the last three years, we have held hearings and corresponded with you about the breakdown of law enforcement at the Federal Trade Commission. In addition to your failure to enforce the law against resale price fixing, we have noted with dismay your attempt to dismantle the law against false advertising. Having been rebuffed by Congress when you sought a legislative change in the law, you have attempted to weaken the law against such deception by administrative fiat. Important consumer protection rules, such as the one relating to hearing aids, which is of particular importance to the elderly, seem to have disappeared in the offices of commissioners and FTC senior staff. Other important rules and cases have been abandoned. Your relaxed approach to mergers has created consternation in communities throughout the country and was repudiated in the Mobil-Marathon case by a Federal court. Your refusal to supply information to the attorneys general of the States in connection with their efforts to scrutinize the current merger wave is inexplicable.

We are aware of your previous attempts to reply to some of the foregoing concerns. We remain, to put it mildly, unpersuaded. We take the opportunity of the recent House action on the FTC's appropriation to urge you to reverse course and to give consumers the full protection they expect and to which they are entitled.

Mr. President, these gentlemen who voted against the House rider but said they felt so strongly they had to deliver this letter and message to the Federal Trade Commission itself. The FTC is not doing its job. You know it, I know it. Now the FTC is running around and trying to assume a job that is not really delegated to them.

Between the States and the Federal Trade Commission, obviously, the local entity has the accountability to the electorate with local newspapers reporting to the people. The Federal Trade Commission has no such accountability.

In summary, the House vote on this issue told the FTC to get on with the work and the fundamental responsibility of the Federal Trade Commission and to leave the mayors of America and the cities of America alone.

Mr. President, I am delighted to yield to the distinguished Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I thank my colleague from South Carolina for yielding. I rise in support of the amendment of my distinguished colleague from New Hampshire (Mr. RUDMAN). This amendment is identical to S. 1578, as amended, which was reported unanimously from the Judiciary Committee. I congratulate the Chairman of that committee for his handling of this matter. He has succeeded in crafting a bill that is both good law and politically acceptable to all parties involved. One can ask for no more than this.

Mr. HOLLINGS. Mr. President, will the distinguished Senator from Minnesota yield?

Mr. DURENBERGER. Yes, Mr. President.

Mr. HOLLINGS. Of course, the amendment was not read. He says it is identical. The amendment before the Judiciary Committee only deals with Federal damages. This amendment also deals with the localities and the Federal departments and, therefore, they are not identical. It continues to be stated.

Mr. DURENBERGER. I appreciate the clarification, Mr. President.

I must be frank: Had the Judiciary Committee not acted to address this problem, I would probably be down here today supporting the prohibition contained in the appropriations bill against the use of FTC funds for the enforcement of Federal antitrust law against local governments. I would not have been comfortable in that support, because I do not believe funding restrictions make very good law as a rule, especially in an area as complex as antitrust. But without the masterful work of the chairman of the Judiciary Committee, such a rider would have offered the only alternative in this session of the Congress to address the problem or proliferating antitrust suits against local governments.

Thankfully, I do not now have to make the difficult choice between going along with the FTC funding restriction or doing nothing. We are now in a position to choose a positive approach with the Judiciary Committee's bill that takes us most of the way toward solving the local antitrust dilemma. Let me take just a few minutes to explain why, as chairman of the Subcommittee on Intergovernmental Relations, I believe that we should not take the funding restriction approach presently in the bill unless it is absolutely necessary. And then, let me demonstrate why such an approach is no longer necessary, since we now have the opportunity to address the problem properly by adopting the Rudman amendment.

Why is the FTC rider a dangerous approach? The first reason is that such a rider sets a very bad precedent. Congress has in the past amended the FTC authorizing legislation to restrict its activities. But what this rider proposes to do is to halt an ongoing law enforcement case by cutting off funds for its prosecution in the middle of the action. This represents an intrusion into the mandate of an independent regulatory agency. If Congress truly feels this particular activity is inappropriate for the FTC to conduct, we should consider the issue on its merits. If we conclude the FTC should be precluded from this type of activity, we should appropriately amend the authorizing legislation, not tack on a funding restriction to an appropriations bill. As far as I know, the Commerce Committee has not even looked at this matter, and this is the committee that should carefully weigh any such restriction on this independent regulatory agency's mandate.

The second reason the funding restriction is undesirable is that it addresses the least troublesome aspect of the entire municipal antitrust issue in a way destined to have unanticipated consequences. The FTC by law may not seek damages in an antitrust enforcement action. It may only seek injunctive relief. Given the current state of affairs out there in the country, the FTC may in fact have been doing Minneapolis and New Orleans a favor by bringing its action. There is good evidence, at least in the case of Minneapolis, that by doing so, the FTC forestalled a private antitrust suit in which the city would be subject to treble damages. Were the funding restriction to pass, it would likely provide Minneapolis little protection. In fact, it may just encourage a private party to go ahead and bring an action for treble damages. Given the fact that the city has had antitrust actions brought against it a couple of times before in the matter of taxi cabs, I would be very uneasy were the FTC suit to be halted. If the FTC believes it has a model case to prosecute, so will a private party who is locked out of the taxi cab business. We may in fact end up doing local governments a real disservice by adopting this funding restriction.

The amendment offered by Senator RUDMAN addresses the complex problem facing local governments in a sensible manner. It may not go far enough, correcting as it does only the remedies section of the law. But realistically, Mr. President, this is the only hope we have this year of making a start to solving this difficult dilemma. Given where we started with this issue 9 months ago, I am amazed the chairman of the Judiciary Committee has been able to bring us this far along. Every one of the local public interest groups supports his committee's bill, and I believe we would be foolish to pass up the opportunity we have presented to us.

If there are Senators who believe the FTC should not in any way be involved in antitrust proceedings against local governments, they should take it up in the appropriate committee. But it would be shortsighted to pass up a real opportunity to make good antitrust law, just for the thrill of slapping the wrist of a regulatory agency with which we may disagree.

So, Mr. President, when I testified before the Judiciary Committee on the intergovernmental relations concerns for antitrust policies, I supported the original Thurmond bill, but I said I thought his legislation needed to go further than it did at that time. So I am happy today to see that the chairman of the committee has already gone along the lines I have suggested.

Of all the intergovernmental concerns I expressed at that hearing, all but one has been addressed in the amendment we have before us now. The one suggestion not incorporated is a major one. It deals with the status of home rule cities under Federal antitrust laws. I convey to my colleague [Mr. RUDMAN] and my absent colleague from South Carolina, the chairman of the Judiciary Committee [Mr. THURMOND], that I understand full well the reason this issue is not addressed in the amendment before us. The status of home rule cities goes directly to the question of immunity under the law, and I realize this body has not yet reached agreement on the immunity question.

But, this should not prevent us from going forward where there is wide agreement on the question of remedies. To my colleagues who would go further than the amendment of the Senator from New Hampshire, let me just say I take the chairman of the Judiciary Committee at his word that early in the next Congress the committee will return to the question of local government immunity. So, while the amendment before us does not go far enough to clarify Congress' intent on the extent of immunity local governments enjoy under Federal antitrust law, it does represent a very good start to striking the balance we seek. I think we should take the opportunity afforded us today by the Senator from New Hampshire and adopt his amendment.

I thank my colleague from New Hampshire for yielding me time on this amendment.

Mr. RUDMAN addressed the Chair.

The PRESIDING OFFICER [Mr. HECHT]. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, I see the distinguished chairman of the Judiciary Committee has returned to the floor and before making any other comments at this time on the pending amendment, I inquire of the distinguished chairman of the committee whether or not he wishes to seek recognition at this time.

Mr. THURMOND. Mr. President, I would like to seek recognition.

Mr. RUDMAN. Then I yield the floor, Mr. President.

Mr. THURMOND. Mr. President, I rise in support of the amendment offered by the distinguished Senator from New Hampshire. This amendment incorporates the substance of legislation recently reported by the Committee on the Judiciary, S. 1578, which addresses the issue of local government antitrust liability.

Mr. President, the pending amendment does two things. First, it provides that local government units may not be sued for damages, either single or treble, under the Clayton Act. Injunctive relief under section 16 of the Clayton Act, however, could still be obtained against local governments. Second, the amendment sets forth the conditions under which private parties, acting pursuant to the direction of general function local government units, may claim immunity from antitrust damage suits. If the criteria of subsection 1(a) of the bill are met, private parties may be sued for injunctive relief only. If the criteria are not met, private parties may still be subject to treble damage actions.

This legislation is the result of over 2 years of study by the Judiciary Committee regarding the application of the Federal antitrust laws to local governments. Since the Supreme Court's decision in *Community Communications Co., Inc.*, v. *City of Boulder*, 455 U.S. 40 (1982), there has been great concern among local government officials over the uncertain antitrust liability they face.

Mr. President, this amendment is not a complete solution to the complex dilemma now facing local governments regarding the antitrust laws. I am satisfied, however, that at this time it is a solid, responsible approach.

The amendment properly balances the need to protect taxpayers from treble damage awards with the desirability of providing some remedy against allegedly unlawful conduct.

Last week, the text of the amendment received endorsements from the National League of Cities, the U.S. Conference of Mayors, the National Association of Counties, and the National Conference of State Legislatures, I am grateful for this support and look forward to the committee continuing its work on this important issue with input from these and other interested groups.Mr. President, I firmly believe the language this amendment would replace is both inadequate and ill-conceived. As well-intentioned as the proponents may be, the current section 510 of H.R. 5712 does not address the most serious concern regarding local antitrust liability—treble damages. The amendment Senator RUDMAN offers today—a measure which was reported by the Judiciary Committee—makes the policy determination that treble damage awards are inappropriate when taxpayers must foot the bill.

Mr. President, let me address the question of Federal intervention in local matters. The distinguished junior Senator from South Carolina and others have argued that the Federal Government should not be challenging the manner in which cities regulate taxicabs or any other activity.

Mr. President, the law on this matter is very clear. The ability of the Federal Government, or anyone else for that matter, to sue cities for antitrust violations is controlled solely by the States. If the States of Louisiana and Minnesota want to halt these suits against New Orleans and Minneapolis, they can do so immediately. Contrary to the arguments by proponents of the amendment we now seek to delete, their amendment actually takes away power from the States and puts it in the hands of the Federal Government. Thus, while Federal intervention is denounced, in reality they are adding to it. I urge my colleagues to make sure my facts are correct and read the Supreme Court cases that give the States, and the States only, the right to control whether local governments are subject to Federal antitrust suits. These cases are *City of Lafayette* v. *Louisiana Power and Light Co.*, 435 U.S. 389 (1978) and the *Boulder* decision I mentioned previously.

Mr. President, let met conclude by saying a word on behalf of those whose interest is at stake—the public. I take no position on the merits of these FTC suits, or any other private suits against cities. However, we must consider whether there may be instances where local government activities are not sanctioned by a particular State and are harmful to consumers in the form of higher costs or restricted supply. In the final analysis, the decision of what is best in the public interest lies with each State. The pending amendment would preserve the right of each State to make that decision. The provision the amendment seeks to replace would take that right away from the States. For these reasons, Mr. President, I urge support of the pending amendment.

Mr. President, I commend the able and distinguished Senator from New Hampshire for offering this amendment. I compliment him for the fine job he is doing in connection with this matter.

Mr. President, I believe a statement was made that the House would not act on this matter. I have in my hand a press release issued by the Honorable PETER W. RODINO, Jr., chairman of the Judiciary Committee of the House. It is headed "Committee To Act on City Antitrust Bill." I will read a portion of it:

WASHINGTON.—A House Judiciary Subcommittee will vote on legislation to limit the antitrust liability of local governments when the House returns from its July recess, Rep. Peter W. Rodino, Jr., Chairman of the Judiciary Committee, announced today.

Rodino also stated that the full Judiciary Committee will take up the legislation soon after the Subcommittee completes its work.

The Subcommittee on Monopolies, which the New Jersey Democrat also chairs, has held three days of hearings on this proposed legislation. Rodino noted that the number of antitrust suits filed against local governments has been steadily increasing since 1978 when the Supreme Court first indicated that municipalities do not enjoy the same antitrust protection afforded states.

Mr. President, I will not bother to read the rest of this press release, but I ask unanimous consent that the entire press release be printed in the RECORD.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

COMMITTEE TO ACT ON CITY ANTITRUST BILL

WASHINGTON—A House Judiciary Subcommittee will vote on Legislation to limit the antitrust liability of local governments when the House returns from its July recess, Rep. Peter W. Rodino, Jr., Chairman of the Judicary Committee, announced today.

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"Without legislation, cities and other local governments may be saddled with substantial legal costs, or even treble-damage judgments. Worse yet, government officials may be paralyzed, refusing to take action they otherwise deem to be in the public interest lest financial ruin befall them and the public treasury," Rodino said. "We need a more rational basis for determining when such suits should be entertained and what remedies should be available against local governments and their officials."

Rodino cautioned, however, that local governments occasionally do commit acts that have no legitimate government purpose and that do substantial competitive injury to private businesses.

"An injured business should still have a remedy for such abuses," Rodino said.

Rodino said he will introduce two bills offering alternative approaches to this issue.

The first would provide local governments a standard for obtaining early dismissal of antitrust cases that challenge legitimate governmental activity. Injured parties, however, could still obtain injunctive relief and actual damages if they demonstrate that the local government's action was not reasonably undertaken to protect the public health, safety, or welfare, and violated the antitrust laws. But no damages or costs could be collected from local government officials personally, and the local government could collect attorneys' fees against an unsuccessful plaintiff.

The second bill would avoid any substantive changes in the antitrust law. It simply restricts the remedies available in private actions against local governments to injunctive relief. This alternative is similar to the approach taken in a bill approved by the Senate Judiciary Committee.

Rodino said the Subcommittee would review comments received on the alternative approaches before marking up legislation on July 25.

Mr. METZENBAUM. Mr. President, I need not rise on this floor to talk about the Sherman Act and the fact that it reflects the national policy of competition.

I rise, though, because I am concerned about the question of cities which are not willing to permit free competitive forces to act in their community.

As a matter of fact, when I came to the floor, I heard some mention about taxicab facilities and about the competitive aspects of the taxicab business. Let me stand here proudly, with my head held high, and say to my colleagues in the Senate that we do not have competition in the city of Cleveland. We have no competition whatsoever. We have one company, and it has had the monopoly for so many years that I cannot remember. I want my colleagues to know that the city of Cleveland probably has the worst taxicab service of any city in the country.

We are very proud of that fact. It is terrible service. And it is without competition, and we are unable to do anything about it because the taxicab company has always had a very close political relationship so that no one comes into our community to compete.

So I say to you that when you are taking up this matter please understand that you are helping the city of Cleveland keep out competition and as a consequence you are assuring my fellow residents in that community of

some of the poorest taxicab service of any city in the entire Nation.

As a matter of fact, the city of Washington, DC, has no limitation with respect to competition and the facts are that there are 13½ licenses for 1,000 population in Washington; whereas Cleveland and Columbus each have only 0.7 taxicabs per 1,000 population.

I am willing to agree that Washington is more of a community that gets thousands of visitors each year, but the disparities are still quite obvious, and the facts are that this city does and one can find a taxicab when he needs one, and you cannot do nearly that well in the city of Cleveland.

I think that the Rudman-Thurmond amendment comes up with what I would consider to be a reasonable solution. I am aware of the problems that have to do with the fact that some cities have been hit with antitrust judgments that are literally prohibitive and overwhelming in nature. But the fact is the Rudman-Thurmond approach provides a satisfactory answer to that. It provides for the availability of injunctive relief rather than monetary damages. I think it makes sense for us to accept that as the resolution of this issue rather than permitting the cities to go about their merry way and award noncompetitively contracts providing for exclusivity.

This compromise bill makes it possible to protect the city and give relief from fear of massive antitrust judgments. However, I believe that we would be going far too far if we were to accept the amendment of my distinguished colleague and good friend from South Carolina which would literally prohibit any Government suits being brought against the cities for engaging in anticompetitive practices.

Taxicabs just happen to be a focal point with respect to this issue. But there are hosts of contracts that cities give out on a noncompetitive basis for no other reason than for political reasons because they want to choose one company over another company.

I do not think that is good business. I do not think that is good law. I do not think it is good public policy.

I would hope that we would see fit to accept the Rudman-Thurmond approach, accept it as the final solution of this matter.

I think the cities can live with it, that they will be able to operate well without taking the extra step of denying the Federal Government the right to hold the cities equally responsible with other defendants or other transgressors who fail to permit free competition to operate.

I yield the floor.

Mr. HOLLINGS. Mr. President, most respectfully, and I do not know where my senior colleague is, but I wanted to comment because the distinguished senior Senator from South Carolina discussed letting the States control this issue with State legislation every time the cities need to regulate. He was saying what the Supreme Court stated in an opinion interpreting the Federal law.

Antitrust law does not come down from on high; it comes from a Congress. It has been on the statute books for numerous years, and in order to receive protection from it, what the distinguished Senator is saying is "Leave it to the States," but he should complete that thought. Instead of protecting the municipalities we read affirmatively from the face of the amendment by the distinguished Senator from New Jersey and senior Senator from South Carolina under section 2, and I read from that amendment:

> Funds appropriated to the Department of Justice of the Federal Trade Commission may be obligated or expended to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government.

The amendment says that we want the Federal Trade Commission and the Department of Justice to issue, implement, administer, conduct, or enforce antitrust action against the municipality. That is what it says. It did not say this is a States' rights amendment. I do not see anything here about the State. The amendment discusses the Federal Government Department of Justice and the Federal Government Federal Trade Commission. I see on the face of this national nannyism.

The Senator from Ohio says that Cleveland does not have a good taxi service. We will take judicial notice of that.

But it is a misplaced priority for the Federal Government to concern itself with this today, and not deficits, not the high interest rates.

But on this score we know where we are headed on this one. We are going to tell the municipalities how to run the taxi service and if need be we want that Department of Justice to get in there and that Federal Trade Commission to enjoin and, of course, if there is any doubt about the obedience of that particular injunction then we want to fine, levy fines on those city fathers from Washington.

We have a lot of money to spend up here. The poor fellow gets elected, and he gets fined by the Federal Government. Wonderful deal we are having here in the U.S. Congress.

I never heard of such nonsense. We are really playing with mischief.

Take a zoning ordinance. This is a fundamental function of the municipal government. The Federal Trade Commission could sue a city because the zoning regulations were anticompetitive. Such a zoning ordinance might prohibit commercial activity such as a parking lot that a developer wanted to put into the middle of a residential section. The Federal Trade Commission could find the zoning ordinance in violation of antitrust law because the ordinance only allows residences in the residential areas of America. The antitrust laws were not written with suits against the cities in mind and they do not allow defenses based on the fact that zoning ordinances are beneficial. Pawn shops are customarily limited at the local level. That helps us in law enforcement.

We are not trying to restrict trade. On the contrary, we are trying to chase down the burglars, the robbers, the criminals in the local community.

We find if we put a particular high license on those businesses, we limit them. But, no, the Federal nanny is going to come under this particular amendment and say, "Now, you are really restricting trade, having only three pawnshops," in my hometown in South Carolina. You should have 33, with a lot more competition there.

When the city fathers are looking after safety, when they are trying to control crime, they should not be violators of the Federal Trade Commission Act and subject to suit.

Mr. President, perhaps the better way to approach this is to accept the first part of the amendment with respect to treble damages. The second part that I just read would contradict the particular provision later in the bill and so I would then submit an amendment to restore it. I do not want anything on my part to hurt the municipalities. I am not trying to prevail—in fact, if I fail, I will have a good talking point because I will go back home and tell them how the distinguished senior Senator, that great disciple of local government who ran for President on that in 1948, the great champion of States rights and local rights, says, "Let's go now and get the Federal Trade Commission and the Justice Department on the municipalities." That is what it says. They cannot get away from this language.

Here we have come, after 50 years of distinguished public service and after giving a full pail, like Bossy the cow, we have just kicked it over and said we are not having enough law enforcement at the Federal level. We have got to get them on their backs. And the best place to get them on their backs is the city fathers and the mayors of the cities of America. That would be a wonderful thing because we do not have good taxi service in Cleveland. Wonderful.

Does the Senator want to accept this amendment and let me offer mine and maybe we will debate it further?

Mr. RUDMAN. Mr. President, I wish to say to my friend from South Carolina that I enjoy listening to him. He is one of the most entertaining Members of this body and one of the most talented.

I do think a couple of comments are publicly in order about my friend from South Carolina's recounting of history and the future in terms of what terrible things might happen.

No. 1, the Senator from South Carolina knows, as well as the Senator from New Hampshire, having been the Governor of his great State, that the State of South Carolina, or any State, could make a finding, and legislate for that police power of the State, that certain items are necessary to public safety, and there is no way under Federal law that the Federal Trade Commission or anybody else is going to intrude. As a matter of fact, I want to read at this point just a couple of things that I think are very important because the record ought to be clear on what the Boulder case says. I am going to read from page 843 of the Boulder case in which the court said, among other things:

Respondent argues that denial of the *Parker* exemption in the present case will have serious adverse consequences for cities, and will unduly burden the federal courts. But this argument is simply an attack upon the wisdom of the longstanding congressional commitment to the policy of free markets and open competition embodied in the antitrust laws. Those laws, like other federal laws imposing civil or criminal sanctions upon "persons," of course apply to municipalities as well as to other corporate entities. Moreover, judicial enforcement of Congress' will regarding the state action exemption renders a State "no less able to allocate governmental power between itself and its political subdivisions. It means only that when the State itself has not directed or authorized an anticompetitive practice, the State subdivisions, in exercising their delegated power, must obey the antitrust laws.

The fact of the matter is that all the State of North Carolina or the State of New Hampshire—or, in fact, as the State of Louisiana has just done—has to do is to go up to that State legislature and simply pass a law which says that in State X, such and such an activity shall be immune from antitrust action, and we bestow extended sovereign immunity on that municipality. That is the end of it. I do not care what we write here in the Congress—that is the end.

But there are some States in this country that evidently do not have that much confidence in their local municipal governments and they wonder what kind of shenanigans are going on in places like Cleveland. According to my friend from Ohio, he said it, they have got some very interesting monopolistic situations.

Let me just conclude and then talk about what the Senator from South Carolina, I think, has very sensibly suggested procedurally.

If, in fact, the Senator from South Carolina was correct on this, I do not think I would be holding in my hand these letters, one from the National League of Cities—which endorses the Thurmond amendment; it does not mention the amendment of the Senator from South Carolina, and I am not proposing it does, but endorses that—and also the U.S. Conference of Mayors, the National Association of Counties, and the National Conference of State Legislatures.

In addition to that, Public Citizen, which is Congresswatch, and a number of other groups well known to Members of this body, have also endorsed this legislation. I think we will probably have a further debate, although, hopefully, not extended, on what really is meant by the Boulder case and what the implications are of denying the FTC and the Justice Department its proper jurisdiction.

But I would say to my friend from South Carolina that, procedurally, I think he is absolutely correct. If he is willing to do so, I would suggest, since I guess we both agree that the Boulder decision needs legislative remedy and that the Judiciary Committee action is proper, although the Senator from South Carolina, of course, believes it does not go far enough, I think we ought to accept it, if that is in the mind of my friend from South Carolina, and then move on to the next proposal of the Senator from South Carolina. Is that my understanding of what my friend wishes to do?

Mr. HOLLINGS. Yes; I think we can do that.

Mr. LAUTENBERG. Mr. President, the National Endowment for Democracy is intended to support worthy private initiatives to promote abroad the democratic principles that are basic to the American system.

Mr. President, around the world, we are engaged in a great contest of ideas. The totalitarian and authoritarian regimes are engaged in a well-funded effort to persuade people that their way is the correct way. They portray the United States in a false and unfavorable light. They encourage the destabilization of democracies, through propaganda, covert action, and overt programs.

The United States must respond, and it must respond in a variety of ways. We support programs like Radio Marti and Radio Free Europe to spread news about the world to people living in nations that deny basic freedoms. We utilize a variety of student exchange and fellowship programs, to bring students from abroad to the United States, to learn about how our system of govenment and our economy work, and to send our students abroad, to learn and to share their idealism and values with others.

An important role in the contest of ideas is and must continue to be played by private groups—like the AFL-CIO, the American Chamber of Commerce, our political parties, universities and a variety of other private, independent groups.

The American labor movement has acted to promote democratic principles in Central America, and to utilize trade unionism as a constructive mechanism for the promotion of democracy, as opposed to a mechanism for radicalization of nations. The American business community has much to teach entrepreneurs in developing countries about private enterprise. However, these groups cannot accomplish the job by themselves. The National Endowment for Democracy, pursuant to strict guidelines, would provide grants to these and other deserving private groups.

Mr. President, I have often said that we cannot pursue our foreign policy goals through the use of military means alone. Our failure to win the great contest of ideas is what puts us in the position of considering resort to military force to fight the growth of authoritarianism and totalitarianism. We must encourage economic growth, social reform, and the promotion of democratic values.

I believe the National Endowment is one tool that should be tested. I urge my colleagues to join me in opposing efforts to deny funding to the Endowment.

Mr. RUDMAN. Mr. President, unless there is further debate, I move that this amendment be accepted.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from New Hampshire (Mr. RUDMAN).

The amendment (No. 3347) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3351

Mr. HOLLINGS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 3351, as a substitute for committee amendment on page 51.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment reads as follows:

In lieu of the language proposed to be inserted, insert the following "and related agencies".

SEC. . None of the funds appropriated or otherwise made available by this Act to the Department of Justice or the Federal Trade Commission may be obligated or expended

to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government, except that this limitation shall not apply to private antitrust actions.

(b) Sections 4, 4A, and 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) shall not apply to any law or other action of or official action directed by, a city, village, town, township, county, or other general function unit of local government in the exercise of its regulatory powers, including but not limited to zoning, franchising, licensing, and the establishment or provision of public services on an exclusive or nonexclusive basis in a manner designed to ensure public access or otherwise to protect the public health, safety, or welfare, but excluding the purchase or sale of goods or services on a commercial basis by the unit of local government in competition with private persons, where such law or action is valid under State law.

(c) No damages, interest on damages, costs, or attorney's fees may be recovered under section 4, 4A, or 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) from any unit of local government or official thereof acting in his official capacity. This title may be cited as the "Department of State and related Agencies and United States Information Agency Appropriations Act, 1985."

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator for the parliamentary guidance on this particular score.

Let me read—and this position was verified no later than last night—from the National League of Cities. In fact, they put it in the Nation's Cities Weekly dated June 11.

City officials should contact members of the Appropriations Committee to urge support of the Hollings amendment when the committee takes up the bill this Tuesday. The Federal Trade Commission's proposed antitrust actions in the taxicab area represent a clear attempt to usurp local authority to regulate taxicabs and it is essential that Congress take action to prohibit such activities by Federal agencies.

Mr. RUDMAN. Will the Senator yield for one moment? I would like to ask the Senator what he is reading from again.

Mr. HOLLINGS. The Nation's Cities Weekly, dated June 11.

Mr. RUDMAN. I wonder if the Senator from South Carolina might like to read into the RECORD a letter addressed to this Senator dated June 26, 1984, from the National League of Cities. I do not think those two things are consistent.

Mr. HOLLINGS. Do not get so overanxious.

Mr. RUDMAN. Are you going to put that in the RECORD, also?

Mr. HOLLINGS. Yes, I have never seen such an itchy bunch, Mr. President. They do not know how to lose this point. There is no mayor going to call up and thank me, but if I get defeated I will have all the mayors meeting in my office for another 2 years.

You ought to learn something from RUSSELL LONG up here. We will hold a class later on.

Mr. President, I have a letter dated June 26 from Alan Biels, executive director. This was prompted—the staff is running around—by their staff:

We understand the Dear Colleague of June 25 states that the National League of Cities endorses the approach—

That was the fatal word—

the approach of both your FTC rider barring antitrust actions against cities and S. 1578, which would provide injunctive relief only in antitrust actions against cities. NLC endorsed your amendment to the State Justice Commission appropriations bill when the Appropriations Committee considered the amendment. We subsequently endorsed the broad relief provided by S. 1578. At no time, however, have we explicitly endorsed merging the two approaches in an appropriation bill.

I am not saying they should merge now; not with my amendment. I am asking it be merged. I agree with them. I want to take the amendment that is endorsed. They said last night that it is still endorsed. We not only carried it through the subcommittee, but we carried it through the full committee. I hope we can now carry it through the full Senate. So I would be delighted to read this letter. It makes good sense to me.

Mr. RUDMAN. I thank my friend from South Carolina.

Mr. HOLLINGS. I do not want to jockey about not having the two approaches. The question is whether or not, Mr. President, they endorse this particular amendment, and I say categorically the League of Cities do. I have checked it with them. If somebody can find out why we are debating that they oppose my amendment, I want to see those who come up here and say so, because this is really what started the whole matter over in the House side. It was the League of Cities, the mayors of the town, and the city fathers. That is why you find it on this particular bill. For 2 years—you are right—they have been over there listening, for 2 years, and nothing. It does not take 2 years to find out where the responsibility lies for the taxi service in a town in America. We have important things here in this National Congress. They have not done anything for 2 years.

That is why they have come in this particular State, outlined their endorsement, and saying we cannot wait on these Judiciary Committees. We find out that legislation is having a tough time, and obviously you could see how it would be filibustered perhaps. So what we wanted right on this appropriations bill to be provided is that we would be harassed by the national nanny. Let us get into the capacity of the national nanny to not only harass but to divide.

Mr. President, most advisedly, when this came to my attention, I picked up the Wall Street Journal. You read your local papers, and you get in the habit here of reading the Post, the New York Times, and the Wall Street Journal. A Wall Street Journal editorial endorsed the FTC action. I said this is really turnabout because I have been reading the Wall Street Journal, and they are about as opposed to the national nanny as any group could possibly be, and religiously so.

So on June 15, when they said hacking away at the FTC, I just kept reading that and could not imagine my own eyes.

I ask unanimous consent that the editorial be included in the RECORD at this time.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HACKING AWAY AT THE FTC

Attacking the bureaucratic intrusions of the Federal Trade Commission has in the past been a favorite pastime in many corporate board rooms and on Capitol Hill. We admit that we too have participated in the sport on occasion. Congress is now engaged in its latest round of FTC bashing over the commission's antitrust actions against two municipalities. This time, we find ourselves on the FTC's side.

The issue involves the FTC's effort to introduce competition into the taxicab industry—an effort certain to be applauded by anyone who has stood in the rain at rush hour trying to hail a cab. The commission is trying to encourage cities to change their monopolistic taxi licensing rules to put more cabs on the streets and foster price competition while maintaining safety standards. The effort is an outgrowth of the highly successful transportation deregulation of the trucking and airline industries—two genuinely bright accomplishments of the Carter administration.

The commission last month issued complaints against Minneapolis and New Orleans, charging that the cities and taxi companies had reached agreements to keep out competitors and to fix prices. For instance, the commission charged New Orleans with anti-competitive practices such as encouraging local cab companies to agree on fare increases after which the city formally adopted the agreed-upon rates. Minneapolis, the commission said, agreed to prohibit suburban cab firms from competing for passengers within the city limits.

The FTC believes that such anti-competitive practices drive up prices and limit the availability of taxis. As Walter Williams wrote on this page earlier this week, this particularly affects the poor, elderly and handicapped, who after businessmen are the most frequent users of cabs. In cities where entry restrictions have been removed and where fare discounting is permitted, taxi rates are about 10% to 15% below the regulated markets, according to a commission study.

True to form, Congress is merrily ignoring the economic sense of the commission's position. Without benefit of hearings, the House last month overwhelmingly passed a rider to an appropriations bill that would prohibit the expenditure of funds in connection with antitrust actions brought by the federal government (i.e. the FTC) against municipalities. We hope the members will give some thought to debating the merits of the FTC's taxicab case.

Mr. HOLLINGS. I then wrote the Chairman of the Federal Trade Commission and questioned about FTC contacts with the press. My inquiries indicated that they were doing exactly what the law prohibited. I said I would talk advisedly because here is the Federal statute. "No part of the money appropriated by an enactment of the Congress shall, in the absence of expressed authorization by the Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or other written matter, or other device, intended, or designed to influence in any manner a Member of Congress to favor or oppose, by a vote or otherwise, any legislation or appropriation by Congress," and so forth.

It goes on before and after the bill. This was raised in my early years up here in the U.S. Senate. And it has to be read very carefully. There are decisions on the particular score. Necessarily when the Members inquire you are going to have to receive information from the Federal agency. Necessarily the Federal agency has a duty. We have an office over there. I do not object to the public being informed.

The various agencies of Government are constantly getting inquiries so that they respond to those inquiries, and they inform. I am not objecting to that. I rather support it. That is commonsense. Mr. President, I think this is a good provision in our statutory law of the U.S. Government because we do not want to be using money to keep influencing us. It is just sort of a vicious cycle. We appropriate money to be influenced more, to be appropriated and influenced more, and everything else of that kind. It would be bad if we bogged down in that situation. On this score, Mr. President, the Federal Trade Commission is bogged down. There is no question.

I ask unanimous consent, Mr. President, that the letter that I wrote to Chairman Miller, of the Federal Trade Commission, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 15, 1984.

Hon. JAMES C. MILLER III,
Chairman, Federal Trade Commission,
Washington, DC.

DEAR MR. MILLER: Upon reading the editorial in today's Wall Street Journal, and investigating further, I understand that this editorial was solicited by your office. The question immediately comes to my mind, is the Federal Trade Commission writing the editorials of the Wall Street Journal? I also am informed that materials for articles and editorials have been mailed by the FTC to newspapers regarding the relative merits of Sec. 510 of H.R. 5712, as recommended by the Appropriations Subcommittee on Commerce, Justice, State, The Judiciary, and Related Agencies; and S. 1578.

If this is the case, it is not only shocking, it is criminal. Enclosed for your reference is a copy of Section 1913 of Title 18 of the United States Code. As you will note, it is against the law to use appropriated funds to influence a Member of Congress, directly or indirectly, to favor or oppose any legislation or appropriation by Congress.

I would appreciate having an explanation of the Commission's lobbying activities with regard to H.R. 5712 and S. 1578.

I also request that I be supplied with the following information with regard to the making of phone calls and materials distributed with regard to H.R. 5712 and S. 1578:

1. On whose instructions were such telephone calls made and materials distributed?

2. Who in the Commission knew about the making of the calls and distribution of the materials?

3. Separate memorandums prepared by each person who made calls to any newspaper regarding H.R. 5712 and S. 1578, listing each call they made, the date and newspaper called, and including an explanation of the characterization they made regarding the relative merits of the legislation in each instance.

4. Copies of all correspondence and materials furnished newspapers with regard to H.R. 5712 and S. 1578. Where identical correspondence and materials were distributed, one copy and a list of all recipients will suffice.

Inasmuch as H.R. 5712 has now been reported and Senate consideration is possible at any time, the above information is required by June 19, 1984.

In addition, I request the official record of all long distance telephone calls, including FTS calls, since May 29 through June 14, 1984, made by employees of the Office of the Chairman, Office of Congressional Relations, Office of Public Affairs, and the Director's Office of the Bureau of Competition. Such records should be annotated to indicate all calls to newspapers by identifying the name of the newspaper in each instance. This information should be supplied within 48 hours after the basic telephone records are available to the Commission.

Sincerely yours,

ERNEST F. HOLLINGS.

Enclosure.

SECTION 1913. LOBBYING WITH APPROPRIATED MONEYS

No part of the money appropriated by any enactment of Congress shall, in the absence of express authorization by Congress, be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation; but this shall not prevent officers or employees of the United States or of its departments or agencies from communicating to Members of Congress on the request of any Member or to Congress, through the proper official channels, requests for legislation or appropriations which they deem necessary for the efficient conduct of the public business.

Whoever, being an officer or employee of the United States or of any department or agency thereof, violates or attempts to violate this section, shall be fined not more than $500 or imprisoned not more than one year, or both; and after notice and hearing by the superior officer vested with the power of removing him, shall be removed from office or employment.

(June 25, 1948, ch. 645, 62 Stat. 792.)

Mr. HOLLINGS. That particular letter, a group of other letters, and correspondence is on each Senator's desk in a portfolio. That letter, June 15, asked about this particular practice, cited the Wall Street Journal, and the letter that I received back—dated before June 15—is from the distinguished Chairman of the Federal Trade Commission. Here is what they say.

I ask unanimous consent that this correspondence be printed in the RECORD.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
Washington, DC, June 21, 1984.

Hon. ERNEST F. HOLLINGS,
U.S. Senate,
Washington, DC.

DEAR SENATOR HOLLINGS: Since receiving your letter of June 15th, I have made efforts to gather the information you requested so as to be as responsive as possible to your concerns in the short time available. Before responding to the four specific questions in your letter, I would like to provide some background to place the events in question in proper perspective.

The Commission's decision of May 10th to issue complaints challenging the taxicab regulations of Minneapolis and New Orleans attracted a considerable amount of public attention. At that time appropriate members of Commission staff responded to media inquiries in keeping with the Commission's historic policy of providing such information so the public knows what we are doing. When a debate arose over qualifying our appropriation to prevent expenditure of any monies to prosecute these cases, efforts consistent with this policy were made to provide as much information as possible about this issue. In fact, in the course of an interview with a reporter from the Bureau of National Affairs on June 7th, I was asked and answered questions about the appropriations rider.

While I agree totally that it is improper and indeed illegal to use appropriated funds to sponsor what are known as grassroots campaigns to support or oppose particular legislative initiatives, I do not believe that normal and routine communication with the media on issues of public importance is or should be prohibited. The public has a right to know what we in government are doing, and one of the primary means by which it is informed, for better or worse, is through the media of this country. And I assure you that the actions in this instance were undertaken with the objective of providing information solely for the purpose of informing the public and that purpose alone.

With respect to the concern expressed in your letter about the possible violation of Section 1913 of Title 18 of the United States Code, based on the facts known to me at this time and on advice of Commission counsel, I do not believe that the law was violated. I am unaware of any reported legal decisions involving a substantive interpretation of the statute. However, I understand the Justice Department in the past has defended various civil actions against persons alleged to have violated it. I also understand that the General Accounting Office ("GAO") has interpreted a similar statute,

known as the "publicity and propaganda statute," § 607-(a) of the Treasury, Postal Service and General Government Appropriation Act, 1980, Pub. L. No. 96-74 (September 29, 1979), 93 Stat. 559, 575 (as quoted in "Principles of Federal Appropriations Law (1982) at 3-132). According to GAO's interpretation, the statute is to be narrowly construed to prohibit only grassroots compaigns to lobby citizens to write their elected representatives. In my judgment and on advice of Commission counsel, the actions by Commission staff in this instance are within the area of permissible activity under law.

Turning to the individual questions you posed in your letter, I shall attempt to answer them separately:

1. On whose instructions were [sic] such telephone calls made and materials distributed?

Based on what I have been able to determine, calls were made and materials distributed following conversations involving the Commission's Bureau of Competition ("BC"), Office of Public Affairs ("OPA"), and Office of Congressional Relations ("OCR"). Based on the available facts, while it appears that the main actors were the heads of these respective units, I cannot answer precisely what person or persons issued instructions for these actions to be taken because there appear to have been different persons involved at different stages. To attribute all the events to any one person or groups of people would seem inaccurate; even identifying who may have been responsible for any particular act is difficult at best. The most responsible answer available at this point is found at Tab A, which contains the separate memoranda requested by question 3. In that connection, while I cannot recall the details, I should state that I may have had general conversations with the heads of BC, OPA and OCR on the overall subject.

2. Who in the Commission knew about the making of the calls and distribution of the materials?

I cannot answer this question precisely, because I do not know and have not been able to determine exactly who was aware beyond the individuals who have furnished the memoranda submitted with this letter. There may be more individuals, but I do not know that for a fact. To answer the question completely would require a much more extensive inquiry than has been possible in the time available.

3. Separate memorandums prepared by each person who made calls to any newspaper regarding H.R. 5712 and S. 1578, listing each call they made, the date and newspaper called, and including an explanation of the characterization they made regarding the relative merits of the legislation in each instance.

Attached at Tab A are memoranda prepared by the authors at the request of the Office of General Counsel pursuant to my instruction after receipt of your letter. Based upon conversations between our Office of Congressional Relations and with Mr. Kane of your staff, the responses are limited to calls made between May 29th and June 14th of this year.

4. Copies of all correspondence and materials furnished newspapers with regard to H.R. 5712 and S. 1478. Where identical correspondence and materials were distributed, one copy and a list of all recipients will suffice.

Attached at Tab B are the requested materials.

With respect to the official records of long-distance telephone calls during the period in question, I have been advised that we do not have them, nor can we get them for several months. I shall, of course, supply them as soon as they are received and have expressed to the responsible person my desire for them as soon as possible because of your request.

In closing, I wish to assure you that no one at the Commission has sought to engage in any activity in violation of the law. As I mentioned before, and as the Commission stated in its published "Citizen's Guide to the Federal Trade Commission," our public affairs policy is guided by "the public's right to know what [we are] doing." We try to fulfill that duty through a variety of means, including contact with national, local, and trade press. That was our sole objective in this case. But I certainly recognize now more than I did before how much care must be taken to avoid creating contrary impressions, and I pledge to do so with renewed vigilance.

Sincerely yours,

JAMES C. MILLER III,
Chairman.

BUREAU OF COMPETITION,
FEDERAL TRADE COMMISSION,
Washington, DC, June 20, 1984.

Memorandum to: Jack Carley.
From: Tim Muris.
Subject: Senator Hollings' Letter of June 15, 1984.

You have asked me to prepare a memorandum responding to the points raised in the above-referenced letter.

It may be useful to begin with some background. I often talk to reporters, usually on referral from OPA. I also have on occasion talked to editorial writers at the Washington Post and New York Times. My understanding from OPA, confirmed by my dealings with reporters and editorial writers, is that members of the press repeatedly ask us to call them whenever an issue in which we are involved is likely to attract significant attention.

Turning to the taxi issue, we in BC discussed with OPA [1] the fact that there would likely be considerable media interest in the taxicab cases if the Commission acted favorably on our recommendation to issue complaints. In preparing the press release and other materials to be distributed on the day the complaints were issued, I asked members of OPA whether it would be a good idea to inform a broad group of newspapers and editorial boards. It was agreed that it would be because there would likely be press (including editorial) interest and it would be useful to explain our actions as accurately as possible.[2] We discussed how the cities in which the cases were involved, as well as national papers that cover us routinely (such as the New York Times, the Wall Street Journal, the Chicago Tribune, and the Washington Post), would be good places for us to distribute materials. We told OPA of our interest in wide distribution of the conclusions of the Bureau of Economics' report, supported by the Bureau of Competition, in favor of taxicab deregulation. I relied on OPA's expertise to meet the goal as much as possible. OPA felt that a very broad distribution to newspapers and editoral boards in mid-May was premature, pending knowledge of the initial press interest. OPA dealt, as far as I know, with newspapers they thought, based on their experience with them, would likely be interested in the issue.

Before the issuance of the complaints, Chairman Miller was informed of the plans for press coverage. He stated that a few points should be clearly emphasized, as reflected in his public statement of May 10. As is established practice, he made clear that those talking to reporters could only provide information and answer questions, not lobby on the ultimate merits of the cases.

Other than the call I made on May 10 to Michael Barone, an editorial writer for the Washington Post, and a follow-up letter on the same date (attached), to my knowledge all calls were made by OPA. Through OPA, the Directors of the Dallas and Chicago Regional Offices attempted to meet with reporters and editorial boards in Chicago, Minneapolis, and New Orleans (I do not know if they succeded in each city). The materials sent in mid-May to editorial boards and reporters have already been given to your office, and I believe were widely distributed by OPA as well as in Congress to members of our relevant committees and to members of the delegations of the states involved in the cases.

I was out of the office shortly after issuance of the complaints, up to which time, to my knowledge, the effort at making our actions widely available continued. When I returned to the office, on May 28, it was clear that there was more press interest in this issue than there had initially been part because of the interest in the Congress (the rider had moved to the floor of the House). In a conversation with OPA, we again briefly discussed the need to obtain as wide a dissemination as possible to those newspapers likely to be interested in this issue. (We hoped, of course, that any press coverage that did appear would be favorable or, at least, balanced.) Again, I discussed press coverage briefly with the Chairman.

Throughout, as newspapers to contact, we discussed emphasis on those in which substantial taxicab deregulation has occurred (because the cities' experience may have sparked interest) and the prestigious national papers (e.g., Wall Street Journal, New York Times, Chicago Tribune, Washington Post, Los Angeles Times, and St. Louis Post-Dispatch (because of these papers' past interest in our issues). The importance of some of the major newspapers who cover jurisdictions with members of the committees that have direct responsibilitiy over the FTC (because of the general interest of newspapers in issues on which their members of Congress face immediate votes) was also discussed.

OPA reports to the Chairman, as does the Bureau of Competition. I do not tell them how to perform their function, although, of course, we determine the substance of Bureau actions on which OPA distributes information, review press materials for accuracy, and discuss how our often technical actions can be explained to laymen. To my knowledge, OPA is well aware of the rules against lobbying and merely informs the press of the Commission's position and actions on various issues.

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[1] By OPA, I generally mean conversations with Neal Friedman, Acting Director of OPA during the relevant time. In meetings concerning the publicity that would follow the issuance of the complaints, there were other members of OPA present.

[2] We have had many editorials and stories on our issues in the past. Some were, we felt, misleading, and would not have been so if we had talked to the writer. On the taxi issue, we expected that some groups would probably oppose us, and, thus, there would be a greater likelihood of critical coverage.

Regarding the information that was distributed, I assume that the original press materials, developed for the complaints, were used. Also, several factsheets were prepared on request from members of Congress, and were also given to OPA. These included, after the issue of the rider became relevant, the Commission's position opposing the rider, endorsed by all five Commissioners.

The only additional materials that I sent to reporters, other than the letter of May 10, are:

(1) Attached letter to Wall Street Journal of June 4, suggesting that an op-ed piece by me on this issue would be appropriate. Over a week later, a Mr. John Fund of the Wall Street Journal called, stating that they had already run an op-ed on taxis (which ran after my letter) and were not interested in another.

(2) Another letter to Michael Barone (June 5, 1984), reflecting an additional conversation we had and forwarding materials that he requested.

If you desire additional information, please let me know.

FEDERAL TRADE COMMISSION,
Washington, DC.

To: Neal Friedman.
From: Linda Singer.
June 18, 1984.
Re call outs to editorial page editors on taxi issue.

I was only here for the first round of call outs on taxis June 4 and June 5. I contacted the following papers and people:

Wisconsin State Journal in Madison—Bill Becher.

Milwaukee Journal—Dave Behrendt.

Milwaukee Sentinel—Quincy Dadisman and Ken Roesslein.

In all three instances, I told the editors we currently had an issue at the Commission which might be of interest to them and their readers. It concerned two administrative complaints we issued against cities on the regulation of taxi cabs.

I told them that Congress was currently considering a rider to our appropriations bill that would prohibit our pursuing these actions. I also pointed out that it is among the first few times, if not the first time, Congress has tried to stop in its tracks an ongoing law enforcement action.

I basically read the information from the news release and the factsheet. I pointed out how it was an important consumer protection issue, as well as a competition issue and that taxis a primary means of transportation for the poor and elderly, except in large cities well served by mass transportation. I offered to provide them with written information, if they were interested.

After we got the information the next day on the Milwaukee and Madison experiences, I called again to offer the additional information.

Becher at the Wisconsin State Journal and Behrendt at the Milwaukee Journal asked me to send material and they would read it. I believe you made a follow up call to Behrendt.

At the Milwaukee Sentinel, the regular editor was out, and Dadisman was subbing when I first called. When I called the following day, he said he had given the material to Ken Roesslein. I called Roesslein and said we had some data on how well taxi deregulation had worked in Milwaukee and asked if he would be interested. He said yes, but that he didn't think he'd do a piece now, and would see what happened in the Senate.

FEDERAL TRADE COMMISSION,
Washington, DC, June 18, 1984.

MEMORANDUM

To: Neal Friedman.
From: Susan Ticknor.
Re Taxi calls.

On June 14, I called:

Bill Sweisgood, Editorial Page Editor, Florida Times Union, 1 Riverside Ave., PO Box 1949-F, Jacksonville, Fla. 32231, 904-359-4111.

Otis Perkins, Editorial Page (not editor), Jacksonville Journal, 1 Riverside Ave., PO Box 1949-F, Jacksonville, Fla. 32231, 904-359-4111.

I told them I was calling from the Federal Trade Commission and wanted to inform them about an issue. I explained that the Senate Appropriations Committee had before it a rider to our appropriations bill that would prohibit the FTC from spending any money on actions against cities. I reminded them Senator Childs was on that committee. I told them the issue arose from the 2 administrative complaints the FTC filed against New Orleans and Minneapolis. I explained to them, not in great detail, the thrust of the taxi charges—that these cities did not have an antitrust exemption, that the Supreme Court had ruled that cities were liable under the federal antitrust laws, that the taxi restrictions were allegedly raising prices, lowering the number of taxis available and hurting the "transportation disabled."

I then said that the proposed rider would cut off the suit and would block it before hearings even started. Neither of the two people I talked to had heard about the issue, but both were interested. I offered to send them some back-up material that they could read and study at their leisure. They both accepted that offer.

On June 4, I called:

Wiley McKeller, Editorial Page Editor, Harrisburg Patriot-News, 812 Market St., Harrisburg, PA 17105.

Edwin Guthman, Editorial Page Editor, Philadelphia Inquirer, 400 N. Broad St., Philadelphia, PA 19101.

Joseph Plummer, Editorial Dept., Pittsburgh Post-Gazette, 50 Blvd. of the Allies, Pittsburgh, PA 15230, 412-263-1669.

My conversations with these three men were similar to the ones described above. However, I did not offer to send them materials. Mr. Guthman and Mr. Plummer requested me to send them the papers. I sent the package to them and also to Mr. McKeller.

FEDERAL TRADE COMMISSION,
Washington, DC, June 18, 1984.

To: Neal Friedman.
From: Barbara Rosenfeld.
Re Calls made to newspapers on appropriations rider.

On June 4 and June 14 I made calls to the following persons:

June 4: John Zakarian, Editorial Page Editor, Hartford (CT.) Courant. Joe Plummer (editorial writer), Pittsburgh, (Pa.) Post-Gazette.

June 14: Robert Pittman, Editorial Page Editor, St. Petersburg (Fla.) Times. Edwin Roberts, Editorial Page Editor, Tampa (Fla.) Tribune. Lou Salome, Editorial Page Editor, Miami (Fla.) News. Robert Rankin editorial writer, Miami (Fla.) Herald.

In each case I identified myself as calling from the Federal Trade Commission's Office of Public Affairs in Washington, and said something similar to the following:

"I'd like to bring to your attention an issue I think you might be interested in. It concerns a vote on the FTC's appropriation which will be coming before the Senate (House) Appropriations Committee next week. As you know, of course, Senator (Congressman) ——— sits on the Appropriations Committee.

"The Committee will be voting on a rider to the FTC appropriations bill. The rider would have the effect of prohibiting the FTC from continuing its enforcement activities in cases it has brought against the cities of Minneapolis and New Orleans for acting with taxi companies in those cities to limit competition in the taxi industry. The issue, as we see it, is a consumer issue—we feel that limits on the number of taxicabs in a city hurt consumers by keeping the number of available cabs down and prices up, and that is particularly harmful to people who are dependent on taxi service, such as elderly and low-income consumers. The FTC's actions aim at eliminating restraints on taxi competition.

"Another important issue in this matter is the unusual procedure by which this action would limit FTC action—by a rider on the appropriations bill, rather than through the usual process of consideration and action by a Congressional committee."

(At this point, if not before, they all asked if we had written materials we could send them, which I said we would be happy to do.)

[Memorandum to Senator Hollings]

FEDERAL TRADE COMMISSION,
Washington, DC, June 18, 1984.

From: Larry Harlow.
Subject: Response to Your Letter of June 15, 1984.

At the request of the Office of Public Affairs, I responded to an inquiry OPA had received from Ms. Kate Stanley of the Minneapolis Star. The note from OPA to me asking me to respond to Ms. Stanley indicated that she had four areas of interest:

1. The exact wording of the taxicab rider.
2. The arguments Representative Sabo made in support of his rider.
3. Was there any discussion in the House Appropriations Committee of the issue when Representative Sabo offered his amendment?
4. What is the FTC's reaction?

As I recall, my conversation with Ms. Stanley centered on these issues. I believe I first spoke with her on May 30; in response to her request that I keep her informed of any developments, particularly concerning the timing of further Congressional action on H.R. 5712, I had at least one followup conversation with her, perhaps on May 31.

At the request of OPA, I also attempted to return a call to a reporter in New Orleans, but he wasn't in when I called. I can't recall his name, or his newspaper. Finally, I remember answering calls from Mike Isikoff of the Washington Post concerning the status of H.R. 5712, and our concerns with the taxicab rider.

I don't believe I had any other conversations with reporters and editorial writers.

JUNE 6, 1984.

DEAR ———:

Thank you for your time on the telephone today concerning the taxicab issue. I am sending you the following background material:

A fact sheet on the appropriations rider blocking the FTC's law enforcement effort in the taxicab industry.

A fact sheet on the FTC suits against the cities of Minneapolis and New Orleans.

Questions and answers concerning the taxi issue.

Thank you for your interest in this important issue. If you have any further questions, please do not hesitate to call 202-523-1730.

Sincerely,

NEAL FRIEDMAN,
Deputy Director.

This letter was also signed by the following with their direct telephone numbers inserted:

Barbara Rosenfeld, News Director (202-523-1585)
Susan Ticknor, Public Affairs Officer (202-523-1892)
Dee Ellison, Public Affairs Officer (202-523-1891)
Linda Singer, Public Affairs Officer (202-523-1847)
David Behrendt, Milwaukee Journal, 333 W. State St., Milwaukee, Wisconsin 53201
Mr. Ken Roesslein, Milwaukee Sentinel, 918 N. 4th Street, Milwaukee, Wisconsin 53201
George Melloan, Editorial Page, Wall Street Journal, 22 Cortlandt, New York, N.Y.
Quincy Dadisman, Milwaukee Sentinel, P.O. Box 371, Milwaukee, Wisconsin 53201
Edwin Guthman, Editor, Editorial Page, Philadelphia Inquirer, 400 N. Broad Street, Philadelphia, Pennsylvania 19101
James W. Scott, Editor, Editorial Page, Kansas City Star, 1729 Grand Avenue, Kansas City, Missouri 64108
John Lofton, Editorial Page, St. Louis Post-Dispatch, 900 Tucker Blvd., St. Louis, Missouri 63101
John Zakarian, Editorial Page Editor, Hartford Courant, 285 Broad Street, Hartford, Connecticut 06115
Russ Harney, Associate Editor, News and Courier, 134 Columbus Street, Charleston, South Carolina 29402
Charles Wickeberger, The State, George Rogers Boulevard, Columbia, South Carolina
Bill Becker, Wisconsin State Journal, 1901 Fish Hatchery Road, P.O. Box 8058, Madison, Wisconsin 53708
Wiley McKeller, Editor, Editorial Page, Harrisburg Patriot-News, 812 Market Street, Harrisburg, Pennsylvania 17105
Joseph Plummer, Editorial Department, Pittsburgh Post-Gazette, 50 Blvd. of the Allies, Pittsburgh, Pennsylvania 15230
Edwin Guthman, Editor, Editorial Page, Philadelphia Inquirer, 400 N. Broad Street, Philadelphia, Pennsylvania 19101
James W. Scott, Editor, Editorial Page, Kansas City Star, 1729 Grand Avenue, Kansas City, Missouri 64108
John Lofton, Editorial Page, St. Louis Post-Dispatch, 900 Tucker Blvd., St. Louis, Missouri 63101
Bill Becker, Wisconsin State Journal, 1901 Fish Hatchery Road, P.O. Box 8058, Madison, Wisconsin 53708
Wiley McKeller, Editor, Editorial Page, Harrisburg Patriot-News, 812 Market Street, Harrisburg, Pennsylvania 17105
John Zakarian Editor, Editorial Page, Hartford Courant, 285 Broad Street, Hartford, Connecticut 06115
Russ Harney, Associate Editor, News and Courier, 134 Columbus Street, Charleston, South Carolina 29402
Charles Wickeberger, The State, George Rogers Boulevard, Columbia, South Carolina 29202

Date: Through Jun 14, 1984 6:23 pm EDT.
From: FTC Office of Public Affairs / MCI ID: 215-5379.
To: Mr. Harold Hughes, Assoc. Editor, Portland Oregonian, 1320 S.W. Broadway, Portland, OR 97201.
To: Mr. Otis Perkins, Editorial Page, Jacksonville Journal, 1 Riverside Ave, Jacksonville, FL 32231.
To: Mr. Robert Rankin, Editorial Page, Miami Herald, 1 Herald Plaza, Miami, FL 33101.
To: Mr. Bill Sweisgood, Editorial Page, Editor, Florida Times Union, 1 Riverside Avenue, Jacksonville, FL 32231.
To: Mr. Robert Pittman, Editor, Editorial Page, St. Petersburg Times, 490 First Avenue South, St. Petersburg, FL 33731.
To: Mr. Edwin Roberts, Editor, Editorial Page, Tampa Tribune, 202 S. Parker Street, Tampa, FL 33601.
To: Mr. Lou Salome, Editor, Editorial Page, Miami News, 1 Herald Plaza, Miami, FL 33152.
Subject: TAXIFACTS.
Handling: ONite.

Dear Editor: Thank you for your interest in our material concerning taxicab regulation in cities. The Senate is scheduled to vote on this matter next Tuesday.

If you have any questions after reading the enclosed material, please feel free to call Neal Friedman, Deputy Director of the FTC's Office of Public Affairs, at 202-523-1730.

REPORTS IN CONGRESS TO BLOCK FTC TAXICAB CASES

FTC complaints challenging anticompetitive taxi regulation:

On May 10, the FTC issued complaints against Minneapolis and New Orleans challenging combinations among the cities and taxi companies to keep out competitors and to fix prices.

Less than two weeks later, on May 23—without benefit of hearings or any other prior consideration, and apparently inspired solely by the issuance of these complaints—the House Appropriations Committee passed a rider to an appropriations bill that prohibits the expenditure of funds in connection with "antitrust actions" brought by the federal government against municipalities.

On May 31, the full House refused to eliminate the rider—again without benefit of any study of the complex substantive issues involved.

The Senate Appropriations Committee will consider this issue soon, probably on June 7.

The taxi cases are consistent with the FTC's mission and legitimate policy objectives:

Restrictive economic regulation of taxi services harms the public by fostering higher fares, longer waiting times for cabs, and reduced employment opportunities for would-be cab drivers.

Illegal combinations in the $3.4 billion taxicab industry may result in fares 10 to 15% higher than competitive levels. A 1984 study commissioned by DOT concludes that such regulation costs consumers $790 million per year and reduces taxi jobs by over 38,000.

The burden of higher fares falls disproportionately on the "transportation disadvantaged," i.e., poor, elderly, and handicapped people.

The FTC cases will not displace needed consumer protection regulations concerning such matters as driver licensing, vehicle safety, and liability insurance coverage.

The FTC's action in this area is fully consistent with, and seeks the same benefits as achieved through, regulatory reform in other transportation industries.

An appropriations rider is an inappropriate means of addressing the applicability of the antitrust laws to municipalities:

Hasty passage of legislation to halt ongoing administrative proceedings sets a poor precedent and raises the appearance of special treatment for special interests.

The impetus for the rider is contrary to the clear Congressional intent in passing the FTC Act, which was designed to create an independent agency with special expertise and with power to define and prohibit "unfair methods of competition."

The rider undercuts the careful, ongoing deliberations in both the House and Senate Judiciary Committees on the applicability of the antitrust laws to municipalities.

The rider is misguided; it bypasses the primary concern of the cities:

Cities have a legitimate concern over their possible liability for treble damages. However, the FTC is merely seeking the removal of anticompetitive regulations. FTC antitrust enforcement does not subject cities to monetary damages.

Preventing the FTC from pursuing the taxi cases does not eliminate the underlying potential violations of the Sherman Act. Local governments are still exposed to treble damages. For example, private plaintiffs have filed antitrust suits based on taxi regulations, and are seeking treble damages of hundreds of millions of dollars, against Dade County, Florida and Chicago, Illinois.

FTC complaints challenging anticompetitive taxi regulation:

The Commission has issued complaints against Minneapolis and New Orleans, challenging combinations to set taxi fares and to exclude competition. These agreements with taxicab operators result in anticompetitive taxi regulations that restrict the available supply of cabs and prevent fare competition.

For example, the Complaint against Minneapolis charges the city with agreeing with local cab owners to enact ordinances that, among other things, prevent suburban cab firms, which do business all around Minnapolis, from competing for passengers within Minneapolis city limits.

The Commission charged New Orleans with anticompetitive practices such as encouraging local cab companies to agree on fare increases, after which the city formally adopts the agreed-upon fares.

Harm to the public:

Restrictions on the number of cabs and lack of price competition in the tsxicab industry harms the general public. Fares in cities limiting the number of taxis (such as the two municipalities charged) are appreciably higher than fares in comparable cities with open entry to the taxicab market.

The burden of higher fares disproportionately affects the poor, elderly, and handicapped, who are dependent on taxis for essential trips.

Artificial restrictions on the number of cabs permitted eliminates employment opportunities for would-be cab drivers.

Commission actions do not affect legitimate taxi regulation:

The Commission is challenging only those regulations that hurt consumers by restricting competition.

Cities do not need to prohibit fare competition among taxicabs (below some fare ceiling) or to prevent individuals or firms from entering in order to protect the public.

The Commission's actions do not affect needed regulations concerning driver licensing, vehicle safety, and liability insurance coverage.

The role of the FTC relating to municipal regulation of taxis:

The Commission's action in this area is fully consistent with the regulatory reform movement, particularly as it affects transportation industries (e.g., airline, truck, and intercity bus deregulation).

The U.S. Supreme Court has ruled *(City of Lafayette* (1978), *City of Boulder* (1982)), that antitrust laws may strike down anticompetitive municipal regulations unless based on a clear and affirmative state policy to displace competition.

The Commission's interest in this industry is not new; it investigated restraints to trade in the Chicago taxi market in the 1970's.

FTC action does not subject cities to monetary damages; Commission's remedial powers are flexible and can be fashioned to allow legitimate municipal authority.

TAXICAB QUESTIONS AND ANSWERS

1. How will this action benefit consumers?

Consumers will have available to them more taxis at a lower cost and with less waiting time than in cities that artificially restrict the number of cabs available and prevent discounting of fares.

2. What types of consumers will benefit most from the FTC's action?

Those consumers who will benefit most from greater availability of taxi transportation at lower cost are those most dependent on taxis for essential transportation—people who do not own or cannot drive cars and for whom public transportation is not a viable option. According to the taxi industry, 60 percent of all taxi services are used by this group, the "transportation disadvantaged," consisting primarily of the elderly, handicapped, and people with low incomes. As one might expect, the other groups who most use taxis are tourists and business people.

3. What effect will open entry have on taxi service?

Allowing open entry, instead of artificially restricting the number of licensed cabs, should lead to more taxis available, less waiting time, and lower prices in cities that permit fare discounting. There also should be more service options available, such as discounts for bulk purchases of taxi services by governmental users, business, and other group purchasers (for example, apartment complexes for senior citizens). Service should improve to the less desirable areas of cities as more cabs are available and competition increases the incentive to obtain business.

4. What effect will open entry have on taxi rates?

Open entry, combined with the elimination of restrictions on discounting, should lower taxi rates. Offering reduced fares is one way for new entrants to attract business. This will create downward pressure on fares charged by other taxi companies, as they seek to retain market share. This competitive activity will keep prices from rising above the competitive level.

5. How were these cities selected as targets?

The FTC undertook a systematic look at taxi regulation in the largest cities in the United States. The inquiry focused on cities where consumers and potential entrants into the taxi business were being harmed, where there was evidence of a combination between the cities and the taxi companies unreasonably in restraint of trade, and where the state had not established an exemption from the antitrust laws for the city to regulate taxi transportation.

6. What is the likely impact in other cities?

A number of other cities have removed restrictions on entering the taxi business and/or have permitted discounting of taxi fares because it is good public policy. These cities include Milwaukee and Madison, Wisconsin; Jacksonville, Florida; Charlotte, North Carolina; Seattle and Spokane, Washington; San Diego and Sacramento, California; and Phoenix and Tucson, Arizona. We hope other cities will see that the public and consumer benefits that competition brings in other areas of the economy are equally applicable to the taxi industry.

7. Why is the FTC suing the cities rather than the individual cab companies?

The FTC is suing cities because it is only the cities that can provide the relief the FTC is seeking—the removal of regulations that harm consumers. Suits against individual cab companies would not provide as effective a remedy. The FTC does not sue for monetary damages; it will simply seek to have the cities change their regulations. The U.S. Supreme Court has made it clear that cities are subject to the antitrust laws, and thereby opened a more effective way for the FTC to remedy competitive problems in the taxi industry.

8. Will driver expertise and vehicle safety decline as a result of FTC actions?

The removal of anticompetitive taxi regulation should have no detrimental effect on driver competence and vehicle safety. In fact, some cities that have removed price and entry restrictions believe they have improved vehicle safety and driver competence by concentrating directly on rules that deal with safety, competence, financial responsibility, appearance of vehicles and drivers, and other factors. We support regulations designed to promote safety and other legitimate public concerns, and will work with cities to devise such regulations in ways that do not harm consumers. The rules that prevent people from getting into the taxi business and that prevent fare discounting are the source of the anticompetitive problems in the taxi industry.

9. Is it true the Department of Transportation-commissioned studies show deregulation has failed?

No. The latest DOT-commissioned study actually recommends antitrust initiatives, among other ways, to remedy problems. The earlier studies report no problems in the crucial radio-dispatched segment, which in these two cities is roughly 90 percent of the market.

10. Is there a conspiracy?

Minneapolis and New Orleans are not empowered by their states to fix fares or exclude competitors. In both cities, the FIC's complaint alleges that fares are set and competitors excluded as a result of joint action by taxi firms and the cities. Such joint actions, absent state legislation, form an illegal combination under the antitrust laws.

BUREAU OF COMPETITION,
FEDERAL TRADE COMMISSION,
Washington, DC, May 10, 1984.

MR. MICHAEL BARONE,
The Washington Post,
Washington, DC.

DEAR MIKE: As promised, I enclose the materials regarding the taxicab complaints the Commission issued today against Minneapolis and New Orleans.

There are at least two distinct issues here, one concerning whether taxicab deregulation is sound public policy and one concerning the propriety of suing cities. Regarding the first, the evidence reveals that regulation restricting entry and fare competition harms consumers, particularly the poor, who disproportionately use cabs. For example, a recent report commissioned by DOT estimated that consumers lose $790 million from these regulations and that deregulation would create some 38,000 new jobs. (Of course, we are not opposed to regulations dealing with cab safety, insurance, driver qualification, fare posting, and other reasonable steps.)

All of the material enclosed directly discusses the taxicab issue, except the report from our Planning Office discussing legislative proposals to grant cities antitrust immunity. Concerning this second issue, the Planning Office report concludes that cities have not had serious problems under antitrust laws, making an exemption unnecessary. If a change in the law is to be made, the report recommends that eliminating treble damages would be superior to the blanket exemption. To the extent the report implies that cities should be subject to the full range of antitrust rules, I disagee. Although cities have won most of the cases to date, the threat of treble damages for traditional municipal activities is too great of a burden to place on elected officials. I favor the injunction-only option as relieving cities of their most serious problem, but still scrutinizing their anticonsumer acts to some extent. (If plaintiffs can only obtain injunctive relief, they are much less likely to bring frivolous suits.)

I find this option preferable to the Thurmond Bill that the Antitrust Division recently endorsed. Thurmond would make cities totally liable for their commercial activities and totally immune for other activities. This commercial/non-commercial distinction is extremely difficult to make in practice. Moreover, as far as I understand, the Antitrust Division does not believe that Thurmond's Bill is the only possible solution to the problem.

If I can be of further help in discussing this or any other issue, please call me at 523-3601.

Sincerely yours,

TIMOTHY J. MURIS,
Director, Bureau of Competition.

FEDERAL TRADE COMMISSION,
Washington, DC, June 4, 1984.

MR. TIM FERGUSON,
The Wall Street Journal,
New York, NY.

DEAR MR. FERGUSON: I am writing to suggest you consider printing an opinion piece in The Wall Street Journal on the subject of efforts now underway in Congress to halt FTC actions challenging anticompetitive taxicab regulations under the antitrust laws.

On May 10, the FTC issued complaints against Minneapolis and Chicago challenging combinations with taxi companies to maintain anticompetive economic regulation

of taxicabs. The House of Representatives recently approved a rider that would prohibit the FTC from spending funds to pursue these complaints. The Senate Appropriations Committee will consider this issue soon, probably on June 7. This effort in the Congress is misguided, both in substance and in form.

It seems highly inappropriate to address a complicated substantive issue, such as the applicability of the antitrust laws to municipalities, through the appropriations process, without even the benefit of hearings. This is especially true here, because the Senate and House Judiciary committees, which have jurisdiction over antitrust matters, have been carefully considering a number of proposals relating to municipal antitrust liability.

Moreover, we believe these cases fall clearly within the FTC's mandate to maintain competition. Restrictive economic regulation of taxi services harms the public by fostering higher fares, longer waiting times for cabs, and reduced employment opportunities for would-be cab drivers.

It would be preferable, of course, if all cities would see the wisdom of eliminating harmful taxi regulation. However, some cities are reluctant, for whatever reason, to remove taxi regulation that harms consumers. We believe that the discipline of the antitrust laws is necessary to achieve competition in the taxi industry and that injunctive actions such as these by the FTC are far less of a potential burden on cities than private treble damage actions which the appropriations rider would leave untouched.

I am certain that your readers would find this issue to be of considerable interest.

Sincerely yours,

TIMOTHY J. MURIS,
Director.

FEDERAL TRADE COMMISSION,
Washington, DC, June 5, 1984.

MR. MICHAEL BARONE,
The Washington Post,
Washington, DC.

MIKE: As promised, I enclose the materials regarding the "taxicab" rider, including editorials supporting our effort in the New York Times, Chicago Tribune, and Minneapolis Star-Tribune.

There are at least three issues here. The first concerns whether Congress should legislate through appropriation riders. Particularly in this case, when the rider was passed without hearings and is aimed at stopping cases in litigation, the rider process is an especially undesirable method of passing substantive legislation.

The second issue involves the merits of our lawsuits against Minneapolis and New Orleans. The evidence shows that regulation restricting entry and fare competition harms consumers, particularly the poor, elderly, and handicapped, who disproportionately use cabs. For example, a recent report commissioned by DOT estimates that consumers lose $790 million from these regulations and that deregulation would create some 38,000 new jobs. (We do not oppose regulation of cab safety, insurance, driver qualification, fare posting, and other reasonable steps.)

The final issue concerns whether cities should have antitrust immunity. Although cities have won almost all of the cases to date, the threat of treble damages for traditional municipal activities is a very great burden to place on elected officials and taxpayers. Nevertheless, cities can and do engage in anticompetitive acts, as our taxi complaints indicate. (Another obvious example concerns the efforts of airports to eliminate the competition of discount rental car companies.) Accordingly, I believe that cities should have limited exposure under the antitrust laws. Thus, we favor legislation limiting the liability of cities to cease and desist orders or other injunctive relief. (If plaintiffs are only able to obtain only injunctive relief, they are much less likely to bring private lawsuits, particularly in questionable cases.)

As indicated, the Senate Appropriations Subcommittee on Commerce, State, Justice and related matters is likely to vote on this measure on June 7. If I can be of further assistance on this or any other issue, please call me at 523-3601.

Sincerely yours,

TIMOTHY J. MURIS,
Director, Bureau of Competition.

He says exactly what we all agree with. "While I agree totally that it is improper and indeed illegal to use appropriated funds to sponsor what are known as grassroot campaigns to support or oppose particular legislative initiatives.* * *" However, the statute did not talk about grassroots. It said through a Member of Congress. Grassroots is not in the statute. I have defended enough of these people on trial as a lawyer to know when the witness or the defendant is beginning to move around a little. The Chairman of the Federal Trade Commission in his letter moves around a little here.

He says: "* * * I do not believe that normal and routine communication with the media on issues of public importance is or should be prohibited," which I agree with. He continues: "The public has a right to know what we in government are doing, and one of the primary means by which it is informed, for better or for worse, is through the media of this country." Let us see whether they are informing the media or they are using that particular role to influence.

When I got his answer back, I, of course, looked quickly to see whether he was just trying to give information or whether they were trying to influence a vote. I picked up the letter of June 4, 1984, from the Director of the Bureau of Competition, Federal Trade Commission, addressed to Mr. Tim Ferguson, Wall Street Journal, 22 Cortland Street, New York, NY.

I ask unanimous consent, Mr. President, that this letter be included in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
Washington, DC, June 4, 1984.

MR. TIM FERGUSON,
The Wall Street Journal,
New York, NY.

DEAR MR. FERGUSON: I am writing to suggest you consider printing an opinion piece in The Wall Street Journal on the subject of efforts now underway in Congress to halt FTC actions challenging anticompetitive taxicab regulations under the antitrust laws.

On May 10, the FTC issued complaints against Minneapolis and Chicago challenging combinations with taxi companies to maintain anticompetitive economic regulations of taxicabs. The House of Representatives recently approved a rider that would prohibit the FTC from spending funds to pursue these complaints. The Senate Appropriations Committee will consider this issue soon, probably on June 7. This effort in the Congress is misguided, both in substance and in form.

It seems highly inappropriate to address a complicated substantive issue, such as the applicability of the antitrust laws to municipalities, through the appropriations process, without even the benefit of hearings. This is especially true here, because the Senate and House Judiciary committees, which have jurisdiction over antitrust matters, have been carefully considering a number of proposals relating to municipal antitrust liability.

Moreover, we believe these cases fall clearly within the FTC's mandate to maintain competition. Restrictive economic regulation of taxi services harms the public by fostering higher fares, longer waiting times for cabs, and reduced employment opportunities for would-be cab drivers.

It would be preferable, of course, if all cities would see the wisdom of eliminating harmful taxi regulations. However, some cities are reluctant, for whatever reason, to remove taxi regulation that harms consumers. We believe that the discipline of the antitrust laws is necessary to achieve competition in the taxi industry and that injunctive actions such as these by the FTC are far less of a potential burden on cities than private treble damage actions which the appropriations rider would leave untouched.

I am certain that your readers would find this issue to be of considerable interest.

Sincerely yours,

TIMOTHY J. MURIS,
Director.

Mr. HOLLINGS. I thank the distinguished presiding officer.

I read the first sentence. Here is the first sentence. I say to the Senator from New Hampshire that I really want you to hear this sentence, because you are an old-time prosecutor and attorney general.

I am writing to suggest you consider printing an opinion piece in the Wall Street Journal on the subject of efforts new underway in Congress to halt FTC action.

So he is trying to influence votes. He asks for an opinon piece. He is not simply giving information.

Then, Senator, I looked up there, and there was a memo in response from the Federal Trade Commission to Jack Carley from Neal Friedman, dated June 20, 1984. I ask unanimous consent that this be included in its entirety.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
Washington, DC, June 20, 1984.

MEMORANDUM

Re Hollings letter.
To: Jack Carley.
From: Neal Friedman.

On June 4, 1984 I placed telephone calls to Mr. Russ Harney, Associate Editor of the Charleston (S.C.) News and Courier and Mr. Charles Wickeberger, an editorial writer for the Columbia (S.C.) State. On approximately the same date, I spoke with David Behrendt, an editoral writer for the Milwaukee Journal; Peter Passell, an editorial writer for the New York Times, who frequently contacts our office concerning FTC-related issues; and George Melloan, an editorial writer for the Wall Street Journal.

I explained to each that the FTC had recently sued the cities of New Orleans and Minneapolis concerning their regulation of taxi service and briefly outlined the allegations in the suits. I further explained that a rider was being proposed for our appropriations bill that would have the effect of preventing the FTC from pursuing these law enforcement investigations. I explained that it was highly unusual for Congress to involve itself in law enforcement investigations through the appropriations process, and that even those commissioners who had not supported the taxicab suit had joined in a letter to Congress expressing concern over this proposed action.

I pointed out that, outside of the major cities, the primary users of taxi service were the poor and the elderly, and that the commission was hoping to encourage state and local governments to do away with those aspects of their taxi regulations that restricted new entrants and raised prices.

Finally, I suggested that this might make a topic for an editorial and asked whether the writer would be interested in further information. In each instance the answer was affirmative and the information was sent.

In no case did I suggest what the editorial should say, nor did I make any comments on the relative merits of the legislation. I had further conversations with Passell and Bill Krulewicz (who took over from Melloan at the Wall Street Journal) on subsequent occasions, but have no record of the dates. The writers initiated these calls for the purpose of obtaining answers to specific questions.

Mr. HOLLINGS. This memorandum states:

On June 4, 1984, I placed telephone calls to Mr. Russ Harney, Associate Editor of the Charleston (S.C.) News and Courier and Mr. Charles Wickenberger, an editorial writer in the Columbia (S.C.) State.

He goes on down and says:

Finally, I suggested that this might make a topic for an editorial.

So they are not asking for editorials against Senator HOLLINGS.

Let us see if there was any doubt about that, whether it was against us in trying to influence the vote.

What do we find out, Mr. President, from the News & Courier?

Only a few days ago, a news article appeared. I will refer to it at this particular point. It was dated June 27. That is yesterday, Mr. President, I have updated information here. It is a News & Courier story, Mr. President.

Mr. President, I ask unanimous consent that the news story in its entirety be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOLLINGS CHARGES ILLEGAL FTC LOBBYING TACTICS

(By Edward D. Murphy)

The Federal Trade Commission lobbied illegally through the press in its efforts to block restrictions on antitrust actions against cities, Sen. Ernest F. Hollings, D-S.C., charged Tuesday.

The News and Courier was contacted by the FTC and encouraged to write an editorial about the proposed restrictions, according to Hollings spokesmen Michael Fernandez and Russell F. Harney, associate editor of The News and Courier.

The News and Courier did not write an editorial on the issue, however, Harney said.

Hollings said the law prohibits Federal agencies from using appropriations, "directly or indirectly . . . to influence in any manner a member of Congress to favor or oppose . . . any legislation or appropriation."

Hollings contends that the FTC "initiated a highly targeted, illegal lobbying campaign" to pressure members of the Senate Appropriations Committee to drop the proposed restrictions on the FTC.

The FTC has denied Hollings' charges about the lobbying and said the actions in contacting the press were "normal and routine," the Senator said.

An amendment to an appropriations bill before the committee should restrict the FTC and the Department of Justice from antitrust actions against municipalities. Hollings is a chief proponent of the restrictions.

Harney said he was contacted last week by Neal Friedman, who said he was deputy director of public affairs for the FTC.

Friedman asked if the party would be interested in doing an editorial on the issue, Harney said. The issue involved a court suit against a Midwestern city involving taxes, Harney said Friedman told him. Additional material arrived in the mail the next day, Harney added.

But Harney said the material indicated the issue was more than the one case Friedman mentioned, and he recognized that the restrictions on the FTC antitrust actions were a particular concern of Charleston city officials.

After looking into it further, Harney said, "I saw it as a precursor of the FTC coming in here and talking about horse-drawn wagons."

"I felt that he (Friedman) had selected me because it (Charleston) is Hollings' hometown and it just disturbed me," Harney said. "I felt like we had been had."

Harney said he did not write the editorial the FTC official was suggesting and does not plan to write one on the subject.

The State newspaper in Columbia was also contacted by the FTC about a possible editorial, Fernandez said.

Mr. President, I am not trying to be laborious. This is a serious matter. I am only trying to brief these things to save the time of the body because we want to get on with the vote. But I want them to understand what this national nanny can do.

The Federal Trade Commission lobbied illegally through the press in its efforts to block restrictions in antitrust actions against cities, Senator Ernest F. Hollings charged Tuesday.

The News and Courier was contacted by the FTC and encouraged to write an editorial about the proposed restrictions, according to Hollings' spokesmen Michael Fernandez and Russell Harney, Associate Editor of the News and Courier.

"The News and Courier did not write an editorial on the issue, however," Harney said. Hollings said the law prohibits,• • •

I quote further:

But Harney said the material indicated the issue was more than the one case, Friedman mentioned, and he recognized that the restrictions on the Federal Trade Commission antitrust actions were of particular concern to Charleston city officials.

After looking into it further, Harney said, "I saw it as a precursor of the FTC continuing coming in here and talking about horse-drawn wagons. I felt that he (Friedman) had selected me because it (Charleston) is Hollings' hometown and it just disturbed me," Harney said. "I felt like we had been had."

"I felt like we had been had," I say to the Senator from New Hampshire.

Mr. President, there was no question in my mind as to what they were doing. Anyone, any sane, reasonable, and prudent person, can look at that and understand what they were doing.

This Senator has not talked to Mr. Harney or Mr. Wickenberg. I avoided doing that so there would not be any countercharge about influence, calling, or anything else.

I might say that I like the News & Courier, I say to the Senator from New Hampshire. They like me. But they love Senator THURMOND. Let us make that clear. We will take judicial notice.

I get along with them fine. They are very nice. They are fair, decent, responsible, with fine editorials. I like them and they like me, but they love Senator THURMOND. They will write most anything about him.

The body should take official notice that this action by the FTC was illegal and uncalled for.

Mr. President, if there be doubt in the distinguished Senator's mind, here is another memo that I ask unanimous consent to be printed in the RECORD.

There being no objection, the memorandum was ordered to printed in the RECORD, as follows:

[From the Federal Trade Commission]

Memo: Neal Friedman.
From: Janet Bass.
Re contact with Portland Oregonian.

I called the Portland Oregonian on Thursday, June 14 and spoke with Harold Hughes, acting editorial page editor.

I told him I was calling to discuss the recent full House and Senate Appropriations Subcommittee votes concerning the rider placed on the FTC's budget bill that would bar the agency from spending money on lawsuits against municipalities; more specifically, the administrative complaints against Minneapolis and New Orleans over their taxicab regulations. I explained that

stopping an ongoing investigation is a precedent.

I said the FTC does not feel the appropriations committee is the proper jurisdiction to settle Congress' problem with the FTC action. A more appropriate committee would be the Judiciary Committee, which had just voted to prohibit the agency from seeking monetary relief from municipalities. I mentioned that the FTC is seeking only injunctive relief, not monetary relief.

I told Mr. Hughes that Senator Mark Hatfield, who sits on the Senate Appropriations Committee, voted for the rider to the FTC's appropriations bill and that the full Senate is scheduled to take up the matter next week.

This is an issue, I continued, that the paper's readers will be interested in, and may I send him some information concerning the issue. The editor was very anxious to receive the material.

Mr. HOLLINGS. This is a memo to Neal Friedman from Janet Bass concerning "Contact with Portland Oregonian." Now we have heard from the Senator from Portland, OR.

I called the Portland Oregonian on Thursday, June 14, and spoke with Harold Hughes, acting editorial page editor.

I told him I was calling to discuss the recent full House and Senate Appropriations Subcommittee votes.

Mr. President, statutory law says you should not be using this to influence votes. They just pleaded guilty to the charge here.

I said the FTC does not feel the Appropriations Committee is the proper jurisdiction.

Here they are, putting editorials out and feeding them back in on the Senate floor.

I told Mr. Hughes that Senator Mark Hatfield, who sits on his Senate Appropriations Committee, voted for the rider to the FTC's appropriations bill and that the full Senate is scheduled to take up the matter next week.

So they are going after the Hatfield vote.

Mr. RUDMAN. Mr. President, will the Senator yield?

Mr. HOLLINGS. I am delighted to yield.

Mr. RUDMAN. Mr. President, I say to my friend from South Carolina that I join him in outrage that bureaucrats paid by the Federal Government are attempting to influence this Congress to implement policies that they believe. I just agree completely. That ought to be looked into. I am glad the Senator raised the issue.

I do not believe the FTC or anybody else, whether that is a literal reading of the statute or not, has any business spending taxpayer money going around this country trying to turn various newspapers against Members of the Congress to do A, B, C, or whatever. I agree completely

However, I would only say to my friend from South Carolina that that may be true, and I agree with him, but I do not think it necessarily bears on the issue that we are debating here.

The Senator is probably as skilled a trial lawyer as I have ever met. The Senator has done an excellent job in getting us all kind of angry at the FTC. I think that is a good way of deflecting the issue.

If we have a vote here, we are not voting whether the FTC is good or bad, but whether or not they are doing what they ought to do. I want to be on the record as joining the Senator from South Carolina on what he has done. The issue that he has raised is important and I join in.

Mr. HOLLINGS. Mr. President, if the distinguished Senator is joining me, do not talk about deflection. I am not talking about deflection. I am pointing. I am charging, on the basis of this record of this particular case before the U.S. Senate. This has to do exactly with it.

Here is another one. I will cut them short.

This memorandum is from Dee Ellison to Neal Friedman, regarding "Telephone calls involving the taxi issue."

On June 4, I called editorial page editors of two newspapers at your request.

I spoke with: James W. Scott, editorial page editor of the Kansas City-(Missouri) Star—

And—

Mr. John Lofton, editorial page writer of the St. Louis (Missouri) Post-Dispatch.

I also told the editorial page editors of the rider passed by the House on May 31 and said that the Senate Appropriations Committee would be considering the issue soon.

I noted that Senator Eagleton of Missouri was on the Senate Appropriations Subcommittee.

This is no deflection. You cannot say it has no bearing. It has every bearing on this matter.

I ask unanimous consent that this memorandum be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
Washington DC, June 18, 1984.

Memorandum to: Neal Friedman.
From: Dee Ellison.
Re telephone calls involving the taxi issue.

On June 4, I called editorial page editors of two newspapers at your request.

I spoke with:

James W. Scott, Editorial Page Editor of the Kansas City (Missouri) Star (he told me that the Kansas City Council has just voted to change their monitoring system with regard to taxis and that he was very interested in this issue); and

Mr. John Lofton, editorial page writer of the St. Louis (Missouri) Post-Dispatch (when I first called, Mr. Lofton was tied up and I spoke with Ms. Jan Keily, a secretary, who asked me to send any materials I had. I did so, and reached Mr. Lofton by phone the next morning).

In each instance, I asked if they were aware of the complaints the Commission had issued because it had reason to believe Minneapolis and New Orleans had acted anticompetitively in the taxi industry. I also told the editorial page editors of the rider passed by the House on May 31 and said that the Senate Appropriations Committee would be considering the issue soon I pointed out that it is extraordinary for Congress to intervene once the FTC has brought a complaint. I noted that Senator Eagleton of Missouri was on the Senate Appropriations Subcommittee. Each person asked me to send whatever materials I had.

Mr. HOLLINGS. We can go on. Here is the next one, but I have already included in the RECORD. Calls are being made to newspapers. It was almost like a telephone bank that you use in political campaign.

In each case I identified myself as calling from the Federal Trade Commission's Office of Public Affairs in Washington, and said something similar to the following:

'I'd like to bring to your attention an issue I think you might be interested in. It concerns a vote on the FTC's appropriation which will be coming before the Senate (House) Appropriations Committee next week. As you know, of course, Senator (Congressmen) —— sits on the Appropriations Committee.'

So they had a blanket approach to a bull's-eye group. Mr. President, you can look down all the papers. They have Senator CHILES. They went into Florida, to the Times Union, in an editorial.

I reminded them that Senator CHILES was on the committee.

Mr. President, in all of that, they were not informing the public of America.

They went to Senator SPECTER'S newspapers in Pennsylvania. He is on the committee.

They went to Senator KASTEN, the Senator from Wisconsin, and Senator PROXMIRE.

Mr. President, you can go right down the list. They went into seven to nine communities of the membership on the committee solely from the record that they furnished. There were trying to influence the vote. That is now vicious they are on this particular score.

Mr. President, I think they have compromised themselves as an impartial body enforcing anything against a municipality. I am ashamed of them.

As our colleagues Congressmen DINGELL and FLORIO pointed out, with all the things that need to be done—we have been on to them to enforce the laws over there to protect the consumers—they have telephone banks, daisy chains, call-in editorial writers, targeted to the Senators on the Appropriations Committee and telling them about their votes.

We can look at that statute and we can look at the factual record and it is not to make people like or dislike. I think we have an affirmative duty in the U.S. Senate to make sure that each mayor does not have to go to his State capital against this kind of conduct. On the contrary, the majority committee view, which is my amend-

ment, should prevail. The committee has looked at it, studied it, and recommends to the full body—as the House of Representatives does—that this amendment pass.

I yield the floor, Mr. President.

Mr. RUDMAN. Mr. President, I shall be very brief. I see my friend from Washington is here. I am going to yield to him in just a moment.

Let me simply say that the Senator from South Carolina has outlined some activities on the part of certain members of the Federal Trade Commission, which, from what he says, are probably improper. That does not mean that the issues that they were attempting to influence people about were improper or bad. It means that some people over there have some pretty poor judgment.

I just want to say that we now have in the Judiciary Committee bill on the Boulder case, given these cities, if this gets through the Congress, the freedom not to worry about damages. That is what they were concerned about, treble damages. We believe, unless we adopt this amendment, the right of Federal agencies to impose injunctive acts, if it is necessary, exists.

The most important point that ought to be in this record, that nobody ought to overlook, is that the State legislature—I shall say once more under the Boulder case—the State legislature may, by a simple action, confer total immunity—total immunity—on any and all of its municipalities and political subdivisions.

Therefore, it seems to me that what we have with the Hollings amendment is, to some extent, an intrusion into the rights of the FTC and the Department of Justice as they exist under law. What we have done with the Thurmond amendment is take care of the precise problem that the National League of Cities has been concerned about; that is, treble damages.

Finally, if they are really concerned about it, let their legislatures, as the Louisiana legislature recently did, I understand, pass immunity. Then there will be no jurisdiction whatsoever.

I yield the floor.

Mr. HOLLINGS. Mr. President, I yield myself just a second just to correct the record.

This is only an annual appropriation bill. This is not total immunity by any manner or means. Congress is going to have to work its will on this particular score, and I hope it will. I hope it will come through the Judiciary Committee.

As my colleagues know, the disposition of this Senator is, I hope it will give total immunity.

But it is not the Federal Trade Commission as it exists under the law, Mr. President, it is the Federal Trade Commission as it exists under outlaw.

I yield the floor.

Mr. GORTON. Mr. President, I have listened both with pleasure and with increasing outrage to the statements of the distinguished Senator from South Carolina about lobbying on the part of members of the Federal Trade Commission with respect to this legislation. I am, however, in agreement with the Senator from New Hampshire that our vote on this issue should be on our view on the policy issue and not the lobbying practices of the Federal Trade Commission.

I address a question the answer to which can come from either the Senator from New Hampshire or the Senator from South Carolina about the substantive nature of what we are going to vote on. This question arises out of a true-life, a hands-on experience of the largest community in the State of Washington with the deregulation of taxicab services.

I suppose, in distinction to the earlier speech by the Senator from Ohio this afternoon about the ill effects of monopoly, that this may well be a perfect example of the ill effects of unrestrained competition in a field in which competition does not work very well.

A year or two ago, the city of Seattle, King County, WA, deregulated taxicab service, both from the point of view of those who could provide the service and with respect to price. I may say to both of the Senators who are managing this bill that that experiment turned out to be an unmitigated disaster. Very rarely do customers of taxicabs lean into the cab when they have gotten one to determine what the price of the ride is going to be and whether there may be competitive service available. We had, I suppose, a few people who live in the community but far more tourists and students and the like take taxicabs from Seattle to the airport, only to find themselves charged $50, or $75, or $100 for that service, thereafter to be told that there was no governmental regulation of those fares and it is too bad that they were not aware of that proposition. They were simply subjected to those charges.

In other words, an experiment in a field like this, to which the American people have become accustomed to regulation, an experiment with total deregulation—at least with respect to fares—in my view, in our community, which is probably typical of medium to large cities in the country, was a complete failure. Whether it would be a failure with respect to entry into the taxicab business—that is to say, who can drive taxis under what circumstances and so on—I cannot say. My own inclination is to believe that competition in that respect may well be a good idea.

May I ask either of the managing Senators, first, what is the scope and the thrust of the Federal Trade Commission investigation which this amendment seeks to subvert? Is it general or has it been aimed only at entry or only at fares and the like?

Second, is the amendment of the Senator from South Carolina directed at taking the Federal Trade Commission out of everything relating to the regulation of local taxis?

Mr. HOLLINGS. The answer is yes, generally, on the first question; and everything, positively, on the second part of the question.

Mr. GORTON. If the Senator will yield, is it the position of the Federal Trade Commission, to the best of his knowledge, that local governments should not be permitted to control the fare structure of local taxi services?

Mr. HOLLINGS. That is right, Mr. President. The Federal Trade Commission feels that it has and it is a split decision, three to two.

Mr. RUDMAN. Mr. President, the Senator is correct. I just want to put one caveat to my friend from Washington. What the FTC is talking about is the right of setting rate floors. That is quite different from the whole question of regulated rates. To set rate floors is what they are particularly interested in because of what that implies in terms of the competitive market. So I do think there is some implication of the scope.

Mr. GORTON. The Federal Trade Commission, I ask my friend from New Hampshire, has no objection to the setting of rate ceilings?

Mr. RUDMAN. I believe the Senator is correct.

Mr. GORTON. Does the Senator from South Carolina agree with that?

(Mr. ARMSTRONG assumed the chair.)

Mr. HOLLINGS. I do not agree with that, Mr. President. I believe it is fundamental, with our President, Ronald Reagan, to get the Government off the backs of the people of America, and more particularly, the bureaucracy—unelected, unaccountable to any constituency—off the backs of the city mayors who are elected and do have a constituency and are accountable. All of these problems, whether you try to particularize as to fares, to routes, to monopoly—all of that comes out in these local elections and the local people are best to control their own local affairs. That is what this amendment does.

I did not even want to get into the merits of it. I have a big file in here to argue the specific taxi case that I got from the Federal Trade Commission because they have had some hearings. I think that is what is really the mistake of this particular venture: Here we in Washington, now, are going to take on, in whatever community the FTC has in mind—can you see us sitting around up here, particularly the Federal Trade Commission with its

limited funds? We have had a particularly difficult time with the Federal Trade Commission doing its job.

We have been allocating different things to it. If you can remember, we got involved with respect to automobiles, funeral homes, all of the different things with riders on them. And this chairman of the State-Justice-Commerce has resisted any of the riders on the bills. It is overwhelmingly grounded in merit. As a result of the letter to the chairman over there, Congressman DINGELL and Congressman FLORIO said they are opposed: Make no mistake, Federal trade commissioners, here are the duties that you are not doing; and there is not enough money in the Federal Treasury for you to have hearings and determine as indicated as to limits on rates, routes, service for the poor, lifeline for senior citizens. All of those things go into a local decision, as we well know, and are best made at the local level.

Mr. RUDMAN. If the Senator will yield for a moment, the best evidence sometimes is the actual matter before us, and I happen to have it in my hand. Rather than talk in generalities, I think I will answer the Senator very specifically—and I think I am correct in what I originally said in my answer to the Senator from Washington—what they have said in their case, in the matter of the city of Minneapolis, which is, of course, one of the significant cases—and I see my friend from Minnesota perked up his ears when I mentioned Minneapolis—the fact is that they are talking about raising, fixing, stabilizing, maintaining, or otherwise interfering or tampering with rates charged for taxicab service, depriving interests and intrastate consumers of taxicab service in and from Minneapolis of the benefits of free and open competition. In the papers that have been filed, you will find they refer to rate floors. I think that the FTC, for all it can be charged with, cannot be charged with attempting to go in and totally deregulate. I do not think that is what they have been trying to do. They have been trying to get rid of some anticompetitive factors.

Mr. GORTON. With all due respect to the Senator from New Hampshire, I think he had my vote until he read the article. It sounds to me like what the Federal Trade Commission is demanding is a total deregulation of taxicab rates, by what he read. And if that is the case, I stand here as witness to the fact that it does not work.

Mr. RUDMAN. At any rate, I will give this to the Senator from Washington, who is a very able lawyer, and he can draw his own conclusion.

Mr. GORTON. I thank my friend.

Mr. JOHNSTON. Mr. President, I strongly support the amendment introduced by my distinguished colleague from South Carolina in limiting the ability of the FTC and the Justice Department to challenge regulatory actions by cities in fiscal year 1985. More importantly, I support efforts to restrict the recent action by the FTC to deregulate the taxicab industry by limiting city regulation in Minneapolis and New Orleans under the antitrust laws.

The city of New Orleans has for many years engaged in a comprehensive and coherent system of regulation of the entire for-hire passenger-motor-vehicle industry, which includes tour buses, limousines, and sightseeing buses, as well as taxicabs.

New Orleans has endeavored to promote and protect the health, safety, and welfare of its citizens and of the millions of tourists each year who visit the city.

The FTC, in its complaint against the city of New Orleans, seeks total deregulation of taxicab fares. If the FTC is successful, New Orleans would thus be denied both the authority needed to prevent price gouging as well as other regulatory powers it has long exercised.

The FTC alleges in its complaint that the city has combined, contracted, or agreed with taxicab companies to set taxicab fares to the detriment of the consumer. This is simply not true. Even the FTC's own data disputes that claim. In the FTC's ranking of the price of a 3-mile taxicab ride in 32 cities, New Orleans is ranked 17th, with a fare of $3.70.

Moreover, the FTC has reported that it considers San Diego and Seattle to be models of successful deregulation, yet the same 3-mile ride in San Diego would cost $4.60, and in Seattle, $4.40, both higher than the New Orleans rate.

Therefore the FTC's own data confirms that the city of New Orleans provides more taxicabs, at lower fares, than either of the FTC's premier examples of deregulation, that is, San Diego and Seattle.

The FTC's actions, if successful, would have the worst effect on the transportation disadvantaged, the poor, the elderly, and the handicapped, who have no alternatives to taxicab services. The attempts of the city of New Orleans to protect the transportation disadvantaged are under attack by the FTC.

While treading lightly on mergers and acquisitions by large corporations, it is surprising that the FTC has chosen to focus part of its antitrust efforts on purely local concerns such as the taxicab industries in New Orleans and Minneapolis.

The city of New Orleans currently regulates the taxicab industry in order to provide efficient service at reasonable rates to both its citizens and visitors. The FTC seeks to subvert the comprehensive system of regulation, long in place in the city of New Orleans, and to replace it with no regulatory system at all which statistics and experience demonstrate could create chaos where order now exists.

I strongly urge my Senate colleagues to adopt this most important amendment.

Mr. BOSCHWITZ. Mr. President, I am pleased that the Senate has been able to move forward on Senator THURMOND's bill (S. 1578) limiting the liability of local governments under antitrust laws. Although the amendment that passed is not as broad as the bill Senator THURMOND introduced originally, it offers important protection for local governments. The Federal Government and private parties will still be able to sue for injunctive relief in antitrust actions, but the local governments would not be open to paying treble damages.

I also support Senator HOLLINGS amendment to prohibit funds under this appropriations bill from being used to engage in antitrust actions against local governments, such as the actions filed recently by the Federal Trade Commission against the cities of Minneapolis and New Orleans challenging authority to regulate taxicabs. My purpose is not to defend or condemn Minneapolis' regulation of taxicabs, in my opinion that is a political decision to be made by the voters and councilmen in Minneapolis, not by the bureaucrats in Washington.

Senator THURMOND's bill, offered as an amendment by Senator RUDMAN, is a step in the right direction. I am convinced that step would not have been taken this year if the language restricting appropriations for pursuing antitrust actions against local governments had not been offered. I wrote Senator LAXALT as chairman of the Commerce, Justice, State Subcommittee more than a month ago and asked that the funding restriction amendment be included in the appropriations bill. That amendment was a catalyst that got Senator THURMOND's bill moving. However, I still think more needs to be done. My objection is to the Federal Government using its time and resources to harass local governments. The argument has been made that the State can prevent cities in the State from being sued by giving them immunity from antitrust suits. But, the fact remains that the Federal Government is suing local governments and interfering with their political process and decisionmaking. That is not an appropriate role for the Federal Government. So, I supported Senator THURMOND's bill and will support Senator HOLLING's amendment.

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays on the amendment

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Hollings amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Idaho [Mr. McCLURE] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 36, nays 63, as follows:

[Rollcall Vote No. 181 Leg.]

YEAS—36

Abdnor	Exon	Mathias
Bentsen	Ford	Matsunaga
Boren	Hart	Melcher
Boschwitz	Hatfield	Moynihan
Bumpers	Heflin	Nunn
Burdick	Hollings	Pell
Byrd	Huddleston	Pryor
Chiles	Inouye	Randolph
D'Amato	Johnston	Sarbanes
DeConcini	Laxalt	Sasser
Dixon	Levin	Stennis
Dodd	Long	Zorinsky

NAYS—63

Andrews	Goldwater	Packwood
Armstrong	Gorton	Percy
Baker	Grassley	Pressler
Baucus	Hatch	Proxmire
Biden	Hawkins	Quayle
Bingaman	Hecht	Riegle
Bradley	Heinz	Roth
Chafee	Helms	Rudman
Cochran	Humphrey	Simpson
Cohen	Jepsen	Specter
Cranston	Kassebaum	Stafford
Danforth	Kasten	Stevens
Denton	Kennedy	Symms
Dole	Lautenberg	Thurmond
Domenici	Leahy	Tower
Durenberger	Lugar	Trible
Eagleton	Mattingly	Tsongas
East	Metzenbaum	Wallop
Evans	Mitchell	Warner
Garn	Murkowski	Weicker
Glenn	Nickles	Wilson

NOT VOTING—1

McClure

So the amendment (No. 3351) was rejected.

Mr. THURMOND. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire has the floor and is recognized.

The Senator may proceed.

Mr. RUDMAN. I thank the President, and I yield to my distinguished friend from South Carolina.

Mr. THURMOND. Mr. President, I take this opportunity to commend the able and distinguished Senator from New Hampshire for the great job that he has done on this bill. I am confident that the action of the Senate today is the wise, sound course. It will preserve the rights of the States in this matter and we are very pleased that the vote turned out as it did.

We express our appreciation to the able Senator from New Hampshire.

Mr. HOLLINGS. Mr. President, will the Senator yield?

Mr. RUDMAN. I yield.

Mr. HOLLINGS. Mr. President, I wish the RECORD to show, because I have been asked the questions, that it is not my particular function to lobby the bill, but over on the other side the committee supported this provision. Actually the amendment just voted down is a committee amendment that appears later in the bill. So it is in the bill now.

I wish the RECORD to show as a result of all the confusion down here in the well, the so-called Hollings amendment was an attempt on behalf of the managers of the bill to present the majority committee amendment for the Appropriations Committee.

I think a lot of Senators voted on that particular point in the mistaken knowledge thinking they were voting for the committee amendment when they voted no.

Mr. RUDMAN. Mr. President, I wish to respond to my friend from South Carolina that I think it was fairly clear on our side that there was no reference on this to this being the committee position. It was listed as myself, Senator THURMOND, the Justice Department, Senator GORTON and also indicated Senator HOLLINGS position on that same card. So I do not think anyone on our side misunderstood what they were voting on.

Mr. President, for Senators' information, we now plan to accept three or four amendments since those Senators are now on the floor. We then intend to go to a debate involving the National Endowment for Democracy which, I believe, will take about an hour or an hour and a half. That will have at least probably one or two rollcall votes. Once that is concluded, then the committee will be ready to wind up the bill. I thought Members might want to have that information.

Mr. President, I ask unanimous consent that we temporarily lay aside the pending committee amendment so we may proceed out of order.

The PRESIDING OFFICER. Is there objection?

Mr. RUDMAN. Mr. President, a parliamentary inquiry. Is the Senator from New Hampshire correct that there is still a pending committee amendment?

The PRESIDING OFFICER. The Senator is correct. The business before the Senate is the committee amendment, as amended.

Mr. RUDMAN. Is the Senator from New Hampshire correct that unanimous consent must be obtained to lay that aside to proceed out of order to another amendment?

The PRESIDING OFFICER. The managers acting jointly have authority to set aside the committee amendment.

Mr. RUDMAN. We are then going to set aside that amendment. That does not require unanimous consent, is the Senator from New Hampshire correct?

The PRESIDING OFFICER. Unanimous consent has been granted to the managers to lay the committee amendment aside.

Mr. RUDMAN. Under the previous order?

The PRESIDING OFFICER. Under the previous order.

Mr. RUDMAN. I thank the Chair for clarifying that situation.

I yield the floor to the Senator from Wisconsin, Senator KASTEN.

Mr. SARBANES. Mr. President, will the manager yield for a question?

Mr. RUDMAN. I am delighted to yield.

Mr. SARBANES. Does the manager have a unanimous order that allows them to lay aside the committee amendment and designate who then is to offer an amendment?

Mr. RUDMAN. I would say the answer to that is certainly not. We had, I say to my friend from Maryland, attempted to expedite the business of the Senate to get people out of there at a reasonable hour and a number of Senators had come to me and asked if they could be heard. If I have not considered a request of the Senator from Maryland, I certainly apologize. I thought that everyone understood that Senators wished to be recognized.

Mr. SARBANES. I just want to know what the procedure is. Are we now in a situation in which, in effect Members wishing to offer an amendment or to be recognized must go through the manager of the bill because the manager of the bill has a unanimous consent request that gives him that degree of control over the proceedings on the floor?

Mr. RUDMAN. The Senator from Maryland, of course, knows that that is not even permissible under the rules. We are simply trying to go in order with those amendments which the committee is going to accept on both sides of the aisle. Obviously, the Senator can seek recognition in his own right.

Mr. SARBANES. How does one get it if the amendment has to be laid aside on the basis of the request of the manager of the bill?

Mr. RUDMAN. I suggest the Senator make a parliamentary inquiry there.

Mr. SARBANES. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. SARBANES. Is it possible for a Member to offer an amendment simply by seeking recognition of the Chair, or must the managers of the bill lay aside the pending amendment?

The PRESIDING OFFICER. The Chair will advise the Senator that under the rules the committee amendment must be considered and disposed of before other amendments can be taken up but that, of course, it would be in order to offer an amendment to the committee amendment.

Mr. SARBANES. What is the nature of the unanimous consent that has been granted under which the Senate is now proceeding?

The PRESIDING OFFICER. The managers have been given unanimous consent to lay aside temporarily the committee amendment.

Mr. SARBANES. In perpetuity, or just on this one occasion?

The PRESIDING OFFICER. The managers have been granted joint authority to lay aside the committee amendment at any time.

Mr. SARBANES. And upon the disposition of an amendment for which the committee amendment is laid aside, does the committee amendment then recur?

The PRESIDING OFFICER. The Chair would point out that the authority granted to the managers is to lay aside the committee amendment, not to call up other amendments. Once the committee amendment has been laid aside, any Senator might seek recognition for the purpose of offering an amendment or for other purposes.

Mr. SARBANES. And once that amendment is disposed of, does the committee amendment then recur?

The PRESIDING OFFICER. The Senator is correct.

Mr. SARBANES. And it is then necessary for the managers to lay it aside again in order for a Member to offer an amendment?

The PRESIDING OFFICER. Unless a Senator would wish to offer an amendment to the committee amendment.

Mr. SARBANES. I thank the Chair.

Mr. RUDMAN. Mr. President, I believe there are now a number of Senators who have indicated to me they were going to seek recognition. I invite them to do so.

AMENDMENT NO. 3352

(Purpose: To requiring the President to submit a report on all U.S. appropriated funds provided to the United States)

Mr. KASTEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN], for himself and Mr. NICKLES, proposes an amendment numbered 3352.

Mr. KASTEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment reads as follows:

At the appropriate place in the bill insert the following new language:

SEC. . Not later than March 31, 1985, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate a full and complete report detailing the amount and source of appropriated funds, directly or indirectly, which are provided to the United Nations and its specialized agencies by the United States during the calendar year 1984.

Mr. KASTEN. Mr. President, the amendment I am offering is an attempt to get a complete accounting of all U.S. Government funds which are provided to the United Nations and its specialized agencies.

This bill contains an accounting of those funds which we provide to the United Nations and some of the specialized agencies via the so-called assessed contributions, whereas the foreign assistance bill, which comes under the jurisdiction of the Foreign Operations Appropriations Subcommittee, which I chair, provides an accounting of all voluntary contributions. In addition to these funds, I have found from time to time that other sums from sources are provided to the United Nations. For example, the Agriculture Department may provide funding of technical assistance or personnel support for food or agricultural related conferences, or HUD might fund technical assistance or personnel support on U.N. conferences relating to housing. The point is that right now we cannot get an accurate answer to the question: "What is the total amount of U.S. funding which goes to the United Nations or its specialized agencies?" The figure that is usually given is simply the total in this and the foreign operations bills, and that is not correct. My amendment makes an attempt to at least on a one-time basis get a full accounting of such funding so that we can finally have an accurate picture of the extent to which the United States supports United Nations activities.

I believe this is a rather noncontroversial amendment, which I hope the managers of the bill can support.

Mr. NICKLES. Mr. President, I am pleased to cosponsor this amendment offered by my good friend, Mr. KASTEN, who has demonstrated excellent leadership in attempting to control the growth of spending by the United States for the United Nations.

The Senator from Wisconsin has given many speeches on the floor of this body pointing out the fallacies that presently exist in the operations of the many organizations in the United Nations. The first "Report to Congress on Voting Practices in the United Nations," initiated by an amendment by Mr. KASTEN to the Department of State authorization last year, has pointed out the discrepancies in the policies of many member nations toward the United States.

Another section of the State authorization legislation, mandated by my amendment, calls for an examination of the extent and levels of U.S. financial contributions. This report will be forthcoming in the near future but will probably not cover the scope of contributions beyond the assessed and voluntary contributions to the United Nations by the United States.

The U.S. contribution to the regular operating budget for the United Nations has grown from $63 million in 1974 to over $200 million in 1982; the International Labor Organization from $11 million in 1974 to over $30 million in 1982; and Unesco has grown from $22 million in 1974 to $69 million in 1982. These are expenses readily available but many other contributions are fairly well unknown making it nearly impossible to ascertain the total U.S. spending to the U.N. budget.

This amendment, emphasizing the need for an accurate accounting of all moneys going to any activities sponsored by the United Nations, will continue to demonstrate the concern by many in the Congress to control the financial contributions to the United Nations by the United States.

I urge my colleagues to support this amendment to the fiscal year 1985 appropriations for the Department of State. Again, I thank the Senator from Wisconsin for his leadership in this issue.

Mr. KASTEN. Mr. President, I ask unanimous consent to add the Senator from Oklahoma [Mr. NICKLES] as a cosponsor of this amendment.

The PRESIDING OFFICER. Without objection, the Senator from Oklahoma will be added as a cosponsor of the amendment.

Mr. RUDMAN. Mr. President, this amendment offered by the Senator from Wisconsin has been cleared on both sides. I do not see Senator HOLLINGS on the floor, but I do know this had been cleared on both sides. I move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is agreeing to the amendment of the Senator from Wisconsin [Mr. KASTEN].

The amendment (No. 3353) was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question recurs on the committee amendment.

Mr. GORTON. Mr. President, I ask the manager to lay aside the committee amendment, if he will, so I may introduce an amendment. As a matter of fact, I will ask him to lay it aside so I may introduce two consecutive amendments.

Mr. RUDMAN. Mr. President, I believe it would be in order, before proceeding to what the Senator from Washington has just asked, to have action on the second committee amendment, as amended by the recent rollcall vote; am I correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. RUDMAN. Mr. President, I would then move the adoption of the second committee amendment, as amended.

The PRESIDING OFFICER. Is there further debate on the committee amendment?

Mr. RUDMAN. Mr. President, would the Chair please withhold?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the order for the quorum call be dispensed with.

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

Mr. RUDMAN. Mr. President, I renew my previous request.

The PRESIDING OFFICER. Is there further debate on the second committee amendment? If not, the question is on agreeing to the committee amendment.

The second excepted committee amendment, as amended, was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. INOUYE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. I thank the Chair.

Mr. GORTON addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. RUDMAN. Mr. President, I move to lay aside the pending committee amendment for purposes of an amendment to be offered by the Senator from Washington.

The PRESIDING OFFICER. The manager has that authority. The pending committee amendment is laid aside.

The Senator from Washington is recognized.

AMENDMENT NO. 3353

Mr. GORTON. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 3353.

At the appropriate place in the bill, insert the following new language: "None of the funds appropriated or made available by this Act may be used to enforce or give effect to any restriction on the export of unprocessed western red cedar harvested from state lands pursuant to a harvesting contract entered into prior to October 1, 1979."

Mr. GORTON. Mr. President, I rise to offer an amendment to clarify that it remains the intent of Congress that certain contracts to export timber continue to be "grandfathered," that is, not subject to the prohibition on such exports contained in the Export Administration Act. I believe this amendment has been cleared on both sides, and is noncontroversial, but a bit of history may clarify the situation for those Senators unfamiliar with this issue.

In 1979 we passed the Export Administration Act. Section 7 of that act—the so-called short supply section—prohibited the export of western red cedar harvested from State or Federal lands. Subsequent to the passage of that act, the prime sponsor of the red cedar provision in the House came forward with a grandfather language which preserved the right of harvesters to sell abroad that lumber for which contracts to harvest had been in place prior to the passage of the Export Administration Act, and this grandfather language was inserted into the fiscal 1981 State-Commerce-Justice appropriation bill. It was also continued in the 1982 and 1983 continuing resolutions.

This Congress, both the House and the Senate passed amendments to the Export Administration Act which makes that grandfather language permanent. Those amendments are now in conference, and although I hope and expect that we will get final action on these amendments before the end of the session, prudence dictates that we be prepared for the possibility that we will fail in this effort. Although the Commerce Department is at present continuing to issue the necessary export licenses, on the ground that congressional intent is clear in the pending Export Administration Act amendments, they would be without a clear expression of congressional intent should those amendments fail to pass this session.

Again, then, this amendment is narrowly drawn, and simply indicates that it remains the intent of Congress, as it has been for the past 4 years, that timber harvested under a contract which existed prior to October 1, 1979, continue to be grandfathered from the export prohibitions on timber contained in the Export Administration Act.

Mr. RUDMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, the Senator from Washington has accurately described the amendment that he offers. It has been cleared on both sides. We are prepared to accept the amendment.

I ask my friend from South Carolina if he wishes to comment on it.

Mr. HOLLINGS. Mr. President, we accept the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Washington [Mr. GORTON].

The amendment (No. 3353) was agreed to.

Mr. GORTON. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3354

(Purpose: Add provision relating to certain disaster assistance)

Mr. GORTON. Mr. President, do I have the right to offer another amendment?

Mr. RUDMAN. Mr. President, the floor manager has the authority to grant laying aside the pending amendment.

Mr. GORTON. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. GORTON], for himself and Mr. HATFIELD, Mr. PACKWOOD, Mr. EVANS, Mr. WILSON, and Mr. CRANSTON, proposes amendment No. 3354

Mr. GORTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the bill, add the following:

SEC. . (a) For purposes of paragraph (2) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), the Administrator of the Small Business Administration shall, with respect to small business concerns involved in the fishing industry, treat the recent El-Nino-related ocean conditions as a disaster to which such paragraph applies.

(b) For purposes of subsection (a)—

(1) the term "recent El Nino-related ocean conditions" means the ocean conditions (including high water temperatures, scarcity of prey, and absence of normal upwellings)—

(A) which occurred in the eastern Pacific Ocean off the west coast of the North American Continent during the period beginning with June 1982 and ending at the close of December 1983, and

(B) which resulted from the climatic conditions occurring in the Equatorial Pacific during 1982 and 1983;

(2) the term "fishing industry" means any trade or business involved in—

(A) the catching, taking, or harvesting of fish (whether or not sold on a commercial basis),

(B) any operation at sea or on land, in preparation for, or substantially dependent upon, the catching, taking, or harvesting of fish, and

(C) the processing or canning of fish (including storage, refrigeration, and transportation of fish before processing or canning); and

(3) the term "fish" means finfish, mollusks, crustaceans, and all other forms of marine animal and plant life other than marine mammals and birds.

Mr. GORTON. Mr. President, the last 3 years the Pacific coast experienced an unusual combination of ocean and weather conditions known as El Nino, that has devastated the fishing industry. El Nino is characterized by warmer ocean temperatures and intense atmospheric effects. The warmer waters inhibit the normal upwelling process which brings nutrient rich colder waters from the ocean depths. Upwelling areas, like those of the west coast, provide the organic production base for nearly one-half of the world's fish.

Mr. President, the effect of that disaster on fishermen all up and down the west coast was truly disastrous, perhaps the worst disaster in the last several decades.

On my behalf, and in behalf of the junior Senator from Washington [Mr. EVANS], together with four Senators representing Oregon and California, I have introduced this amendment to make those fishermen eligible for small business disaster loans from the Small Business Administration.

This amendment does not add to the overall authority of the Small Business Administration, and it is the intent that this amendment see to it that all applications be made in 120 days, dealt with promptly, and that the program not be a permanent one.

The National Marine Fisheries Services, in the Department of Commerce, directly attributed the failure of west coast fisheries in 1982-83 to El Nino, which it categorized as the worst such fisheries disruption in 50 years. The damage to the fishing industry in Washington State was staggering. For example:

In Jefferson County, the average salmon catch for the 5 years prior to El Nino was $11,500 per permit, but in 1982-83 it sank to just $138 per permit.

In Skagit County, the salmon catch was reduced by 80 percent in 1982-83, and parts of Clallum County saw their salmon catch reduced as much as 90 percent for the period.

A statewide survey of fishing income found that from 1978 to 1982 the average fishing income was $13, 250 per year, but in 1983 it was just $1,318.

The Governors of Washington, Oregon, and California all declared their States disaster areas, as required by law, for the purpose of receiving loan assistance from the SBA. All three Governors petitioned the SBA for loan certification and were turned down.

There have been a number of comparable physical occurences with disasterous economic effects that have qualified for SBA physical disaster loan funding. Just this spring the SBA approved loans to North Dakota farmers who lost sheep due to the cold weather and winter blizzards—somewhat analagous to warm water destroying the fisheries catch. The SBA has also approved loans for California storm damage resulting from El Nino-created weather conditions, and for economic injury that Midwest farmers incurred as a result of droughts. Some of these situations had a fairly attenuated connection to a physical disaster. Indeed El Nino may have been more unforeseeable and unavoidable than any of these disasters; you can seed clouds to try to save crops; you can shelter sheep to save them from the scourge of winter—but we cannot dump ice in the Pacific to save the fish, we had no preventative measures available.

Given this background it is frustrating that we have been unable to get assistance for the fishing industry. But in light of the fact that the United States has sent approximately $100 million in aid to South America for El Nino disaster relief, while refusing to acknowledge that our own fishing industry has suffered significant economic damage from El Nino, such a denial seems incomprehensible.

The House included El Nino disaster loan authorization in its SBA authorization bill, but that legislation is hopelessly deadlocked in conference over other issues, and the fisherman need the loans immediately.

This amendment declares that El Nino conditions which existed between June 1982 and December 1983 constitute a physical disaster for purposes of the SBA program. This provision does not create any new appropriations, entitlements or even grant assistance under the existing program. It simply allows the fishing industry to apply for aid from the existing loan pool. The fishing industry will be subject to the same restrictions and limitations as other industries that suffer disaster related damages. The SBA will still have strong authority to review, and deny, individual loan applications. The fisherman only seek access to the same loan pool as the victims of floods, droughts, hurricanes, blizzards, and other disasters that adversely affect local economies.

The amendment is carefully designed to ensure that it does not become an entitlement for industry. The fisherman must demonstrate an ability to repay the loans, and demonstrate that their injury is directly attributable to El Nino. Businesses with only a peripheral relationship to fishing will not be eligible for the loans.

It is the intent of this amendment that the SBA take immediate steps to implement this program, and that it provide a minimum of 120 days from the date of enactment for El Nino victims to file applications for these loans. West coast fisherman are in desperate straits, and it is essential that we expedite this loan process.

Mr. HATFIELD. Mr. President, I am pleased to join my colleagues, Senators GORTON, EVANS, and PACKWOOD, in the introduction of this amendment to the Departments of Commerce, Justice, State, and judiciary appropriations bill. As you know, the proposed amendment will expand the eligibility for disaster assistance to include the beleaguered west coast fishing industry which has been severely impacted by the El Nino phenomenon.

This unexplained warming of the Pacific Ocean currents has resulted in weather conditions which have had a devastating impact on the fishing industry on the west coast. For example, in Oregon the catch of salmon is down by 65 percent from the normal levels, the shrimp harvest is down 67 percent, and the crab catch is off by 37 percent. It is critical that these fishermen be afforded the opportunity to apply for low-interest disaster assistance loans from the Small Business Administration. The amendment that we introduce today declares very simply that the El Nino conditions which existed during the period of June 1982 to December 1983 be treated as a disaster under the Small Business Administration Program. This amendment already has been considered and adopted by the House of Representatives.

Mr. President, qualification for application under this program is no guarantee that the loans will be granted. However, it does provide an opportunity to be considered for eligibility. This brings me to my key point, that is the bureaucratic structure should be sensitive to the changing needs of the communities they are chartered to serve. I was tremendously disappointed at the unwillingness of the SBA to respond to the problems within the fishing industry as a result of the recent El Nino-related ocean conditions. Providing SBA eligibility to fishermen will open the only door for Federal assistance to cover losses caused by this natural disaster.

The economic situation which plagues fishermen in Oregon certainly will not be cured by this eligibility for disaster relief. However, it is an important act of good faith, by what is often perceived as an insensitive bureaucratic monster. This is no panacea, but a

ray of hope in the all-too-often darkness of the bureaucratic process. Certainly, if we can provide $98 million through the Agency for International Development to Peru, Ecuador, and Bolivia in recognition of the economic impact of El Nino, we also must recognize El Nino as a natural disaster for the U.S. fishermen.

Mr. WEICKER. Mr. President, the amendment offered by Senator GORTON would require SBA to treat the damage caused to the fishing industry between June 1982 and December 30, 1983, resulting from El Nino-related ocean conditions in the Pacific Ocean off the west coast, as a disaster for purposes of determining eligibility under SBA's Economic Injury Disaster Loan Program. I understand the devastation to the fishing industry caused by El Nino and the rationale for defining El Nino as a disaster because of the great numbers of fish displaced by these unusual ecological conditions. However, I am concerned about the impact of this amendment and want to make sure that all of its ramifications are understood. The Economic Injury Disaster Loan Program is clearly a lending program; all loans made under this program must be repaid and only applicants who can show a "reasonable ability to repay" will be eligible for assistance. Do you agree, Senator GORTON, that this amendment would simply make qualified applicants eligible for this loan program and that injured parties receiving loans must have the ability to repay them?

Mr. GORTON. Exactly, Senator WEICKER, that is and was my intent in offering this amendment.

Mr. WEICKER. Senator GORTON, I am also concerned, under your amendment, about the types of businesses your amendment would permit to receive loan assistance. Do you intend, for example, that motels, field distributors, and other peripheral businesses would qualify for assistance?

Mr. GORTON. Senator WEICKER, my intent is that only the fishing industry and businesses substantially dependent upon the fishing industry, such as fish processors, canners, and those involved in the storage, refrigeration, and transportation of the catch would be eligible.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

Mr. RUDMAN. Mr. President, will the Senator yield?

Mr. MITCHELL. I yield.

Mr. RUDMAN. Mr. President, it is my understanding that the amendment of the Senator from Washington is the second amendment now pending at the desk.

Mr. GORTON. Mr. President, the Senator is correct.

Mr. RUDMAN. With no action taken?

Mr. GORTON. With no action taken.

Mr. RUDMAN. Mr. President, if the Senator will yield, that amendment has been cleared on both sides. The statement of the Senator from Washington is quite accurate in every detail.

Is my friend from South Carolina ready to proceed?

Mr. HOLLINGS. Mr. President, we are ready to accept it.

Mr. EVANS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. EVANS. Mr. President, I wish to join my colleagues in offering this amendment to allow the fishing industry and related small businesses affected by the unusual ocean condition known as El Nino to apply for disaster relief loans administered by the Small Business Administration.

The fishing industry along the Pacific coast has suffered substantial and unrecoverable losses due to El Nino. Fishery resources on which this industry depends have simply failed to return; catch levels in 1983 of salmon, crab, and other species were as much as 90 percent below normal annual levels. The average income of Washington State fishermen has plummeted and entire communities have suffered.

This amendment requires the Small Business Administration to treat El Nino as a disaster for the purposes of the Small Business Act disaster relief loans. Applications submitted by affected businesses will be considered pursuant to the guidelines and regulations established by the SBA. This amendment is simply a responsible and cost-effective remedy for the devastated economies of our coastal communities.

I thank my colleagues for the opportunity to address this matter of great importance.

Mr. RUDMAN. I move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Washington [Mr. GORTON].

The amendment (No. 3354) was agreed to.

Mr. GORTON. I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GORTON. I thank the Senator from New Hampshire.

AMENDMENT NO. 3355

(Purpose: To prohibit funds to be used to transfer certain real property located in the State of Maine, except under certain condition)

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Mr. MITCHELL. Mr. President, under the authority previously granted, I ask unanimous consent to lay aside the previous amendment for the purpose of considering the amendment which I am about to offer.

Mr. RUDMAN. Mr. President, the floor manager has the authority under the original order to lay aside the pending amendment.

The PRESIDING OFFICER. The Senator from Maine.

Mr. MITCHELL. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Maine (Mr. MITCHELL), for himself and Mr. COHEN, proposes an amendment numbered 3355.

Mr. MITCHELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows.

On page 12, insert between lines 8 and 9 the following:

SEC. 104. No funds in this Act, or any other Act, may be used within two years after the date of enactment of this Act, to transfer title to the parcel of real property located on McKown Point, West Boothbay Harbor, Maine (General Services Administration control number 1314-30174-23), unless such transfer is to the State of Maine, and contains conditions and use restrictions similar to those in the transfer of the adjacent parcel of real property on September 26, 1978 (General Services Administration control number 1314-30174-23-015-0800).

Mr. MITCHELL. Mr. President, this amendment relates to the transfer of 1.4 acres of federally owned real property located adjacent to the West Boothbay Harbor Laboratory, a marine biological research center operated by the State of Maine. This additional land would be used as additional facility space by the State of Maine.

Prior to 1974, the Department of Commerce owned two pieces of property. The larger—7.1 acres—piece was transferred to the State in 1978 on the condition that it be fully utilized as a marine research center. There is a strong Federal interest in continuing scientific use of the facilities as there is a strong State interest.

The laboratory has continued to dedicate itself to service through research and to concern itself with marine species and marine ecosystems that will provide information necessary to manage the commercial and recreational fisheries of the State's territorial waters. This is the only major fisheries research laboratory in

the United States that is located in the Gulf of Maine.

The Department of Commerce would now like to dispose of the smaller, adjoining—1.4 acre—piece of property. The State of Maine would like to acquire this land on terms similar to the 1975 agreement between the Maine delegation and General Services Administration [GSA].

The inability of the State to acquire the property would severely limit the State's ability to expand its marine research programs in response to increasing demands, or to do so only by acquiring additional property at exorbitant expense to the State.

The pending amendment will facilitate the transfer which I have described. I have cleared this language on both sides of the aisle and understand that the amendment is acceptable to the managers of the bill. I ask for its adoption.

● Mr. COHEN. Mr. President, the amendment that my colleague Senator MITCHELL and I are offering today will provide the State of Maine with the opportunity to purchase from the Department of Commerce a 1.4-acre parcel of property which is important to the State's and to the Federal Government's marine research efforts in the Gulf of Maine.

For more than 40 years, Maine and the Federal Government have jointly carried on fisheries and other marine research on McKown Point, in West Boothbay Harbor, where this property is located.

In 1978, under an agreement which is identical to that which we are proposing today, the State of Maine acquired an adjacent 7.1-acre parcel from the Department of Commerce with the stipulation that the property be used only for the continuation of marine research. Since that time, the State has met that requirement and its marine research needs have increased.

Now that the Department of Commerce intends to sell its last holdings at the Boothbay Harbor complex, both the Governor and the Department of Marine Resources of the State of Maine have demonstrated to me their strong interest in acquiring title to this piece of property.

Maine intends to acquire this property under terms that will be determined in the future by the General Services Administration.

Both the State of Maine and the Federal Government will benefit from this transfer because it will allow for the continuation of a strong partnership of interest that we all share in better understanding, conserving, and managing our marine resources.

This amendment will help to ensure this tranfer and I ask for its immediate adoption.

Mr. President, I ask that a recent letter that I have received from Gov. Joseph Brennan be inserted in the RECORD.

The letter follows:

STATE OF MAINE,
OFFICE OF THE GOVERNOR,
Augusta, ME, June 20, 1984.

Mr. JACK L. COURTEMANCHE,
Administrator, General Services Administration, GSA Building, Washington, DC.

DEAR MR. COURTEMANCHE: I understand that the National Marine Fisheries Service (NMFS), Department of Commerce, is considering disposal of the property known as the "Welch House" on McKown Point, West Boothbay Harbor, Maine 04575, formerly part of the federal property tranferred to the State of Maine in 1978.

The State of Maine has a special interest in that property and I, therefore, urge you to provide the state government with the opportunity for first refusal if NMFS does, indeed, decide to dispose of the property.

I wish to outline the nature of Maine's special interest in the property for your consideration. From 1939 until 1974 the federal government and the State of Maine jointly carried on fisheries and marine research on McKown Point. During part of that period fisheries research was carried on at the property in question. In 1974 the federal government terminated its activities at the site and in 1978 turned over all property (with the exception of the property in question) to the State with the explicit understanding that the property be fully utilized for the continuation of marine research. We have met that commitment and while NMFS retained title to the "Welch House," by contractual agreement with NMFS, that property has for ten years been used also for marine research and indeed is integral and essential to the marine research programs being carried in West Boothbay.

The former federal property, acquired by the State in 1978, is fully utilized for the agreed-upon purposes to the extent that both state and private funds are now being raised to expand the existing facilities. This planned expansion has proceeded on the assumption the existing marine research programs would have continuing access to the "Welch House." The loss of the "Welch House" would seriously affect the State's ability to continue to carry on its marine research programs.

The aggregate of the research programs at McKown receive in the order of $2 million of federal grants and contracts annually; there is a strong federal interest in continuing scientific use of the "Welch House" as there is strong state interest. Specifically, at this moment, the "Welch House" itself supports research programs of direct interest to the National Oceanic and Atmospheric Administration, the National Aeronautics and Space Administration, the Office of Naval Research, the National Science Foundation and the National Academy of Sciences. By way of demonstrating my direct interest in that work, I have partially funded the satellite imagery analytical equipment in use in the "Welch House" from the Governor's Discretionary Fund.

This is to inform you, in short, of Maine's strong interest in acquiring title to this property. The State would be quite willing to acquire the property under conditions similar to those by which we acquired the federal property disposed of in 1978; in effect, with a state commitment to use the property for the nation's as well as the state's interest.

I urge you to give my request and expression of interest your careful attention.

Sincerely,

JOSEPH E. BRENNAN,
Governor.

Mr. COHEN. Mr. President, I ask that there be printed in the RECORD at this point an article which describes the marine research which is conducted at the site affected by my amendment.

The article follows:

[From Fisheries magazine, Jan.-Feb. 1982]

LABORATORY SERIES—WEST BOOTHBAY HARBOR LABORATORY

Address: Marine Resources Laboratory, Maine Department of Marine Resources, McKown Point, West Boothbay Harbor, Maine 04575.

LABORATORY FUNCTIONS

Objectives.—The Laboratory is dedicated to service through research and is concerned with scientific research on marine species and marine ecosystems that will provide the information necessary to manage the commercial and recreational fisheries of the state's territorial waters. The Laboratory is developing a multidisciplinary approach to studying marine ecosystems in view of the fact that the stocks of finfish and invertebrates harvested by Maine fishermen are to a great extent governed by ecological interrelationships.

Individual research programs and projects are primarily species oriented since the social and economic benefits derived from the fisheries are directly linked to single species fisheries. Scientists and technicians are encouraged to expand their interests and studies beyond the scope of their programs. This interactive approach to research is characterized by a number of joint studies conducted by the staff and with other research and educational institutions.

Key personnel: Director: Dr. Richard W. Langton; Assistant Director: Walter R. Welch; Division of Basic Biology: Clement J. Walton; Division of Resource Services: John W. Hurst, Jr.

AREAS OF EXPERTISE

Research conducted at the Laboratory is concerned primarily with the development of predictive capabilities. The Basic Biology Division studies population dynamics, biology, and ecology of different species in order to anticipate changes in stock abundance and recruitment to the fisheries. Long-term studies of lobsters, green crabs, marine worms, shrimp, herring, alewives, and some groundfish species are presently being conducted. A number of discrete studies have been completed on a variety of fish species and invertebrates, including softshell clams, surf clams, quahogs, scallops and cancer crabs. Background data for these studies are obtained by continuously monitoring 10 environmental variables at the laboratory. Continuous temperature records maintained at the Laboratory extend back to 1949 and temperature data are available as early as 1905.

The Resource Services Division conducts research, management, and monitoring studies that are primarily concerned with public health. The long-term programs include monitoring of bacterial levels in fish and shellfish, management of the state's pollution control program for intertidal and estuarine areas, monitoring the abundance of Gonyaulax tamerensis var. excavata, a dinoflagellate causing paralytic shellfish

poisoning, and the monitoring and management of marine resources affected by toxic wastes and pesticides. The program of field and laboratory research in this division also includes work on fish and shellfish pathology with the staff monitoring aquaculture operations to control the importation of exotic species and prevent diseases.

UNIQUE LABORATORY FEATURES

This is the only major fisheries research laboratory in the United States that is located in the Gulf of Maine. The laboratory complex consists of fourteen buildings situated at the tip of a peninsula. Facilities include two piers, two separate wet labs with running seawater systems, a number of research vessels including a small dragger and an 83-foot research vessel for offshore work. Wet lab facilities include a refrigerated seawater system and adequate tank space for research on a wide vaiety of boreal plants and animals.

The Laboratory has an aquarium that is open to the public and features displays of marine fish and invertebrates of the Maine coast; a hands-on tide pool and a seal pool are aquarium features enjoyed by visitors and are a great favorite with visiting school groups. There is a small, but specialized, library with more than 2,000 books and monographs and approximately 500 serial titles. One section of the library is devoted to information on fishing gear, gear technology, and fisheries production and is available to the fishing industry. This fishermen's lending library operates by mail and is a part of the communication and education work of the Department.

Other facilities include carpentry and machine shops for gear servicing and fabrication and the repair and maintenance of boats, vehicles, and marine engines. The laboratory is equipped with computer terminals linked to the University of Maine's IBM 370 computer. There are a large array of software programs and four terminals including CRT interactive terminals, a high speed printer, disc storage, and plotting equipment. A large proportion of the research programs at the Laboratory utilize the computer equipment and there is an ongoing computer training program for all of the staff.

LABORATORY HISTORY

Summary.—In 1937 the Maine legislature provided funds to establish a lobster hatchery at McKown Point. In 1946 the operations of the hatchery were expanded to include research on lobsters and then, in 1950, the research mandate was expanded to include other species. In 1965 federal funds, available under Public Laws 88-309 and 89-304, permitted the state to expand the research programs and construct new laboratory facilities. The federal government maintained a laboratory on McKown point until the National Marine Fisheries Service closed this facility in 1973. The state took over the laboratory and employed many of the former federal scientists to continue their research programs.

In 1974 state support enabled a private marine research laboratory to establish operations on the point. Since then the Bigelow Laboratory for Ocean Science has developed a research program concentrating on various aspects of primary production and today they share the McKown Point facilities with DMR scientists. This marine research complex presently houses 105 scientists, technicians, and support staff engaged in research on a wide array of problems in basic and applied marine science.

COOPERATING AGENCIES

The Marine Department of Marine Resources and the Bigelow Laboratory for Ocean Science share in basic and applied research programs on Gonyoulax tamerensis var. excavata and larval fishes. The laboratory has ties with the University of Maine and three of the staff scientists are University faculty members. The laboratory provides research and training opportunities for students at Bates College and the University of New England in addition to the University of Maine.

Research and management activities of the laboratory are coordinated with other state agencies such as the Department of Environmental Protection, the State Planning Office, and the Department of Inland Fisheries and Wildlife. There are also close ties with the National Marine Fisheries Service and the U.S. Public Health Service. Information exchange and cooperative work are undertaken with the New England Fishery Management Council, the Atlantic States Marine Fisheries Commission, the Northwest Atlantic Fisheries Organization, various Canadian fishery agencies, and a number of other organizations including the state lobster and herring industry councils, groundfish cooperatives, the Maine aquaculture industry, and a number of fishermen's groups.●

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, the Senator was quite accurate in describing the amendment at the desk. It has been cleared on both sides.

Mr. HOLLINGS. Mr. President, we have cleared the amendment.

Mr. RUDMAN. Mr. President, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 3355) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, the minority floor manager and I ask unanimous consent to lay aside temporarily the pending amendment to consider an amendment to be offered by the Senator from Delaware.

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

The Senator from Delaware.

AMENDMENT NO. 3356

(Purpose: To maintain central authority of the organized crime and drug enforcement task forces)

Mr. BIDEN. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Delaware [Mr. BIDEN] proposes an amendment numbered 3356.

Mr. BIDEN. Mr. President, I ask unaimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 18, line 14, strike 71,150,000 and insert 70,950,000.

On page 19, line 9, strike 191,454,000 and insert 190,258,000.

On page 20, line 17, strike 421,051,000 and insert 400,258,000.

On page 22, strike line 14, through 17 and insert the following:

ORGANIZED CRIME DRUG ENFORCEMENT

For expenses necessary for the detection, investigation, prosecution, and incarceration of individuals involved in organized criminal drug trafficking not otherwise provided for, $95,846,000, of which $1,500,000 for the Presidential Commission on Organized Crime.

On page 23, line 5, strike 1,147,223,000 and insert 1,112,490,000.

On page 24, line 13, strike 329,988,000 and insert 292,564,000.

Mr. BIDEN. Mr. President, I understand that both managers of the bill are prepared to accept this amendment.

Very briefly, what the amendment would require is that the Department of Justice continue to centrally manage the Organized Crime and Drug Enforcement Task Force Program. This is consistent with the action of the Judiciary Committee in our work on the Department of Justice authorization bill.

The central control, in my view, is essential to a coordinated drug enforcement program. This amendment costs no additional funds, but simply provides for better management structure.

If we are even to make progress at all, or ever to make any progress, in the fight against drug trafficking, the Federal Government must have a sound strategy and a coordinated program that is centrally located.

That is what this amendment seeks to do.

Mr. President, this amendment will require the Department of Justice to maintain central control over the Organized Crime and Drug Enforcement Task Forces. This was a proposal unanimously supported by the Judiciary Committee in our recent consideration of the Department of Justice authorization bill, and passed by the full Senate on June 14, 1984.

Let me quote from our report on the Department of Justice authorization bill:

The committee concluded in fiscal year 1984 that one of the keys to effective coordination in the Task Force efforts was centralized funding. Similarly, with respect to fiscal year 1985, the committee concluded that the Department has not made an adequate case for transferring the funding of these activities from a centralized line-item to the individual agencies involved.

What I am proposing is to continue exactly what the Department of Justice proposed in the first budget request for this program in 1982. Let me quote from that Department of Justice budget submission:

Second only in importance to the funding is the request for the establishment of a single appropriation under the authority of the Attorney General. The very essence of the Task Forces as proposed is their flexibility, which is vital to the success of the program. The single appropriation will permit Federal law enforcement resources to be shifted in response to changing patterns of organized crime drug activity. The single appropriation will provide the Attorney General with a necessary management tool permitting him to reallocate resources among the organizational components of the Task Forces as well as between regions without undue delay.

As the Cabinet officer with responsibility for the Task Forces, the Attorney General must also have authority over the resources approved for the effort. Failure to provide this authority will weaken the Attorney General's ability to coordinate the activities of the many organizations from the three Cabinet agencies comprising this effort. Finally, it is believed that the single appropriation will reduce competition among the participating agencies. Previously, such efforts have evidenced competition for resources among individual agencies at the expense of the overall effort. From the perspective of the Congress, the single appropriation will facilitate the legislative oversight and review processes.

I do not want to belabor the point, but I have had for some time a real concern about coordination and central administration of our drug enforcement and interdiction program.

Mr. President, we passed a so-called drug czar bill back in February by unanimous consent. The bill would give, for the first time, the Attorney General budgetary authority to carry out our entire drug program both internationally and domestically. The intent, as I have stated on numerous times in the past on the Senate floor, is to cut through the redtape and bureaucracy that exists between the various departments and agencies that work on the drug problem.

Two years ago we funded 12 drug task forces that were to be made up of Treasury, Justice, and Tranportation agencies. The purpose was to work in unison, as a task force, to get the job done. The program was to be under the direction of the Attorney General.

Today we have a request to break out the funds from a central account to each individual agency. That to me spells the end of a joint task force approach. That means each of the agencies will take their allocation and devote time to the task force as they deem fit. It could even result in agencies reprogramming funds committed for the Drug Enforcement Task Force to any number of initiatives.

As the ranking member of the Judiciary Committee, I cannot support a proposal that lowers the priority of our drug enforcement effort nor can I support a proposal that further subdivides the administration of the Organized Crime and Drug Enforcement Task Force Program. This proposal will only lead to less coordination and more duplication of our drug enforcement and interdiction program.

At a time when drugs on American streets are purer, cheaper, and causing more overdose deaths and hospital emergencies than ever in our history, I cannot support this proposal. We must mount a coordinated response that joins the best of our many Federal agencies in the fight against drug trafficking. That is the intent of my amendment and I ask for the support of my colleagues.

Mr. RUDMAN. Mr. President, the Senator from Delaware has accurately described the amendment. It has been cleared on both sides. I would vote acceptance of the amendment.

Mr. HOLLINGS. Mr. President, we have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3356) was agreed to.

Mr. BIDEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, the minority manager and myself ask unanimous consent that the pending amendment be temporarily laid aside so that Mr. WEICKER may offer his amendment.

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

AMENDMENT NO. 3357

(Purpose: To delete funds for the National Endowment for Democracy)

Mr. WEICKER. Mr. Presdient, I send an amendment to the desk on behalf of myself and Senator DOLE and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Connecticut [Mr. WEICKER], for himself, Mr. DOLE, and Mr. HOLLINGS proposes an amendment numbered 3357.

On page 51, strike lines 6 through 10.

Mr. WEICKER. Mr. President, this amendment eliminates $31.3 million from the National Endowment for Democracy. That we might better understand exactly what the National Endowment for Democracy consists of, it consists of the Republican National Committee, the Democratic National Committee, the AFL-CIO, and the Chamber of Commerce.

That is big business, big labor, and big politics. This is a $31.3 million slush fund in order that these institutions, these four institutions, might best convey the meanings of our political beliefs to the world.

I would suggest to my colleagues, and I do not intend to make a long speech, that there are many ways that we can do that without having to channel money through these particular institutions.

My amendment calls for the elimination of the moneys for the Endowment entirely. It is my understanding that the Senator from New Hampshire has an amendment in the nature of a second-degree amendment to call for the elimination of the moneys that go to the Republican and Democratic National Committees. It is also my understanding that hard on the heels of this will come an amendment from the distinguished Senator from South Carolina which will take these moneys and transfer them into fellowships, Humphrey fellowships and Fulbright scholarships.

That is as good a point as any to start off with.

If you want to know how democracy can communicate best, believe me, it communicates well through the Humphrey fellowships and the Fulbright scholarships.

It is a matter of bringing students from all over the world to our shores and ours going abroad.

Can you think of a better way for this Nation to communicate than through our young people, through the idealism that they represent, communicating that abroad, and bringing persons to our shores that they might see the greatest educational system in the world at work in a democracy?

We do not need the AFL-CIO or the Republican National Committee or the Chamber of Commerce or the Democratic National Committee to do that. We do not need any middleman. Let our young people speak for what we believe in and let us show what we have to the young people of the world.

As most of you know, I sit as chairman of Labor—HHS in the Appropriations subcommittee that has charge of all financing of education, health, and science. I was talking to my good friend, Dr. Krause, Chairman of the National Institute of Allergy and Infectious Diseases. Malaria kills about 5 million people around the world. It is not a great problem in this country but it is in the world. We are within a very short space of overcoming the disease of malaria. We are on the verge of developing an effective malaria vaccine. Can you imagine what Dr. Krause could do with $31 million to conquer malaria? Can you think of anything better that would speak for democracy and what we are capable of doing if we could eradicate malaria?

Education, science, I could go down the whole checklist. I will not take the time of my colleagues to do it, to say

that yes, we can certainly present a face to the world that will have people believing in our system. But we do not need the middlemen of the Republican National Committee, or the Chamber of Commerce, or the AFL-CIO, or the Democratic National Committee.

I understand, for example, if you want to know how ridiculous these little projects are, the Chamber of Commerce, in using their funds last year, used NED funds for travel to international conferences in Stockholm, Bonn, and Brussels.

Can anybody tell me why Bonn, Stockholm, and Brussels need any lessons in democracy?

The AFL-CIO decided to get themselves involved in national elections down in Panama and contrary to law they attempted to influence the recent elections which prompted the U.S. Ambassador to Panama to cable Washington and ask "that this hair-brained project be discontinued * * * before it hits the fan." That was our Ambassador on the use of the funds by the AFL-CIO.

When it comes to my two friends the political parties, believe me, they better not be spending one nickel abroad talking about democracy. They better get people of the United States interested in their own elections. This country is bored to death with what the Republican National Committee and the Democratic National Committee put out there, both in the way of candidates and ideas. You do not have to take my word for it, Mr. President. Just take a look at who is voting. Nobody is voting because nobody cares.

So instead of worrying about whether or not we are going to get the world interested in democracy, I suggest we had better get the United States interested in its own political system.

Actually, Mr. President, this would all be ludicrous—it would be ludicrous if it were not for the daily tragedy out there on the streets of this country as to persons who are not having their most basic needs met.

I repeat, we are talking $31 million. My colleagues have looked into the faces of misery in the past several years, and I do not have to stand here and give any lectures or do any moralizing. They know this is big money. They know the needs that are unmet in our own country.

They also know that if there is a way to spread the word of our political beliefs, it can be done far better without going through the middlemen of the AFL-CIO, the Republican National Committee, the Democratic National Committee, and the Chamber of Commerce.

There is only one reason, Mr. President, why this has any credibility or any standing on the floor, because when you talk about these institutions, you are talking about the establishment. If you ever had to go ahead and focus on the establishment, here you have it. Here you have it.

I have never seen such pressure and lobbying among Democrat and Republican, conservative and liberal. Everybody wants to cut these funds because this is "us." This is a little money for us. How can anybody be critical, because really, does not everybody belong to the Democratic National Committee, the Republican National Committee, the AFL-CIO, the Chamber of Commerce? That really is the whole United States.

Well, maybe they think they are the whole United States, but they are not. There are about 249 million other people out there who probably do not belong to any of those organizations but very much believe in their democratic institutions and systems. They certainly want the rest of the world to know about it, but they are quite capable of doing it themselves.

Mr. President, I hope we shall go ahead and eliminate these funds. It is my intention to vote for the amendment of the Senator from New Hampshire if it is offered, which in effect will take down mine. But it is also my intention then to turn around and vote for the amendment of the Senator from South Carolina to see these moneys used in a positive way.

I want everybody out there to know what it is that is going on here. I hope that as each of those Members goes out and campaigns, if you do not remember one other thing, ask them how they voted on the National Endowment for Democracy. That is a good indication of whether somebody ought to return here or not. I realize that is a little pressure being put on, but the pressure is being put on us by these four pillars of the establishment who are more interested in themselves than they are any manifestation of the brightness of our democracy.

Mr. HOLLINGS. Mr. President, I join the distinguished Senator from Connecticut, the former chairman of our subcommittee, in his amendment. As he has indicated, I do have an amendment to transfer the funds from the National Endowment for Democracy over into the other section of the bill, to the USIA, for our Fulbright-Hubert Humphrey scholarship program.

This is not any light maneuver, Mr. President, let me remind my colleges. I do not stand to politically identify, although I am happy in the highest sense of politics to identify with the Senator from Connecticut on this score. He is as right as rain. I have never seen, in 32 years of public office, such a raucous, outrageous raid on the Federal Treasury of some $31.3 million. It was 18; it is going up. I tried to find out what they are doing.

Let me go into the pressure being brought, because the Senator was very clear about that. After my unsuccessful trip to the White House, I had a lot of good volunteers who had helped me and who were looking for jobs. I do not know why it was, but they were all looking to be located at the National Endowment for Democracy. All I needed to do was call the chairman of the party, and they would get the job.

Of course, you had to put 2 and 2 together. If you called the chairman of the party committee, bingo $31.3 million. So I had some very close, intimate supporters rather disillusioned with their support of me because I could not help them get the job where all it needed was a couple of phone calls, maybe one, to the chairman of our party.

They have really brought the pressure on this thing, and I am trying to find out what they are doing. You would be astounded at some of the support.

I am astounded at my friend, George Will. He is entitled to a lapse every now and then, and he sure fell overboard on this one. I read his column. You had the other side of the spectrum. Morton Kondracke put one in. They have been working both sides of the street. This is $31 million. Whoopee for democracy, with no sensibility whatsoever into the dire straits that this Government is in financially.

Mr. President, we are in deep, deep trouble. This so-called downpayment is no downpayment at all. The fact is that interest cost increases and cost-of living adjustments exceed the downpayment. So when you look at the botton line, what you have really done is gone up $209 billion in deficits, rather than reduce it. When you use this lingo around this place—deficit downpayment—you think you are reducing it. But when you read the bottom line, you find out you have increased it.

We are in desperate trouble. The market is reflecting it, the international economy is reflecting it, the Third World countries, with the rise in interest rates, are about to go bankrupt. With it all, we have been squeezing. We have been trying our level best to try to cut some of these payments and hold back on some of these programs.

The distinguished Senator from Connecticut is right on target. I worked on that particular bill—it used to be health, education, and welfare, now health and human resources. I just updated some of the things that we had on education. Nine hundred thousand disadvantaged children lost title I services; 900,000 of them.

Here we are going around in this great city of ours, "stay the course" when 900,000 had to drop the course. They will never read and write.

I heard that at midnight last night. There was the distinguished Senator from Arkansas, talking of math and

science—we jump around like monkeys on a string to get words around here, and you find out what is popular. All of a sudden, math and science, math and science. I heard the distinguished Senator from Arkansas very properly referring to the distinguished Senator from Rhode Island, who sponsored a distinguished program with Pell grants and loans.

He said, "Senator, we need money to get the people with the cultural background for this country." He made the statement that he would not vote for anyone for public office who did not have a background in history; what we need is more money for history, teaching about the Constitution, democracy, in this country. You know the best thing we can give them at midnight? And you know, the best we could give him at midnight was a meal ticket to go study it. We said we will study that because we are out of money.

I started to get up, but it was late. I just kept my chair. If we can get all our students to go overseas, then we can send the Republican Party and the Democratic Party the AFL-CIO and the chamber of commerce; we have millions for that. They can tell them about democracy, as the Senator from Louisiana would articulate. You just have got to get our students out of the country, and if we can get them out of the country, we got the political parties, the AFL-CIO that are going to come and tell them.

What are they going to tell them? I hope they do not give them our scores. I do not pass the test in any of that crowd. I just got my report card from the Democratic Party. I am back on the floor and delighted to serve in the U.S. Senate. You know what they think of me in the Republican Party. The AFL-CIO always puts out scores, and I get right in midcourse there, about 50. I flunk. And then along comes the chamber as to what they think about democracy. They grade you, and I flunk that one, too. And now I am supposed to, in a sober moment, start giving them millions for what they think about democracy.

We are suffering from battle fatigue in this State. We cannot get on with our responsibilities. Congress just held up $10 billion of highway trust funds paid for by the highway users. We do not allocate $10 billion every year. And we come around here and nibble around with a $5 billion bill in order to create 300,000 jobs and merrily sing, "jobs bill, jobs bill, everybody for the jobs bill." Five billion bucks which we do not have to create 300,000 jobs where we could take $10 billion that we do have and put it in highway construction to do the job.

They are trying to legalize marijuana and make tobacco illegal in this town. They have it all screwed up. They come in here on Federalism, and now they have my hero and leader for the State's Rights Party in 1948 assaulting the municipalities of America with a Federal bureau. The Senate just voted it. It is the most interesting thing I have ever seen—wonderful. So they are giving up on local government now and they are going to start running the cities. And incidentally, if there is any doubt where we stand, we are for politics and less finance up here. Send all the moneys to the political parties, do away with the students; the Pell grants are cut. We have no money for the Senator from Rhode Island. We have been cutting those. And that is a wonderful investment.

We find for the handicapped children Federal funding declined 9.1 percent since this administration has come to town. With regard to women and infant children feeding, I noticed that over in Baltimore a couple of weeks ago they had run out of money. They only have an allocation for about 53,000 and due to—well, let us call it lax administration—they were really trying to do it for 60,000. No money was stolen. But it did not go to deserving expectant mothers or deserving children who fit under the program.

They just took in too many. You see, we are only funding that at a 50-percent level. So we run out of money for women and infant children's feeding. We cannot find money for that, but we can find $30 million for politics as usual, to hire everybody.

I could go right on down the list. The Head Start Program, is handling only 18 percent of those that are eligible. That is all that have been able to get into that. Why? Due to a shortage of funds.

Every time you go to the chamber of commerce they say "Cut spending." Every time I run into one of those people, "cut spending, cut spending," yet they are up here asking for money to go out and politic.

And just the other night—they get you at every angle—I was invited to a little speech. They had five of them who came up and said that I was going to ruin their program. I said, "What is the program? You have $18 million and I cannot find what you are doing." They said, "Senator, what we are going to do is have all the ambassadors come to San Francisco to see the Democratic Convention, to see how Government works."

Well, I know a cheaper route than the $1,500 it takes to go to San Franciso. We can buy them all a color TV set and they will learn more about America by cutting the darn thing off, I can tell you that right now.

We are trying as Democrats to hide all of these differences. That is what we are all doing—hustling around and hugging and loving so we will not hear anything about what America is all about. We will just have a love-in out there in San Francisco.

But you can imagine me going back to South Carolina to the disadvantaged women and infant children, going on to college campuses and everywhere I went—and I have traveled for 2 years about the Pell grants and student loans—"No, no, we got to cut. We got to cut." How do I defend all of a sudden giving $30 million to send ambassadors across the continent to San Francisco and set up there with their free paid trip and watch the Democratic Convention?

I guess, if they are going to do it, the Republican Convention is going to send them to Dallas. That is just absolutely unforgivable. We cannot be wasting the public's money. We lose all credibility. I say this advisedly. We love these organizations. They are respected in their own right. But they are not the crowd to deliver democracy, I can tell you that here and now. We have entities—I noticed one of the particular articles—and we will give them all—come around with one of these editorial writers how in Portugal they had the similar kind of situation. In Germany they have one of these. I have been invited on it. They eat apple strudel and grunt at each other. They said they went into Portugal and saved the Portugese Government. How? By influencing the election. And you know the next paragraph in that same editorial said, "We are not going to use the money to influence elections because we got in trouble down in Panama." They have people writing editorials who do not know what they are writing.

Mr. WEICKER. Will the Senator yield for a question?

Mr. HOLLINGS. Yes.

Mr. WEICKER. I wonder, since from time to time I get into some difficulty with my own party, whether or not the Senator might arrange for my way to be paid to San Francisco to watch his convention so I might learn what democracy is all about?

Mr. HOLLINGS. The Senator talks funny. I could get him passed as one of those diplomats. In fact, he dresses like one from time to time. I could get the distinguished Senator out there and put him up in the gallery and I think the TV would have something to cover. We are wondering now what to cover. We want to give people who went to war a medal or something. I think we are going to put on a program for those who went to war and those who did something else or served in public office. We are trying to think of different skits, and the Senator would be magnificent to assist in putting on a skit out there.

In fact, I will not have to wait for it. I can collect the funds around here to send the Senator, if he will go. We can still go with his amendment and mine. But remember, if he is so disposed, we will get the funds to get the Senator

from Connecticut to San Francisco, I can tell him that right now.

Mr. President, the hour is late. There are other Senators who want to talk. But right to the point of where we are missing out, I have tried to fathom this foreign policy and I tell you where this fits in. I do not want to give a long story, but we are continuing in foreign policy "Marshall aid, Marshall aid, Marshall aid." I have been through every President. I was down in Latin America. Let us be specific. You had Operation Pan America with Dwight Eisenhower, Alianza para Progreso with John F. Kennedy, the Caribbean Initiative under President Reagan, and the trouble is the money goes to the government and does not get through to the hungry poor. It is usually a military government. It goes to the military for protection, corruption, Geneva bank accounts. It is like delivering lettuce by way of a rabbit; it just does not get through. They are still hungry. We have been doing it for 35 years.

But there is another way, and that is, as after World War II. We furnished markets for the despaired Governments of Japan, Singapore, Hong Kong, Korea, and Taiwan. We developed dynamic, competitive, free-loving democratic societies by developing a middle class. In my judgment, this is fundamental to our foreign policy. At a later time we will get into first how to get a trade policy. You need a globalization of our quotas. We are into a trade war. There is no use to run around. I ran them off the campuses everywhere I went, and I have been to all of them now, about Smoot-Hawley and what have you. And we are down to the nitty-gritty. It is Government to Government enterprise. We have to compete. All of them are moving to a globalization. We cannot throw the burden of unemployment on this country.

I can take 10 percent of the textiles from the People's Republic of China; 20 percent of the shoes—I say to the shoeman from New Hampshire—from Korea; 30 percent of the electronics from Taiwan; 40 percent of the handtools from Japan; and reallocate that down to Latin America.

In Panama, I say to the Senator from New Hampshire, they had 26,000 high school graduates with no chance of a job. We have a wonderful new President down there, Nicky Barletta, and he is going to try to move Hong Kong to Panama City. He knows what he is doing, trying to develop job opportunities.

If we can start developing and furnishing markets for Central America, rather than Marshall aid—I do not mind the aid, but develop a middle class, where there is a piece of the action and stability in the country—then we can have free elections.

Part and parcel of that are the fundamentals of our student exchange program. We started it, and the Soviets now have emulated and improved on it. So in Panama, where we have about 120 students, I say to the Senator from Utah, they have over 1,000 that go to the Communist world—universities and colleges. There is a 10-to-1 ratio down there. And they are not mining harbors. They are mining minds. We are fiddling around here with the chamber of commerce and the Democratic Party, and we cannot get a popularity vote in this country.

In my Democratic Party, all the polls show that I am behind. I want to catch up with Senator DOLE and the Republicans.

Nicky Barletta, incidentally, graduated from North Carolina State. He knows something about America.

We can get the heads of these countries. Otherwise, 5 years from now we are going to be whining on the floor of the Senate: "I don't know what's the matter with them down there. We gave them the Panama Canal."

We are losing our shirts. We should be putting this into student exchange, develop future leaders, develop markets, give stability to those societies, but not 30 million bucks for the political parties and the AFL and the chamber of commerce. The AFL and the chamber of commerce have more money than the Government has, I say to the Senator from Louisiana. We are broke. We are running at $200 billion—and I cannot mentally go through the maneuvers of going out and borrowing the money to send it to the AFL or to the chamber of commerce.

The parties are going to be broke. We are trying to catch up, but you will find they will be broke. I do not see where they get the time and the effort, with travels and meetings and everything else.

At a later time, the Senator from Connecticut and I will have to sit down and educate the Senate about the various exchange programs and the money.

Somebody asked about the United Nations, but we can go into all these things. We send them to the Helsinki Conference, and the Soviets identify who might go along, and then they find themselves in an insane asylum.

We had better learn better in the U.S. Senate not only about fiscal responsibility but about the allocation of resources—if we had the resources.

Mr. President, I am delighted to yield to the Senator from Kansas.

The PRESIDING OFFICER [Mr. SPECTER]. The Senator from Kansas is recognized.

Mr. DOLE. Mr. President, I certainly share the views of the Senator from South Carolina.

We had a vote last night on raising taxes, and we had a lot of great speeches—that we should not vote for a tax bill because we should cut spending.

This is one program we do not need. There are probably a thousand others, if you look, that we do not need, in all the appropriations bills. There are a lot of exchange programs we do not need. This is one we should kill off early.

I did not hear all of the Senator's speech, but he convinced me in the first few seconds that he was on the right track.

I do not have any quarrel with the Democratic Party or the Republican Party, the chamber of commerce or the AFL-CIO. If we are going to give it to them, they will take it, and they will have worldwide travel agencies. People will travel all over the world. There is no accounting, and they are not subject to the Freedom of Information Act. Nobody will know where the money is going, except, as the Senator said, the union did use some to influence an election in Panama.

I cannot believe that my President dreamed this thing up. This is not Ronald Reagan. This is somebody else who pushed this through the White House; and how it got up here, I do not know. The President is for fiscal austerity. He wants to reduce spending. He does not want to raise taxes.

It falls to my lot from time to time to bring tax bills to this floor, and my colleagues say: "We are not going to vote for a tax bill. We should cut spending."

This one should be easy. It is not full-grown. It is easy to take care of in the stage it is in now. I assume it is the Weicker-Hollings amendment. I hope we do not water it down and just try to take out the political parties. That will not be better.

Then you have the chamber of commerce. They have not done anything but support reduced spending since I have been in Congress. This will give us a chance to get a little better rating in the Chamber bulletin, if we kill this amendment.

Mr. KENNEDY. Mr. President, I support the National Endowment for Democracy Act, and I urge the Senate to accept the level of funding recommended by the Appropriations Committee.

The purpose of the endowment is important, its programs are worthwhile, and it deserves a chance to fulfill its potential. The objections raised against the endowment are of concern—but only in the sense that they call for effective oversight by Congress. They certainly do not warrant rejecting the endowment altogether.

Other Democratic nations use this approach with significant success. West Germany, for example, fosters democracy around the world by training trade unionists, journalists, busi-

ness men and women, lawyers, judges, and politicians, yet no such effort is being undertaken by the United States today. Private citizens and groups—with the support of the Government—deserve the opportunity to pursue these kinds of projects throughout the world. Without the support and participation of the Government, it might not happen at all—or private activities will be carried on that could disserve our national interest by serving only narrow ideological or partisan goals.

One of the most important activities of the endowment will be to encourage institution-building in the Third World. In these projects, business, labor, and government will work together with Third World journalists, religious groups, and business leaders to strengthen Democratic institutions in their countries.

In addition, the endowment will help to coordinate the peaceful challenge to Soviet ideology and totalitarian movements in the worldwide "War of Ideas." The Soviet Union spends vastly more money today than do Western countries to send their representatives to peace, youth, and cultural conferences throughout the world. The endowment can help to correct that imbalance and to promote the fundamental ideas of liberty and human rights for all peoples in all nations.

Projects such as these could be financed by the CIA—and have been in the past. But this endowment is a much better way to foster democracy—openly and above-board, in keeping with fundamental American values—and it deserves a chance to prove its worth.

Mr. RUDMAN. Mr. President, we had several votes in the committee, and those votes, although close, clearly were in favor of keeping this program. I voted with my friend from South Carolina and my friend from Connecticut in voting against this program.

I had intended at this point to offer a second-degree amendment which would have had the effect of striking the money for the political parties from this appropriation and thus reducing it by approximately $10 million; because, frankly, I think that to put Federal money, from the Federal Treasury, paid by taxpayers, into the coffers of the two great American political parties, for any reason, is an outrage.

But after hearing the debate here, it seems to me, as one of the two managers of this bill, that rather than have an amendment which may not be significant in terms of expressions of the will of the Senate, the Senate should have an opportunity to vote on the amendment offered by the Senator from Connecticut.

I frankly am undecided how I will vote on that, because I think there are some things in this program that have some merit, the excellent arguments heretofore notwithstanding.

Nonetheless, I know the Senator from Utah wishes to address the issue. He is a very distinguished member of that board and has a different perspective, and I believe I will withhold from offering that second-degree amendment, unless someone else should offer one. We should in my view have the opportunity of voting up or down on the Weicker amendment. If that should fail, I then intend to offer an amendment.

Mr. HOLLINGS. Mr. President, will the Senator yield for one point?

Mr. RUDMAN. I yield.

Mr. HOLLINGS. Mr. President, my staff just brought a note that the Ambassadors are being taken to the convention with private funds.

I only quoted what the NED staffs were telling me. If that was in error, I apologize. I just do not know what the true facts are.

I was told just the evening before last that that was the program that they had. I do not know for what they have been spending the $18 million, and I do not want to reflect on the Ambassadors.

This note says the Ambassadors are taken to the convention on private funds.

I do not know what the case is, but I put that in the RECORD at this time.

Mr. HATCH. Mr. President, I particularly appreciate the graciousness of the distinguished Senator from South Carolina in correcting his statement because one of the reasons we established the National Endowment for Democracy, with a Board of Directors, is to debate in that Board whether sending people to the national conventions is right or wrong. Those two particular items were debated in the Board of Directors, and, as I recall, we refused to allow that to occur. As a matter of fact, we rejected and criticized rather abruptly and rather strongly the proposals of one of the party institutes and limited the total amount of money for both of the two political party institutes.

So I particularly appreciate the comments of the distinguished Senator correcting that particular matter. I agree with the Senator. If that is what we are going to use the National Endowment for Democracy for, then I myself would have difficulty supporting it.

That is why we have the Board. That is why I am happy to serve on that Board.

I assure my colleagues here that as long as I serve on the Board of the National Endowment for Democracy, those funds are going to be utilized in the best possible way to encourage the exportation of democracy all over the world.

Now, we have had a lot of humor here today, and I admit I enjoyed it a great deal myself. As far as the class act on this floor, I think the distinguished Senator from South Carolina is as good as anyone. He is one of the people I most admire in this body.

But I want to talk a little bit about some of the realities. I want to chat just a little bit with my colleagues about some real considerations. I wish to chat about why $31 million is not enough but, nevertheless, that is what we decided to put into this matter and we decided when we did that to give this National Endowment for Democracy a chance.

Let me reflect back to a time before the National Endowment for Democracy came into being. I happen to have been all over the world looking at what the AFL-CIO trade union institutes have been doing.

At first, I was very skeptical of the work that they were doing. But as I have gone all over the world, I find that they are one of the most aggressive, decent, democratically instituted and democratically-oriented organizations in the world.

Let me just give one illustration where they played a particularly noble role in protecting our country's interests in doing what needed to be done in saving embarrassment to this country's foreign policy in exporting democratic principles, in convincing the world that they have something to add and something to contribute.

This is not some fairy tale that we can conjure up as we talk about spending too much money around here. This actually happened. The reason I know so much about it is that I participated in it. It happened to be last year, when the Arab nations decided to embarrass Israel at the International Labor Organization's annual conference in Geneva, Switzerland. I might mention that that organization is not very highly thought of here. Nobody knows what goes on at the ILO except those who are experts in the field. But in the rest of the world, it is one of the most important entities in all of the world and the largest U.N.-affiliated organization.

Every year, there are a number of meetings by the International Labor Organization which make a lot of difference throughout this world. I might add it is the only organization that I know of that enjoys tripartite representation. They have government representatives at this organization, labor representatives, and they have business representatives. And they have them from all over the world.

The Arab nations decided, for right or wrong—and I believe wrongly—to embarrass Israel, and so they brought a resolution to the International Labor Organization that was widely reported; and had it passed, it would

have been one of the major propaganda triumphs of 1983. That resolution was brought to the floor, and I will tell you who led the fight against that resolution. It was all of our representatives, government, business, and labor, but the real leader of the fight happened to be a little man who happens to be the director of international affairs of the AFL-CIO, a fellow named Irving Brown. Side by side with Irving Brown was another man who we all have great respect for, Lane Kirkland, doing the business of this country at the expense of the AFL-CIO, and saving embarrassment to this country and to our State Department and to our foreign policy and protecting the interests of one of our most valued friends, Israel. Irving Brown led this fight, and I have to admit I flew all night long so I could get to Geneva, so I could work with him, so I could lend whatever help I could.

And I might add that partly in response to their request, we worked all day Friday, all day Saturday, and when I left on Sunday to return to the Senate, we did no know whether we could win or not on this resolution, the purpose of which was not only to embarrass Israel in 1983 but to expel Israel from the International Labor Organization in 1984. Where would the United States have been had this occurred?

When I left on Sunday morning, I have to admit that the representatives of the trade union institute told me they did not think we could win, but we had given it a heck of a try. When the next Tuesday's vote came up and we won, it was a major victory in the ILO.

I might add that I believe Irving Brown, Lane Kirkland, and a variety of the other people who worked those boards over there at the International Labor Organization had their expenses paid by the AFL-CIO, but they were acting in the best interests of the free world. They were acting in the best interests of our country. They were acting in the best interests of the principles of democracy.

I believe that is fair to say that the AFL-CIO spent much more than $31 million over the last number of years making sure that this country's principles are considered by countries all over the world.

Just another illustration of what they do to export democracy, and I do not think it is fair for us to sit here and say that they are wealthy, so they can do this all by themselves; just let them do our Government's work by themselves; let them pay for it.

I happen to know what they have been doing down in South Africa to fight against their apartheid and fight for free trade unions to end discrimination. The greatest strides that have been made have been made because some of these people are willing to pay their own way. They should have some help from the United States of America.

I might mention that the Soviet Union spends $3 billion a year in these activities to undermine democratic principles, to undermine the principles of democracy all over the world—$3 billion a year. We are standing here mumbling and joking about $31 million and saying because someone does not vote for another tax increase on the American people, because they did not get enough spending reductions, that we now should not have this. Come on. Every one of us votes for too much all the time around here. But is $31 million too much to combat $3 billion that the Soviet Union has been spreading all over this world to undermine everything that the trade union institutes, and I might add the U.S. Chamber of Commerce to its limited participation, have been doing? One of the things I like about the National Endowment for Democracy is it is getting the U.S. Chamber of Commerce to do some things in international circles that should be done and to compete with the AFL-CIO and the trade union institutes in doing what is really in the best interests of democracy.

The USIA and the NED respond to different legislative mandates. I get a little tired of hearing the false misconceptions about the National Endowment for Democracy. The Endowment's main purpose, as stated in the National Endowment for Democracy Act, is to "encourage free and democratic institutions throughout the world," as well as democratic pluralism and development through private sector initiatives.

USIA proposes, in exchanges and other programs conducted under the Smith-Mundt and Fulbright-Hayes Acts, to tell the whole story to the world to support U.S. foreign policy objectives and to increase mutual understanding between the people of the United States and the people of other countries. Those are worthwhile goals.

I say to the distinguished Senator from South Carolina that I do not think his idea of having more fellowships and more interchange of students is a bad idea. I think it is a good idea. And USIA certainly can continue to do that.

But we are talking about a different approach here. We are talking about something that can make a difference in this world. We are talking about a pittance compared to what the Russians are spending.

I might just quote from a declassified study of the CIA. So many of these people who are critical of this are constantly berating the CIA for its covert action. The National Endowment for Democracy, by the way, is an overt institution. Its proceedings are public. It is audited.

I do believe the distinguished Senator from Connecticut is sincere and I believe he should have a vote on his amendment. I just hope every colleague will vote it down and start recognizing that we have to fight for democratic principles around the world. And if $31 million will help us to begin that, I think it is worthwhile. If it will help to create some more maturity among the chamber of commerce and the two party institutes, then I am all for it. And I know that it will. I know that it has. I know that this board is making sure that it will in the future.

The Soviet leadership, according to this CIA study:

> Regards propaganda and covert action as indispensable adjuncts to the conduct of foreign policy by traditional diplomatic, military, and other means. Moscow is willing to spend large sums on propaganda and covert action.

I mentioned the rough estimate of $3 billion. They say that our rough estimate of $3 billion per year is probably a conservative figure. The Soviets have developed an extensive network of organizations, assets, and technical means for preparing and disseminating propaganda material.

In the Soviet Union, the ideological struggle or the use of propaganda and psychological warfare techniques is a vital element of state policy. Indeed, Soviet theoreticians have asserted openly that the battle of ideas intensifies during periods of relaxation and tension—détente, if you will—because the inevitable conflict between the Soviet Union and the West must be conducted by nonmilitary means.

The basic aims of the Soviet foreign propaganda covert actions are, one, to weaken the opponents of the U.S.S.R. and, two, to create a favorable environment for advancing Moscow's views and international objectives.

Mr. President, I would like to cite George F. Will's article. I think it is a credible article by a very, very bright man. Let me just read a couple of paragraphs from that.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 24, 1984]

IT'S NOT AN "ENDOWMENT FOR MISCHIEF"

(By George F. Will)

Perhaps certain congresspersons hold the truth in such high regard that they do not want it promiscuously displayed. Perhaps. But the attempt to kill in the cradle the National Endowment for Democracy looks like yet another instance of moral posing at the expense of a moral undertaking.

Some conservatives, eager to combine ostentation and frugality, want to be seen saving $31 million (a sum spent every two and a half hours on interest on the national debt). Some liberals, eager for heroism without risk or exertion, want to slay this but-

terfly on the pretext that it is a cleverly disguised dragon. They say NED will be an instrument for U.S. "intervention" in the internal affairs of despotism, and we all know that would be wrong. Don't we?

You might think that persons who are strenuously opposed to the use of force to advance U.S. interests, as with aid to Nicaraguan freedom fighters, and who condemn U.S. collaboration with autocrats, such as Marcos of the Philippines, would welcome NED. It is, after all, an act of creative plagiarism: the Reagan administration took the idea from two liberal Democratic congressmen, Dante Fascell of Florida and Don Fraser, now mayor of Minneapolis.

But a lot of latent hostility to the idea was brought down, like summer lightning, by reports that the AFL-CIO—this nation's most diligent private force for freedom—spent $20,000 of NED money on behalf of the moderate who won Panama's presidential election. Such assistance to friendly persons in elections may be problematic; certainly it will not be a part of NED's future agenda. NED's board has now forbidden the use of funds to finance campaigns of candidates for public office.

With federal and corporate funding, NED can do such things as: aid political prisoners and their families in places like Poland; assist harassed and fragile embodiments of democratic values, such as the "flying universities" (maintained by dissident intellectuals) in Poland; assist the organization of Cuba Committees in Europe, where there are many Cuban democrats in exile; support a magazine run by and for the thousands of Chinese students studying abroad, a magazine devoted to discussion of peaceful liberalization of China; send to places like South Africa and Chile law students skilled at litigation on behalf of human rights; assist the Democratic and Republican parties in sharing the skills of democracy. (Democracy is, after all, a learning art—with parties trying to take root in the stony soil of less fortunate countries.)

Now, what is there about such activities that causes a congressman—a conservative Republican—to describe NED as an "endowment for mischief"? If the U.S. government is to be forbidden, in the name of moral fastidiousness, from lending aid and comfort to freedom's brave and isolated friends, the U.S. policy amounts to unilateral moral disarmament.

The effectiveness of some things NED may do would be reduced by publicity. One advantage of its independent status is that it would not come under the Freedom of Information Act. This displeases those legislators who are eager to please those journalists who think that if Aristotle had been a clear thinker he would have said that the great goal of government is not justice but happy journalists.

NED has brought about another outburst of philistine moralizing of the "Grenada-was-as-bad-as-Afghanistan" sort. The anti-NED argument is: we would disapprove of foreign interventions in our democracy, therefore . . .

Therefore nothing. The moral status of an action is conditioned by the actor's intentions and results. We are a good nation interested in nurturing good things in nations afflicted with bad regimes. Besides, we tolerate all sorts of foreign attempts to shape opinion in our open society.

But in Washington in the sleepy summer season, occasions for indignation are distressingly scarce. Hence they are valued almost as much as air conditioning, the other necessary comfort. Many opponents have used NED's little appropriation as an excuse for preemptive indignation about imaginable violations of the ever stricter rules of political hygiene that are binding only on the United States.

There is a moral failing that theologians call scrupulosity." It involves seeing moral fault where there is none, or fanatically seeking perfect purity when that is not desirable or even possible. The assault on NED is, in part, another excuse of scrupulosity regarding foreign policy.

Congress, it sometimes seems, would like a foreign policy conducted by Emily Post with the Warren Court squinting over her shoulder lest there be any violation of procedural niceties. NED is not perfect. The controversy about it illustrates how pursuit of the perfect injures the good.

Mr. HATCH. He said:

Some conservatives, eager to combine ostentation and frugality, want to be seen saving $31 million (a sum spent every two and a half hours on interest on the national debt). Some liberals, eager for heroism without risk or exertion, want to slay this butterfly on the pretext that it is a cleverly disguised dragon. They say NED will be an instrument for U.S. "intervention" in the internal affairs of despotism.

He goes on to say a little bit further in his article:

It is, after all, an act of creative plagiarism. The Reagan administration took the idea from two liberal Democratic congressmen, Dante Fascell of Florida——

Who serves with me on the board and who I think has made tremendous contributions, as I have observed this board——

and Don Frazier, now mayor of Minneapolis.

He concludes in just the last couple of paragraphs in this article—I do not want to read it all. He says:

There is a moral failing that theologians call "scrupulosity." It involves seeing moral fault where there is none, or fanatically seeking perfect purity when that is not desirable or even possible. The assault of NED is, in part, another excuse of scrupulosity regarding foreign policy.

Congress, it sometimes seems, would like a foreign policy conducted by Emily Post with the Warren Court squinting over her shoulder lest there be any violation of procedural niceties. NED is not perfect. The controversy about it illustrates how pursuit of the perfect injures the good.

Let me just make a couple of things clear, because I think it is time somebody stood up and spoke for the National Endowment for Democracy.

Mr. President, I rise today to give my whole-hearted support to the $31.3 million appropriation for the National Endowment for Democracy. As my colleagues are aware, the purpose of the NED is to promote democracy abroad. The NED is an important new organization that will play a vital role in the worldwide competition of ideas.

Unfortunately, there has been a great deal of misunderstanding and misinformation circulating about the NED. For instance, my good friend Hank Brown recently wrote in the Wall Street Journal that the Endowment is "a tax-supported Endowment for mischief."

Mr. President, criticisms such as this concern me greatly because they are based on inadequate or inaccurate information. As a member of the Board of the NED, I would like to set the record straight.

First, the NED is a private nongovernmental organization. The Endowment grants funds to other private groups which submit proposals for specific programs that will contribute to the growth of democracy. There are four major private groups that receive NED grants: The AFL-CIO's Free Labor Institute, the Center for International Private Enterprise of the Chamber, and the Republican and Democratic Party Institutes.

I have seen as I have mentioned, the excellent work of the labor institutes over the last several years and they have carried a large part of the load in sowing the seeds of democracy. With the support of the National Endowment for Democracy, they could be even more effective and they are going to keep doing it no matter what. I guess we can sit back and rely on them to do the job that we should be helping with, but they can be more effective and that is an additional point.

The chamber of commerce has also exhibited a spirit of bipartisan support for promoting democracy. The party institutes, although very new to the program of selling democracy, are maturing on a meeting-by-meeting basis. And they took some hard lumps at the last meeting. It was a maturation process for them. But they were willing to take them and willing to learn, willing to do something about it. I am convinced they will be very effective when they are given the chance. It is about time we in Congress recognized this.

We established it. Let us give it a chance. If, after giving it a chance, it does not work, heck, I will lead the fight to get rid of it.

Opponents of the NED have stated that the two party institutes will be allowed to use public funds for partisan purposes. This is incorrect. The two party institutes have agreed to make public their annual audits to ensure that no taxpayers' funds appropriated to the Endowment are in any way mixed with the funds of the Republican and Democratic Party National Committees. In fact, it was Charles Manatt and Frank Fahrenkopf the two chairmen, respectively, who personally proposed this measure at the most recent NED board meeting.

Another piece of misinformation that has been circulating about the NED is that it will not be subject to audits by the Congress or the public. Again, this is false. As a nongovernmental organization, the NED is not subject to the provisions of the Freedom of Information Act. But this does

not mean the Endowment enjoys a cloak of secrecy. In fact, the NED Act includes standard auditing and reporting requirements. The Endowment and all of its grantees will be subject to the appropriate oversight procedures of the Congress. The Endowment will report regularly and thoroughly to Congress regarding all program activities. It is the intention of the NED to keep the Congress fully informed regarding all these activities.

To underscore this point, the NED board adopted a resolution directing the Endowment's president to implement an openness policy, ensuring that all proposals approved by the board, grant agreements between NED and its grantees, and other official documents of the Endowment are made available to the public upon request. We do the Freedom of Information Act one more.

Opponents of the NED claim it will duplicate already-existing programs, especially those of the U.S. Information Agency. In fact, however, the USIA and the NED have different legislative mandates and completely different goals, as I have stated before. The purpose of the USIA is to sell the United States abroad, while the purpose of the NED is to sell democracy abroad. As a nongovernmental organization, the NED will be free to conduct programs that USIA cannot support. For instance, efforts to strengthen democratic electoral processes—one of NED's legislated purposes—is a forbidden area for USIA. NED may also conduct exchanges and technical assistance programs that involve only one foreign country or two or more foreign countries, whereas USIA programs must involve America or Americans in some way.

I do not think it takes much brainpower to recognize the difference betwen the two, and the advantage we will have in exporting democracy with the rules that apply to the NED. The difference in the legislative intent of the act is clear and there should not be any overlap and we intend to make sure there is not.

Some critics have alleged that our Ambassador in Panama, Everett Briggs, has opposed NED funding in Panama as a kind of loose cannon or embarrassing matter. These opponents of the Endowment made available to the New York Times part of a classified telegram from Ambassador Briggs which was then quoted in the House floor debate to influence a narrow vote to defund the NED for 1985. Ambassador Briggs was deeply disturbed about the outcome of the House vote. He sent a subsequent cable stating that he is a strong and enthusiastic supporter of the NED, and that he believes it is "* * * very important that the NED be funded as originally envisaged." On the other hand, I take it at face value. He has called me, and I believe that it is at face value.

With regard to my good friend Hank Brown's criticism that the NED will be used to fund trips solely for the purpose of hobnobbing with foreign leaders, thus far I have not seen any evidence of this, However, if funding foreign travel is necessary to further democratic principles, then I say let's fund all we can. It would be a small price to pay in the worldwide competition of ideas, especially when you consider that the Soviets are spending an estimated $3 to $4 billion a year on their disinformation campaign aimed at breaking up the NATO alliance and destroying democracy. I think it is something we have to think about.

In a 1980 CIA study entitled "Soviet Covert Action and Propaganda," the Central Intelligence Agency reported to the House Select Committee on Intelligence that:

> The Soviet leadership regards propaganda and covert action as indispensable adjuncts to the conduct of foreign policy by traditional diplomatic, military and other means. Moscow is willing to spend large sums on propaganda and covert action—our rough estimate of three billion dollars per year is probably a conservative figure.

When this report was updated in 1982, it stated the figure for Soviet disinformation was considerably more than $3 billion per year.

The Soviets are deathly afraid of the competition the NED will bring to their strategy for global conquest, and they are using every methodology at their disposal to enhance their worldwide antidemocratic campaign. They would like to see the NED, which they term an "antisocialist orgy," derailed as quickly as possible.

The biggest sigh of relief, if we do what the distisnguished Senator from Connecticut wants to do on this matter, will come from the Soviet Union. I am convinced of that.

Mr. WEICKER. Would the distinguished Senator from Utah yield?

Mr. HATCH. Yes.

Mr. WEICKER. Would you clarify that remark? Is this in other words some sort of implication as to the purpose of the Senator's amendment?

Mr. HATCH. Of course not. But I am saying this: I know that the distinguished Senator from Connecticut is very sincere and dedicated to this position. I respect that position. He believes in it. But I am saying this: That the Soviets understand what the NED has been set up for. They are afraid of it. They do not want it to continue. They do not want to see this work occur. They do not want to have this competition in the world of ideas. They do not want to have us up here competing with them. I think they would breathe a great sigh of relief if the distinguished Senator from Connecticut's amendment passes.

But I understand that the amendment is in sincerity. He believes he is right on this matter. He believes there are other things that deserve funding before this. I respect him for that. So there is no implication whatsoever. I would feel, very, very sorry if my friend thought that.

Let me give you some of the Soviet reactions on the democracy program so that I might make my point maybe a little bit clearer because I do not know whether my distinguished friend and colleague has seen these. But the Soviet reaction to the democracy program and the National Endowment for Democracy has been shrill and abusive as reflected by virulent attacks in major Soviet media. Moscow is apparently concerned that these recent U.S. initiatives will be able to counter longstanding Soviet propaganda in Europe, and the Third World. Let me give you some following excerpts which indicate the Soviet line on these programs.

Let us take TASS.

> The United States attempts, under the pretext of "Protection of democracy," to usurp the right to interfere on a large scale in the affairs of other states . . . Large funds have been allocated . . . for infiltrating parties, trade unions, business circles.

This is by Pravda.

> This notorious "Program of Democracy" . . . is a fact the most cynical interference by Washington in the internal affairs of sovereign states. The new 'program' is one more link in the chain of ideologically subversive measures undertaken by the ruling circles of the United States against freedom-loving peoples . . . The ruling class in the US is mobilizing all of its strength: big business, the leaders of the bourgeois parties, the reactionary heads of unions, militarists, and others, in order to rebuild and reorganize its propaganda machine.

Novosti, political correspondent.

> . . . the United States, in keeping with its new program, will be not so much promoting itself as engaging in subversive activities against the socialist countries. In short, Project Democracy is a direct interference in the internal affairs of other nations . . .

Izvestia.

> (From an article entitled "Big Stick for Crusaders"). And how are these crusaders to be armed? . . . in the sovereign states which are the targets of this crusade for democratization American-style, it is important first of all to prepare leadership cadres . . . The picture is clear: Leaders in every country prepared by Washington. There will be a United States of the World, with its capital on the Potomac.

Radio Moscow.

> Leaders of the Republican and the Democratic parties have called upon Congress to support the efforts directed at organizing a so-called National Fund for Democracy . . . that fund is given the function of coordinating and financing the most important of the ideological diversions planned by the administration.

Well, I think you can say that they are alarmed by this. They are not happy with this. They know it is competing with them. If they knew how

little funding we really have, I do not think they should be as afraid as they are, but it does not take a lot of funding for democratic principles to be espoused and to be spread throughout the world. It takes billions of dollars for their principles to make any headway.

Opponents of the NED really need to take these matters into consideration. I hope they will. During the debate over the NED, it is important not to lose sight of the larger picture. The basic question is: Should we be engaged in the international battle of ideas and values, or should we stand aside and do nothing?

When they learn the truth about the NED, I believe the Endowment's opponents will give their wholehearted support to this vital program. I hope I have gotten rid of some of the myths which have arisen. As President Reagan has stated: "We must work hard for democracy and freedom, and that means putting our resources, organization, sweat and dollars behind a long-term program."

Mr. President, that program is the National Endowment for Democracy. I am confident that the Endowment will be an effective tool for promoting democracy abroad—proving that for once, liberals and conservatives and business and labor can work together for common democratic goals.

I would like to put into the RECORD at this point a letter from President Reagan to Senator HATFIELD dated June 12, 1984.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, DC, June 12, 1984.

Hon. MARK O. HATFIELD,
Chairman, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR MARK: I have just returned from London where I met with the leaders of six of the world's major industrial democracies. At the end of this Summit, we signed a declaration on democratic values. This declaration, which I believe reinforces our basic beliefs and our best hope for political stability, social justice and peace in the world, must be reinforced with concrete actions.

The National Endowment is the cornerstone of our efforts to promote the growth of democratic institutions throughout the world. The Endowment is off to a sound beginning and should be given a chance to work. I am confident that this unique institution, which harnesses the energies and talents of private sector organizations, including business, labor and the two national political parties, will make an important contribution to the cause of democracy and to furthering the national purposes of our country. For this reason, I continue to oppose any amendment which would reduce the appropriation for the Endowment and which would eliminate funding for the two party institutes.

The authorizing legislation is sound, represents the public interest and has invoked from other countries strong statements of support and a willingness to cooperate.

It is often said that we must seek alternatives to military means in the defense and promotion of democracy. The National Endowment for Democracy is precisely such an alternative. We must be prepared to assist with adequate resources genuine and courageous democrats throughout the world—those seeking to stabilize new democracies, to encourage a transition to democracy wherever possible, or to keep alive the flame of freedom wherever tyranny exists. Such an effort is best undertaken openly and under private auspices. But it will need adequate resources.

At a time when the opponents of democracy lavishly support their allies, we cannot abandon the field of political competition. The cause is too important. The stakes are too great.

I therefore urge you to support the proposed appropriation for fiscal year 1985 of $31.3 million for the National Endowment for Democracy.

RONALD REAGAN.

Mr. HATCH. I would like to mention a few sentences to my colleagues from this letter:

The National Endowment is the cornerstone of our efforts to promote the growth of democratic institutions throughout the world. I continue to oppose any amendment which would reduce the appropriation for the Endowment and which would eliminate funding for the two party institutes.

It is often said that we must seek alternatives to military means in the defense and promotion of democracy. The National Endowment for Democracy is precisely such an alternative. We must be prepared to assist with adequate resources genuine and courageous democrats throughout the world—those seeking to stabilize new democracies, to encourage a transition to democracy wherever possible, or to keep alive the flame of freedom wherever tyranny exists. Such an effort is best undertaken openly and under private auspices. But it will need adequate resources.

It is an excellent article by our President. I have taken too long. I understand that. I apologize to my friends and colleagues. Let me just close. I think my colleagues can at least get some feeling as to how deeply I feel about this particular institution, about the potential that it really has, and how hard I have worked to try to make sure that their fears will always remain unfounded.

Let me say this: I do not think it is right for us to sit back and let other entities do the job that really we are capable of assisting with. I am not even saying we should do it, just assist. The beauty of this is the Government is not doing it. It is a private organization and these are private organizations that are carrying the burdens of these programs. They have a board very interested in them carrying this burden as well.

I am sure that not every grant will be totally satisfactory to me that this board will permit to be made. But I am sure that a great deal of effort is being put forth by everybody on that board and by the institutes themselves to do what is right with the limited funds they have.

Where they have indicated some excesses, we have cut their wings, clipped them back, and we will continue to do so. I have seen a bipartisan effort by both Democrats and Republicans to resolve these problems and to make sure this is a shining example and not some denigrated example that some of my colleagues feel it will become or that it may already be. I assure them that it is not.

I would also like to say that I think it is denigrating to a degree to the work that at least the free trade union institutes have been doing for years to indicate that they do not need some help from us. I think it is denigrating to a degree to not recognize the desire of the chamber which put forth an excellent proposal at our last board meeting, a well-thought-out proposal, that they intend to do what is right.

I really believe we ought to give them that chance.

I personally do not see how a National Endowment for Democracy will work as well as it should if the two major political parties in America do not, in a bipartisan spirit, have the maturity to go out, and espouse, and disseminate principles of democracy all over the world. Sometimes they may be in the best position to help some of these emerging nations, or nations trying to preserve democracy, to understand how to emerge or how to preserve. I think that is important.

I have taken too long, and I apologize. But I do think that this deserves more consideration than the short time that we have had to even start implementing this program. By the way, we have just approved a few grants. We have not even had a chance to see if it will work. I think the least we can do, since we went through this process before, is give four institutions a chance to see what they will do. Give them a chance to mature. Give them a chance to be able to do more.

The PRESIDING OFFICER [Mr. MATHIAS]. The Senator from Connecticut.

Mr. DODD. Mr. President, I will not take long.

Mr. President, I am reluctant, because I think this is the first time in my relatively short tenure in this Chamber that I have ever risen in direct disagreement to my senior colleague from the State of Connecticut, Senator WEICKER. But, I disagree with his amendment.

Let me say, if I can, Mr. President, at the very outset, about my colleague from Connecticut and my colleague from South Carolina, that while we disagree on this particular amendment, and others, no two individuals stand taller than these two when it comes to the issues of patriotism or the fight for democracy. I may disagree with them from time to time on

specific votes. But this is not a battle over one's patriotism. This is a contest over an idea, whether or not this idea makes any sense for this body to support.

Mr. President, it does not take a great deal of imagination to attack the National Endowment for Democracy. There is not an audience in America from Maine to California where, if you stand up and go after foreign aid, you can avoid a standing ovation. We all know that people get upset when they hear about us investing dollars in things that have to do with programs offshore. We have seen that historically in this country, going back almost to the birth of our Nation. It is not significantly different today.

(Mr. ABDNOR assumed the chair.)

Mr. DODD. Certainly, $31 million is an understandable figure. People understand that quantity of money. Talk about $310 billion and you have lost the audience. But $31 million is within the realm of appreciation, of understanding.

And it is a lot of money. Anyone who would suggest otherwise is blind to the problems we face economically in this country.

I supported the Hollings amendment this year and the Kassebaum amendment. I supported the package on revenue and I will support the package that comes in on the budget as well, as a Democrat. I do not like every aspect of it. I would do things differently. But that is not the way ultimately we make decisions in this body. We take our best shots at things we think would set a better agenda. But, ultimately, we have to decide whether or not we are going to move forward on some of these issues.

It is also not an uncommon practice to identify some things we would like to spend money on that we are not. Certainly, I cannot disagree and would not for 1 second; in fact, I strongly agree with Senator HOLLINGS, Senator WEICKER, and others who have said that we ought to be doing more on the educational fronts. I believe that. I think it is outrageous that the Soviets and others spend far more of their income on attracting foreign students to their country to study their political and economic systems and send them back. I think it is outrageous that we are losing in that battle and suffering what that means in the long term to us. Certainly, there is the malaria program and there are other research programs. I will not suggest that the National Endowment for Democracy is better than the malaria program, the Humphrey program, or the Fulbright program.

That is not the issue here. The issue we have to decide is whether or not this is a good idea. Is it a good idea to have a National Endowment for Democracy? If it is not, let us get rid of it. Let us vote it down altogether and junk the idea.

It is not a question of comparing this program to other good programs or to things we do not do. Our choice here is to decide whether or not we think this idea has enough merit to make it worthy of our finance and support to the tune of $31 million this year.

The facts of life are that we are in trouble around the globe. We are not winning the contest of ideas. We are losing that fight. Our adversaries are investing far more of their GNP's in supporting and participating in the structural organization of a political mechanism which we find detrimental to our own interests and detrimental to peace in the world. We are losing that battle. I think educational programs would certainly help.

But one of the real problems in fostering democracy is the structural problem the institution-building in countries.

It is not just having an election, where we have bunting and straw hats and people showing up at voting booths, that makes a democracy.

Someone once said in Latin America that an election is only one note in the tune of democracy. I think that is true.

Building democratic institutions is hard work. It is laborious work. It takes strong incentives. It takes strong advice. It takes a willingness to work at it, not just for a few weeks or a few months, but year in and year out.

In this country of ours, over 200 years has set an example that is the envy of the world in building democratic institutions. No other nation on the face of this Earth has done as good a job as we have in building democratic institutions, and in no short measure those institutions have been built with the help of the American labor force, the American business community, and the two major political parties in this country.

They are largely responsible for that. To attack them as institutions—big labor, big business, big politics—is perhaps a good stump speech. But these organizations as institutions have contributed to the wealth of this Nation. And I do not speak just of our material wealth, but our wealth in terms of our values, our ideals, and the process we go through to see that democracy is perpetuated in this country. No one ought to be ashamed or no one ought to shy away from the recognition that those institutions deserve for building this kind of country.

So it only makes some sense to take these institutions and organizations and ask them to become involved in this process.

Thirty-one million dollars is a lot of money. But it is a very small amount to ask if we can really make a significant contribution to building democratic institutions in countries that are trying to do so.

This year we are going to spend, almost $2 billion in foreign military aid. I heard no speeches around here about foreign military aid. We have spent almost $100 million on the Contra operation in Nicaragua alone. And some people have stood up and supported it around here. They can make an argument for it. But is that building democracy, to suggest that we are not going to invest $31 million to try something that has a global implication? I do not understand that.

Why are we not willing to take a chance on something, to become involved a little bit, to say we have good institutions in America that want to become involved? Some of them have been involved for years, and have contributed significantly. The land reform program in El Salvador would never have survived had it not been for the AFL-CIO down there fighting for it, investing in it, and working for those people.

We hear these speeches on the Fourth of July and Memorial Day about democracy. God knows, as someone who has disagreed with my colleagues here on the question of military aid and conditions for military support to El Salvador, I have heard the speeches about how I am against democracy and am supporting the insurgents. Now we have a chance to do something about democracy. Here is a real chance for us to put some meat into our rhetoric, to say that we are not only for democracy, but we are willing to invest in it—in the institution-building of democracy—not just to conduct an election, not just to see to it that candidates get the support of various political consultants in the United States, but to go down and see that we build these institutions.

This would not be not just the Government doing it, but people in the labor force, people in the business community, along with the support of people who have been involved in the political parties of our country.

What is so outrageous about that? In a year when we give speeches about terrorism, when we hear all the speeches about the problems of crumbling democratic institutions, about the spread of Marxism, we are unwilling, to spend $31 million to support institution-building, to try to build democratic governments.

I find that hard to accept, Mr. President, and it disturbs me somewhat to hear the kind of rhetoric we do on these things. Again, I cannot argue with the fact that I would like to see some rearranging of the priorities on our budget agenda. But to suggest somehow that this program ought to fail, that this program ought to be voted down, because we are not doing

enough in some other area, is a logic which I find difficult to follow.

Is the National Endowment for Democracy a good idea? Is it a needed idea? Does it deserve support? That is the issue before us really, and we ought to say yes or no to that question and not try to strip this thing, patina by patina, if you will, until we have nothing but a shell of an organization that cannot do anything at all.

My colleague from Utah said it and I agree with him: If it does not work, we can scrap it, we can get rid of it. It will not take this Senator from Connecticut to get rid of that. I am sure there will be a chorus of Senators who will want to get rid of this program if it does not work. But why not give it a try, why not give it some support and draw upon the institutional memories and the expertise of the organizations which have helped contribute to building this Nation? That, it seems to me, is an idea worth backing, worth supporting, an idea which I think will contribute in a very real way to seeing democracy emerge, seeing democracy grow, seeing democracy blossom and flower in areas like Central America, Africa, and Asia. They want our help. They want more than just military aid. They want more than just CIA operations to overthrow governments. They want some real, up-front support to help their governments get on their feet.

The National Endowment for Democracy is not flawless. It has some things in it that I worry about, but I have never seen a program come through here that is flawless, and I have never seen a program yet that is perfect. It is an idea.

It is an idea that says let the American public put their money where their mouth is, let us really try to get behind institution-building to see to it that democratic governments have a chance to survive.

That is what this is all about. It is not about malaria, it is not about the Fulbright program, the Humphrey program, or any other program. It is about this program and whether or not it deserves our support. I believe it does.

Mr. President, I yield the floor.

Mr. MOYNIHAN. Mr. President, I wish to associate myself with the eloquent, persuasive remarks of my friend from Connecticut, in this case my junior friend from Connecticut, as distinct from his distinguished senior colleague, with whom I, too, find myself in the wholly unfamiliar and, in consequence, uncomfortable position of being almost incredibly, in disagreement.

I ask the Members of this body to recall or consider just how many evenings we have discussed defense appropriations and the like. So often we have heard the cause of democracy invoked in the large rotund style which is sometimes ours; we have expounded at length on the sacredness of that cause, the imminence of the peril to it, the consequent necessity of sacrifice. We regular hear pledges to devote whatever may be required in order to sustain the ideal. And not infrequently what we are talking about is the allocation of funds to provide arms overseas—$1.9 billion in the case of the Defense Military Aid Program, as the Senator from Connecticut has recently observed. Few Senators regularly vote against such legislation. I will not under most circumstances.

The disparity between the sums involved here—$1.9 billion in weapons as opposed to $31 million in ideas—cannot fail to impress. The latter sum does not seem to me extravagant or inappropriate.

It may help us to be reminded that democracy began as an idea. It is an institution that commenced in the minds of men, as the founders of this Republic repeatedly asserted. Before they wrote the Declaration of Independence and the Constitution they thought about it, and about what they had read and the debates they had attended, participated in, listened to * * * been persuaded by.

Thereafter they refined that idea which we as a nation so bravely brought into the 19th century and have ever since nurtured, and had such great expectations for.

I wonder if part of the hesitancy about supporting the National Endowment for Democracy does not, in fact, arise from an uncertainty as to whether the case for democracy any longer can be made and, if it can, indeed whether it ought to be made. How very different from the sentiments of the century past.

In the room in this Capitol that leads to the quarters of the Committee on Foreign Relations, one finds in an alcove a bust of Lord Bryce, whose "American Commonwealth," first published in 1888, was so widely read and translated. Indeed, as the pedestal beneath the bust states, Lord Bryce was not only "friend and ambassador to the American people," but also "interpreter of their institutions."

In a second edition, he replied to the question many people had asked him: Why is it that there seemed such great interest in his monumental study of American Government and its political institutions?

He said, "It is very simple. The world over, no matter what their present condition, it is the great hope and higher expectation of peoples that sooner or later they will find their way to American institutions."

That a foreign visitor would say this would not have surprised us then. A century ago we would all have thought it true ourselves. And we would have thought it desirable, if not necessary, to help the peoples of the world find their way to American-style institutions, the institutions of democracy.

Yet testimony has been presented on this floor which could lead one to believe that the "doctrine of American exceptionalism"—which in its earlier manifestations, in the writings of such as Thomas Paine, de Tocqueville, and Walt Whitman, was thought to mean our Nation beneficent and providential, to express, in Daniel Bell's words, "a well-nigh universal expectation that the United States would inherit the future"—has apparently come more recently to mean that the American experience is irrelevant or unnecessary to others in the world.

That earlier confidence was never so great as at the end of the First World War when perhaps there is no man in history before or since who has been so widely regarded in the world, so looked to in the world as Woodrow Wilson. And for what was he so looked to? As an exponent of the idea of democracy.

I see my friend from Maryland has risen, and I am happy to yield for a question or observation.

Mr. MATHIAS. I thank the Senator from New York. If he will yield for a question, and very briefly, it does seem to me that, as he so often does, the Senator has put his finger on the real crux of the problem before us. I ask the Senator from New York if there is any doubt that this is an important subject, if there is any doubt that the job of promoting democracy is not an important job, but as the Senator points out, it is a very delicate job, it is a very sensitive job to promote democracy and one that should be undertaken very cautiously. I am wondering if we have the kind of experience, at least with this new agency, which justifies rapid growth. Should we not go forward in a rather more prudent and cautious manner to develop the ability within the agency—before we suddenly begin to accelerate growth in size and create a bureaucracy that may not yet be able to do this job?

Mr. MOYNIHAN. If the Senator will allow me just to persist in these remarks a bit, I want to suggest to him that this is exactly what we are doing and have been doing. The assertion that the creation of the National Endowment for Democracy constitutes the launching of a new enterprise is wrong. It is, rather, an extension—and a long overdue and a modest extension—of an American enterprise of many years. Indeed the history of American involvement in the promotion of democracy goes back to those years at the end of the 19th century when, indeed, we did look upon the world as moving soon or late to our institutions and set out to teach and engage the world with respect to them.

Now, this did not spring from arrogance or ethnocentric assumptions. This is what the world itself proclaimed it wished to be.

May I note, moreover, going back a bit further, that one of the first institutions we created in this country, one of the first institutions democracy created, was the political party. Some of us, having been taught a bit of the history of European countries, will think of political parties as going back into the 17th century in those nations—Perhaps to the emergence of Whigs and Tories in England in the 1680's. Not so. Certain tendencies in government were identified as such—one became known, after a time, as a Whig or a Tory. The political party was created in the United States, as, subsequently, was the political platform. In my party, we have in recent days been drawing up the program of my party. Soon others will be drawing up the program of the party to which the Senator from Maryland belongs.

The oldest political party in the world is the Democratic Party in New York State. It was founded in the aftermath of a visit to New York by Thomas Jefferson, who met with Aaron Burr and went on a botanizing expedition up the Hudson River, out of which came the agreement to organize a party in support of what was called the Democratic Republican Party at the time and has had someone in office every year for two centuries.

Mr. MATHIAS. What kind of an expedition was that up the Hudson?

Mr. MOYNIHAN. A botanizing expedition.

Mr. MATHIAS. Ah, botanizing.

Mr. MOYNIHAN. They could not necessarily say they were on tavern tour. They said they were looking for exotic plants.

Mr. MATHIAS. It was an expedition for which Thomas Jefferson was admirably suited.

Mr. MOYNIHAN. He certainly was.

Mr. WEICKER. Will the distinguished Senator Yield? Is that why one reads on the label of the bottle "Made from imported botanicals"? [Laughter.]

Mr. MOYNIHAN. I see where the Senator has been of evenings late. [Laughter.]

I should like to suggest that political parties were embodiments of ideas. Indeed they began as such, but they also built structures. You have to give structure to an idea if it is to endure. a 2-century-old political party is something the world has never seen before, just as a 2-century-old democratic constitution is something the world has never seen before—but will 5 years from now.

Another thing that began to characterize American life—and de Tocqueville observed it—was the organization of private citizens for private purposes in pursuit of public aims.

The labor movement was the first such that we think of. The present day AFL-CIO observed its 100th anniversary 3 years ago. There can be not a dozen institutions—political or otherwise—in the world that can point to such continuity and stability of purpose and performance. It is worth noting the spirit that has guided the movement for this century and 2 years.

The Federation of Organized Trade and Labor Unions, predecessor to the AFL-CIO, was organized in 1881. From the first moment of this first enduring federation of unions, devotion to the enhancement of human rights and democratic liberties in other countries was at the center of its concerns.

The first convention adopted in 1881 called particular attention to what it considered to be the unjust imprisonment of:

> Hundreds of Ireland's honest spirits . . . in consequence of their heroic attempts to ameliorate the condition of her oppressed people.

That resolution, Mr. President, resolved to:

> Extend to these champions battling in the cause of human Liberty our hearty sympathy, and that we also extend to the oppressed of all nations struggling for liberty and right, the same encouragement and words of sympathy.

In 1910, Mr. President, the organization, now called the American Federation of labor, found in the administration of President Francisco Madero of Mexico hope for a progressive society in our neighboring country. They watched Gen. Victoriano Huerta engaged in trying to overthrow that government—which Huerta eventually did, murdering Mr. Madero in the process. The 1912 convention of the AFL went on record sending greetings to the Mexican people who, with Madero were: "Fighting to eliminate ancient wrongs and land tenure."

Some years later, Samuel Gompers, in his very last act as a leader of the American labor movement, was in Mexico meeting with the Mexican Federation of Labor to see if he could not bring our two nations together in this regard. He had a heart attack there. He asked to be carried across the Rio Grande that he might die on American soil. But his last act typically, even while much remained to do in America, was abroad.

In the same period, American business did likewise. Business organizations began very early in our history and organized at the end of the 19th century almost exactly as the labor unions did, and the Chamber of Commerce came into being. In 1919, at the Paris Peace Conference, labor and management joined together to create one of the most enduring of all the international institutions, the International Labor Organization.

It is not at all surprising that labor and business would join together again in 1983 to create the National Endowment for Democracy. It is in this sense parallel to the ILO, which consists of government, which has two votes in the national delegations, labor which has one, and business which has another

The United States was led to join the ILO when it did not join any other institution in the League. Why? Because there were people behind it, a labor movement and a business movement. Consequently, it endures and it retains a sense of constructive purpose which has evaporated in other, newer international bodies.

In this morning's New York Times, one notes a story with the headline: "Poland Is Criticized By An ILO Inquiry For Solidarity Curb." The Government of Poland has been formally found in violation of its solemn treaty obligations. By the General Assembly? By the Security Council? By the World Court? No. By the ILO? Yes.

That ought not surprise us. This is an institution that has stood for an idea—the idea of a free association of labor and free bargaining between labor and management. And it endures. It has been there since 1919, and it will be there when we are gone, because the ideas behind it endure.

I say to you, Mr. President, and to the Senator from Maryland, please think of the National Endowment as the beginning of a Government contribution, a very modest one, to an existing and ongoing effort that is almost a century old as it is. It does not surprise that this effort has become more formally affiliated with Government in recent years. This also is not unique to the endorsement. I was present in 1962 when the George Meany, in response to the request of President Kennedy, organized the American Institute for Free Labor Development as part of the Alliance for Progress. It was an effort by the labor movement to bring its skills to others who might need them, as well as to learn from others who could teach us. It too endures.

Many people may have wondered what those two American labor leaders who were murdered in San Salvador several years ago, Michael Hammer and Mark Pearlman were doing there. They were there working for the American Institute of Free Labor Development.

I recall a period when I was Ambassador to India. I would return to this country ever so often. I would try to see the Secretary of State. I would try to see the President. And sometimes I was successful. The one person I would see third, if not second or first, and who would always see me, was the head of the AFL-CIO; because he and

his organization wanted to know how democracy was doing in India and how the labor movement was doing in India, and they cared.

During a fairly decent spell in that country—I was more than 2 years in India, the largest democracy in the world—I saw three Members of the U.S. Congress. Two were Senators, one of whom is now distinguished chairman of the Committee on Foreign Relations; one a Member of the House on a farewell tour around the world.

There was also one other Senator who was there somewhat by accident. His plane was sent through New Delhi, where he did not wish to go, because his ticket had been paid for in rupees.

Not a month went by however, that some member of the labor movement did not come by to see what we were doing and what we should be doing about it.

What is proposed in the Endowment for Democracy is that we should encourage them to do more on this. The President of the United States proposed this in an address to the British Parliament 2 years ago.

A private institution was later established. The National Endowment is a private institution, and the U.S. Government proposes to give it some funding. It has begun slowly. It continues to go slowly.

If we think of what we are up against in the world in terms of organized efforts to discredit democracy, surely this is small enough an effort by our Government to make democracy's case—an effort to enable those who understand that case to make it for us.

Mr. President, I note that there are those who see that potential. But can anyone point to any serious difficulty in 60 years of involvement of the American Government with the International Labor Organization, bringing representatives and business and representatives of labor and government around the world to conferences, to meetings, to seminars? Has that not succeeded in some large measure? In Europe, after the war? In a number of countries of our own hemishpere? Surely, it has.

Have we not found, in the specialized agencies of the United Nations, useful activities for private individuals, when official government actions have at times been less than praiseworthy?

The quadripartite nature of the Endowment's structure reaffirms that the American democracy is both public and private, and characterizes our democracy just as truly as the simultaneous existence of government and political parties characterizes our democracy—and did virtually from the outset, as if it were natural.

One thing the authors of the Federalist warned against was factions, and the first thing those same men did was to organize them. Why? Because it turned out parties were inseparable from the notion that free people would organize themselves to advance ideas.

This is the very same free people, two centuries later, seeking an opportunity to advance its ideas in a world where those ideas are bitterly contested, systematically misrepresented, and terrifyingly overwhelmed in the councils of nations the world over.

Need I remind the Senate that there are as many democracies in the world today as there were in 1945, and scarcely an additional one, while the number of nations has trebled. There are perhaps 35 or so democratic nations on Earth. There has not been a truly significant addition to that list in a generation, though Argentina offers promise, while the list of nations that have fallen into totalitarian or dictatorial forms continues to grow.

Of the 100 or so new nations created in the world since 1945, at least 90 began as democracies, and yet not 10 remain as democracies.

Is that a message to us? Does that not suggest that we have to make a better argument or find out why we do not succeed?

We need not always agree, even among ourselves, to find agreement in support of the proposition that the effort to promote democracy ought to be broadly based.

This Senator, it may be useful to record, has a lifetime approval rating of 27 percent by the Chamber of Commerce, but it is sinking to 26 percent in the current returns. Even so, I would trust them, if they would agree to stay out of the State of New York, as well as the State of South Carolina, I would welcome their activities in support of free enterprise and free societies.

I leave with one thought. I ask Senators to consider this: There have been approximately 100 new states created since 1945. Of those, 90 States began as parliamentary democracies, with free elections, an independent judiciary, a neutral civil service, and universal elections. I find it difficult to think of more than 10 of those 90 that have not lapsed into tyrannies of one or another form.

If we cannot keep more than 15 percent of the newborn democracies alive, it is time for us to ask if we ought not try a few new approaches. If we are unconcerned, then I ask my colleagues, What is happening to our beliefs? What is the world thinking about our future if we think democracy not worth promoting?

Mr. President, I will not detain the Senate. The distinguished Senator from South Carolina is on his feet. I hope he will spare his friend from New York his well-known capacity for dismantling an argument. The one I have just made is one I hope might stand as at least one Senator's view for at least the balance of this debate.

Mr. HOLLINGS. Mr. President. I say to my distinguished colleague from New York that it would never be my intent to dismantle him. I have a difficult time trying to equal and come up to the high discourse that the Senator from New York always engages in. In fact, he is just about my favorite in this body to listen to because he has a tremendous sense of history, and I not only enjoy listening to him but also learn every time he speaks.

He mentioned 100 democracies, of which there are now 10. If the National Endowment for Democracy is the approach to be used in order to turn this wave back from, say, communism, socialism, or whatever, to democracies, we are lost. He knows that, and I know that.

I admire his stand and his profound knowledge of the ILO. He did not go into it. I do not know whether he heard the Senator from Utah. But I do remember hearing on the floor of the Senate that the distinguished Senator from New York had written his original thesis at Harvard on the International Labor Organization, back in the midthirties. The reason for that particular debate, which was held on the floor of the Senate, was that we were going to finally get back into the ILO.

You see it just was not all of this wonderful thing about they got together in the Paris Conference, and it endures, and what a wonderful institutional thing it is.

I sat there with George Meany, and he said, "Give them notice."

The Senator from Utah was talking about going to this meeting where they were deriding the Israelis.

They were deriding the Israelis, the United States, and everyone else. So that the No. 1 man of the AFL-CIO says, "Out. Cancel our dues."

That was a pretty traumatic situation.

We discussed it. We gave notice, and we did not pay for several years.

The Senator from Utah describes a very mild circumstance. We have had hard times disciplining the ILO. But do not let me in an enthusiasm that my friend calls dismantlement give a wrong impression of the AFL-CIO or Lane Kirkland.

We are in fantasyland today. We had the senior Senator from South Carolina favoring the Federal bureaucratic takeover of the cities and local governments. We have the champion of labor law reform who was fighting the AFL-CIO, pleading the AFL-CIO case. And now they relegated me to representing the Soviets in this particular amendment as a cosponsor with the distinguished Senator from Connecticut.

But as it is commented upon Lane Kirkland is a South Carolinian. We

are extremely proud of him. He is most responsible, most respected, and labor in the international game of spreading democracy has done an outstanding job.

I described early on how we should develop a middle class. In the development of that middle class we should foist upon those governments the right to organize and the right to strike, the right to have labor unions. That develops a middle class quicker than any other instrumentality.

What we have in these Latin countries is the rich and the poor and they are not receiving the proper fruits from their labor and, of course, they set the wage scale and that goes for Mexico, and you can go right on down the boot.

We need to develop a strong labor movement in Central America where they would have the fruits of their labor and organize unionism that would be their pawn that we would develop that middle class. Lane Kirkland and the AFL-CIO has been in the vanguard, certainly in the vanguard with Solidarity in Poland that we have supported there.

And let me say this, that is what we have been doing. The inference here now is that somehow we have found a wonderful new idea to develop democracy. We have been in the contest as we say of our counterpart the Soviet how to engage. We say the best way to engage democracy for the free world is to develop a web of relationships and if we can with the Soviets in cultural exchange, scientific exchange, trade exchange, and olympic exchange, and everywhere we can we have confidence in the preference of the human being for freedom and in that way we will finally prevail.

Similarly, as we go about the world today, we try to develop a web of relationships at every level and on every subject and specifically the Senator from Utah would impress the colleagues to the effect of somehow or other now if you cut this you will cut out that wonderful scenario that he had in Geneva in the ILO.

We are giving at this moment $31,393,000 to the International Labor Organization.

In fact, if you will refer to page 67, you will see not only a half billion dollars, $522 million in different organizations but turning to pages thereafter, we easily equal the Soviet effort. We have not been niggardly. We have not been puny. We have not disregarded opportunities.

We have the Food and Agriculture Organization, the International Atomic Energy Agency, the International Telecommunications Union, the United Nations, World Health Organization, World Intellectual Property Organization, World Meteorological Organization, and all the Inter-American organizations, the Pan American Health Organization, the Pan American Institute of Geography and History.

You go down those. I will not read them all. You have the Bureau of International Expositions, Customs Cooperation Council, GATT, The Hague Conference on Private International Law, the International Agency for Research on Cancer. We are putting in another $1 billion there.

We have the International Bureau of the Permanent Court of Arbitration, and go right on down to the International Center for the Study of the Preservation and Restoration of Cultural Property, the Interparliamentary Union, International Seed Testing Association, International Hydrographic Organization, International Natural Rubber Organization, International Institute for Unification of Private Law, and the International Office for Epizootics.

Did you get it? Epizootics.

I am having the staff look that thing up. It is something about animals there. I would probably put in an amendment to get rid of epizootics in Washington. I could run for reelection on that one down home. You know what they would think epizootics was—them fuzzy liberals up here—yeah.

But in any event, while we have a little fun as we go down this is a serious matter. We have joined the issue. We are spreading democracy. We have tried it, and you are not going to get it with the National Endowment for Democracy and all the visitations and trips and little conferences. That is not the way.

We must develop a middle class to do that. We need labor. If you put in some extra money for the ILO and the AFL on Solidarity you will have the vote of the Senator from South Carolina because they know and they are working and they are trying to get land reform, and they have lost lives.

So we do not belittle—I do not know what the chamber of commerce has actually done honestly on this particular score. I can send down for the history and you can see that they have not had a great effort in this particular area.

In developing that middle class we have the figure finally now of 12,400 from Central America going to the Soviets and only 528 to the United States of America.

The Senator from Utah says sell the United States abroad, that is the function of the USIA. But we have a different function for NED, and that is to sell democracy.

I cannot tell the difference. I do not think there should be a difference.

The distinguished Senator is not in the Chamber. I would ordinarily ask about that.

But we should include in the article, and I ask unanimous consent to have printed in the RECORD an article by James J. Kilpatrick, "Draining a Superfluous Slush Fund."

There being no objection, the article was ordered to be printed in the Record, as follows:

DRAINING A SUPERFLUOUS SLUSH FUND

(By James Kilpatrick)

WASHINGTON.—The House of Representatives struck a blow for both prudence and frugality last week. In an unexpected rebellion against both President Reagan and the House leadership, members voted 226 to 173 to kill the fledgling National Endowment for Democracy. It was a nice day's work.

If you haven't heard of the National Endowment for Democarcy, do not be embarrassed. Not many others have heard of it either. Let me bring you up to date.

Back in June of 1982, President Reagan was in London addressing the British Parliament. In my partisan view, the president has relatively few really bad ideas, but when he has a really bad idea it is a beaut. He proposed to Parliament that the Western world set up new mechanisms for combating communism in Third and Fourth World nations by actively promoting democracy.

The Western world, and more specifically the United States, already has a dozen such mechanisms at work. In the public sector we call these mechanisms the State Department, the U.S. Information Agency, the Commerce Department, the Peace Corps and the Central Intelligence Agency, among others. We have public and private cultural exchanges; we have international fellowships and scholarships. The Girl Scouts trade young ladies back and forth around the world. We have book fairs; we have international seminars; we send tourists by the millions wherever airplanes fly.

But the opportunity to set up a new and needless federal agency is never to be spurned. Reagan's well-intentioned remark of 1982 materialized in November of 1983 into the National Endowment for Democracy, with a slush fund of $18 million of the taxpayers' money to spread around. In April of 1984, the endowment's board agreed to split the first year's pie in this fashion: $11 million to organized labor, to be spent by the AFL-CIO's Free Trade Union Institute; $1.7 million to organized business, to be spent by the U.S. Chamber of Commerce's Center for International Private enterprise; $1.5 million to the Democratic Party and $1.5 million to the Republican Party, to be spent through their separate Institute for International Affairs; and $2.3 million for administration of the endowment's suite of offices on Northwest 15th Street in Washington.

The administration has asked for $31.5 million to fund the endowment in fiscal '85. Last week the item floated to the floor as an infinitesimal part of an omnibus appropriations bill. To the chagrin of the endowment's supporters, the item crashed headlong into a couple of icebergs—Richard Ottinger, a liberal Democrat from New York, and Hank Brown, a conservative Republican from Colorado.

Brown had come to the floor hoping only to fire a couple of shots over the endowment's bow. He wanted amendments to make the agency's grants subject to public disclosure under the Freedom of Information Act, and he had some other ideas about oversight. Ottinger was in no mood for temporizing. His purpose was to sink this pretty little boast before it got any farther out to

sea. Both gentlemen were incensed by reports that the Free Trade Union institute, using $20,000 in grant money, already had meddled in the Panamanian election.

After a spirited debate, Brown and Ottinger routed the agency's defenders altogether. I wish I could predict that the action will stick, but the Republican-controlled Senate is likely to be more solicitous toward President Reagan's baby. By the time the bill emerges from conference, most of the money will have been restored, and a few window-dressing amendments will have been added.

Well, Ottinger and Brown are right on this one. It is a bad business in every way to turn over tax funds to private entities to spend within the vague bounds of a "project application." In a draft report on this outfit, the General Accounting Office already is voicing reservations about the mischief that could be caused abroad by the partisan political activities of the grantees.

The table of operations for this endowment parallels the maddening shell game played by the Corporation for Public Broadcasting, which provides grants for TV documentaries and then piously washes it hands of further responsibility. In public broadcasting, nobody is really accountable to anybody for anything. So it is with grants to promote democracy. What are nice boys like my brothers of the U.S. Chamber doing in a joint like this?

Mr. HOLLINGS. Mr. President, as far as the chamber of commerce, I think if there is one champion of the chamber, it would be Jack Kilpatrick, and he ends the article up and says:

What are nice boys like my brothers of the U.S. Chamber doing in a joint like this?

Mr. MOYNIHAN. Mr. President, will the Senator yield for a quick observation and information?

Mr. HOLLINGS. I yield.

Mr. MOYNIHAN. As far as the International Office for Epizootics, the term "epizootics"—I looked it up—concerns disease in animals and is the equivalent to epidemics in man.

I would bet the Senator that $36,000 would get a pretty good vote from the Texas representatives in this body because, if I understand it, one of the principal concerns of epizootics is hoof and mouth disease and the spread thereof. One can lose a big spread in west Texas by epizootics.

Mr. HOLLINGS. Well, it spreads here on the floor of the U.S. Senate. Maybe I need treatment.

Mr. President, I can tell you here and now that we have to be awfully careful. We just cannot submit, and the Senator from Connecticut is right on target, he is doing this body a tremendous service—we have the lowest credibility in the Lord's world out there. The mayors are freezing their budgets. The Governors—38 of them—have frozen their spending, including Democratic Governors Blanchard of Michigan, Celeste in Ohio, Cuomo in New York. They raised revenues to try to provide needed services.

They are dead serious. They do not print money. They have balanced budgets.

Here we are willy-nilly down the line on a $200 billion binge with no idea of paying for it putting in a charade and calling it deficit reduction and cutting meaningful programs and turning instead to launch a multimillion dollar financing of the political parties and the AFL-CIO and the chamber of commerce overseas.

We have the Asian Foundation. I can go into all of the ones that we work with very, very closely.

Doing away with the NED would be a good step in the right direction not just for economy but for the way we sell democracy.

They are all hanging their hats on the labor movement, and they should, because they have credibility. They have moved overseas and should continue to move and we want to support that, as we have in this particular budget.

But let us not break ranks here with a slush fund, as characterized by Jack Kilpatrick. Let us show some awareness of what we are doing here and support the Senior Senator from Connecticut in the amendment.

Mr. DURENBERGER. Mr. President, I support the efforts to restore the full $31.3 million appropriation for the National Endowment for Democracy. In my view, the decision of the House of Representatives to cut funding for the NED was ill-considered and harmful to the interests of democracy throughout the world.

All too often, we in the United States fail to realize how uncommon democracy is in the world. We ignore the simple fact that democracy is continually being challenged and threatened by dictatorships of the left and of the right. I think that few writers have analyzed this threat to democracy more impressively and more strikingly than Jean-Francois Revel in this month's issue of Commentary. In this article, he writes:

Not only do the democracies today blame themselves for sins they have not committed, they have formed the habit of judging themselves by ideals so inaccessible that the defendants are automatically guilty. Clearly, a civilization that feels guilty for everything it is and does and thinks will lack the energy and conviction to defend itself when its existence is threatened, Drilling the idea into a civilization that it deserves defending only if it can incarnate absolute justice is tantamount to urging that it let itself die or be enslaved.

At times, I think that many of us in the democratic nations forget that the struggle between the democracies and the dictatorships is not one of guns, or of planes, or of ships—but that, ultimately, it is a conflict of ideas, The Heritage Dictionary defines democracy in three ways: first, as government by the people, exercised either directly or through elected representatives; second, as a political or social unit based upon this form of rule; and, third, as a social condition of equality and respect for the individual within the community. These definitions are accurate enough, but I don't think that they really convey the freedom and the vitality that are characteristic of democratic societies. To me, democracy is embodied in the many freedoms which are guaranteed by our Constitution: Those of assembly, of speech, of the press, of religion—just to name a few. But with these freedoms come responsibilities which we, as citizens of a free society, have not always fulfilled. One of these responsibilities should be to encourage the growth of democracy. Adherents of democracy are constantly challenged by well-funded, well-organized efforts which are systematically supported by the many opponents of democracy. In my view, those who advocate totalitarian ideas must be challenged by concerted action on the part of the democratic nations. Today, we are faced with a stark choice: We can aid democratic institutions and groups through a private, publicly funded organization such as the National Endowment for Democracy, or we can follow the House's lead and do nothing at all.

When I reviewed the House debate on this matter, I could see that the opposition of a number of the members was based on some fallacious assumptions about the NED concept. I'm convinced that the House vote was a mistake. A few quotes from the House debate are instructive. Representative MILLER of California stated:

I suspect there are other organizations in the United States or overseas or elsewhere that could use this $31 million, and if these people really have the best interests of democracy, of promoting the United States of America, promoting our way of life, our diversity, our controversy, then they ought to take it upon themselves as good citizens, not because the federal government gave them the money to do it . . . I say let us just see how it goes Let us see how interested they are in doing it. They can do it. They are free to do it. They have been doing it for years.

And from Representative OTTINGER of New York:

But there is no accountability of how those groups are going to use this money. It is public money. If it is used improperly, as indeed it apparently was in Panama to influence an election, there is no way to control against the improper use of that money.

These are fine arguments, but they happen to be wrong. As Representative MILLER points out, any number of organizations would be more than glad to have an additional $31 million. I'm sure the same would hold true for every one of the 535 Members of Congress. However, I think that Representative MILLER may believe that encouraging the growth of democracy is some sort of passive exercise. Perhaps he feels that business as usual is preferable to making the effort of promoting such concepts of democracy as free

trade unions, an independent judiciary, a free press, and so on.

Representative OTTINGER claims that the NED is not accountable to any public officials. However, the NED and its primary grantees will be audited annually by independent certified public accountants and that the results of these audits will be included in the annual report the NED will submit to Congress. Moreover, all of the accounts of the NED and its primary grantees are by law subject to audit by the General Accounting Office each fiscal year. The NED's Board of Directors, which is composed of prominent members of our Government, business, labor, and the media, have recently passed a resolution to ensure the NED's accountability to the public. The following information on the NED will therefore be made available to the public: All proposals approved by the NED Board; all grant agreements between the NED and its grantees; all reports on program implementation; all minutes of directors' meetings; all NED reports to Congress; and all audit results. I believe that the NED is prepared to be fully accountable to both the Congress and to the American people.

Mr. OTTINGER also raised the issue of the NED's participation in the recent election in Panama. While the involvement of the Free Trade Union institute on the behalf of one of the major Panamanian parties was regrettable, I am also convinced that there will be no such interference in the internal affairs of sovereign countries by the NED in the future. On June 8, the NED Board unanimously adopted a resolution which restricts all NED grants in the following way: "No funds provided hereunder shall be used to finance the campaigns of candidates for public office." Due to this guarantee, I feel that the NED fully intends to respect the sovereign rights of the countries which it may assist.

The NED has received criticism on several other issues. I believe that most of this criticism is unjustified. Some have attacked its efforts as being duplicative of those of the U.S. Information Agency. As stated in the Endowment Act, the NED's primary purpose is "to encourage free and democratic institutions throughout the world." USIA, by contrast, carries a congressional mandate to inform other nations about the United States and provides a distinctly American viewpoint on world events and cultures. As a private, nongovernmental agency, the NED has the flexibility that a U.S. Government agency does not have. There are many constructive organizations, foreign and domestic, which are prepared to accept funds from a private agency like the NED, but are not prepared or willing to accept official U.S. Government funding.

Others have criticized the inclusion of political party institutes in the framework of the NED. These institutes, which have been established by the Republican and Democratic Parties, could, in my view, be an important part of the effort to promote democracy and democratic institutions abroad. This is not a revolutionary idea nor would it constitute interference in the affairs of sovereign states. Ample precedents can be found for this idea—both the Socialist International and Christian Democrats International provide political advice and assistance to their affiliates throughout the world. Many American political consultants have advised political candidates since the late 1950's in countries as diverse as Venezuela, Great Britain, and Japan. Any assistance program to promote democracy abroad must strengthen democratic political parties. I believe that the political party institutes are the proper mechanism to accomplish this objective.

In closing, I think that it would be appropriate to see a bit of the range of opinion which supports the NED concept. We need only to look at the June 24 issues of the New York Times and the Washington Post to recognize the NED's broad base of support. In these papers, we find the conservative columnist George Will saying many of the same positive things about the NED that Albert Shanker, the president of the American Federation of Teachers is. And support for the NED does not come solely from Americans. The Inter-American Dialogue is composed of political, business, religious, and cultural leaders from countries throughout the Western Hemisphere. In their newly released report, these leaders have voiced their qualified support for the NED:

We note the establishment of the new National Endowment for Democracy, a private foundation for support of democracy financed by the U.S. Government. The increased interchange that the endowment could facilitate among business, labor, political, and civic leaders of different countries might strengthen their sense of democratic solidarity; it would also increase their appreciation for the distinct forms that democracy takes in different countries. We are concerned, however, that the Endowment avoid interfering, or even appearing to intervene, in sensitive political affairs within any country. If the Endowment is to be broadly accepted and effective, it must support the full fabric of democracy rather than any particular ideology or partisan strand.

In recent weeks, Senator HATCH, AFL-CIO President Lane Kirkland, Representative DANTE FASCELL, and other members of the NED Board of Directors have done much to allay the concerns that were raised in the House debate on the NED. I would therefore urge strong support of Senator HATCH's effort to restore the full $31.3 million appropriation for the NED. Mr. President, I also ask that the articles by George Will and Albert Shanker be printed in the RECORD as well as the chapter on "Progress Toward Democracy" from the Report of the Inter-American Dialogue.

The material follows:

[From the Washington Post, June 24, 1984]

IT'S NOT AN "ENDOWMENT FOR MISCHIEF"

(By George F. Will)

Perhaps certain congresspersons hold the truth in such high regard that they do not want it promiscuously displayed. Perhaps. But the attempt to kill in the cradle the National Endowment for Democracy looks like yet another instance of moral posing at the expense of a moral undertaking.

Some conservatives, eager to combine ostentation and frugality, want to be seen saving $31 million (a sum spent every two and a half hours on interest on the national debt). Some liberals, eager for heroism without risk or exertion, want to slay this butterfly on the pretext that it is a cleverly disguised dragon. They say NED will be an instrument for U.S. "intervention" in the internal affairs of despotism, and we all know that would be wrong. Don't we?

You might think that persons who are strenuously opposed to the use of force to advance U.S. interests, as with aid to Nicaraguan freedom fighters, and who condemn U.S. collaboration with autocrats, such as Marcos of the Philippines, would welcome NED. It is, after all, an act of creative plagiarism: the Reagan administration took the idea from two liberal Democratic congressmen, Dante Fascell of Florida and Don Fraser, now mayor of Minneapolis.

But a lot of latent hostility to the idea was brought down, like summer lightning, by reports that the AFL-CIO—this nation's most diligent private force for freedom—spent $20,000 of NED money on behalf of the moderate who won Panama's presidential election. Such assistance to friendly persons in elections may be problematic; certainly it will not be a part of NED's future agenda. NED's board has now forbidden the use of funds to finance campaigns of candidates for public office.

With federal and corporate funding, NED can do such things as: aid political prisoners and their families in places like Poland; assist harassed and fragile embodiments of democratic values, such as the "flying universities" (maintained by dissident intellectuals) in Poland; assist the organization of Cuba Committees in Europe, where there are many Cuban democrats in exile; support a magazine run by and for the thousands of Chinese students studying abroad, a magazine devoted to discussion of peaceful liberalization of China; send to places like South Africa and Chile law students skilled at litigation on behalf of human rights; assist the Democratic and Republican parties in sharing the skills of democracy. (Democracy is, after all, a learning art—with parties trying to take root in the stony soil of less fortunate countries.)

Now, what is there about such activities that causes a congressman—a conservative Republican—to describe NED as an "endowment for mischief"? If the U.S. government is to be forbidden, in the name of moral fastidiousness, from lending aid and comfort to freedom's brave and isolated friends, the U.S. policy amounts to unilateral moral disarmanent.

The effectiveness of some things NED may do would be reduced by publicity. One advantage of its independent status is that

it would not come under the Freedom of Information Act. This displeases those legislators who are eager to please those journalists who think that if Aristotle had been a clear thinker he would have said that the great goal of government is not justice but happy journalists.

NED has brought about another outburst of philistine moralizing of the "Grenada-was-as-bad-as-Afghanistan" sort. The anti-NED argument is: we would disapprove of foreign interventions in our democracy, therefore...

Therefore nothing. The moral status of an action is conditioned by the actor's intentions and results. We are a good nation interested in nurturing good things in nations afflicted with bad regimes. Besides, we tolerate all sorts of foreign attempts to shape opinion in our open society.

But in Washington in the sleepy summer season, occasions for indignation are distressingly scarce. Hence they are valued almost as much as air conditioning, the other necessary comfort. Many opponents have used NED's little appropriation as an excuse for preemptive indignation about imaginable violations of the ever-stricter rules of political hygiene that are binding only on the United States.

There is a moral failing that theologians call "scrupulosity." It involves seeing moral fault where there is none, or fanatically seeking perfect purity when that is not desirable or even possible. The assault on NED is, in part, another excuse of scrupulosity regarding foreign policy.

Congress, it sometimes seems, would like a foreign policy conducted by Emily Post with the Warren Court squinting over her shoulder lest there be any violation of procedural niceties. NED is not perfect. The controversy about it illustrates how pursuit of the perfect injures the good.

[From the New York Times, June 24, 1984]

SENATE MUST RESCUE FLEDGLING ENDOWMENT—WHY NOT NURTURE DEMOCRACY ABROAD?

(By Albert Shanker, President, American Federation of Teachers)

During the last few weeks I've learned how hard it is for a democratic country like ours to do things and to do them right. Only a few months ago the Congress passed and the President signed a law which funded a private nonprofit corporation called the National Endowment for Democracy (NED). Now NED is fighting for its funding . . . and its life.

The basic reasons for NED are clear. For decades there has been a struggle between the U.S.S.R. and its bloc on one side and the U.S.A., Western Europe and their friends on the other. The struggle is not basically over which flag will fly over more territory, but over the question of how many people will have the right to enjoy the benefits of democracy. A look at the changes which have taken place in the world over the last four decades does not give an optimistic picture. It's true that wherever people are free to vote and choose their own form of government, they never choose the Soviet model. But nevertheless that model expands because it can use armed force without fear of internal criticism. It can spread money to its agents and sympathizers in other countries without worrying about press leaks or internal political dissension over who is getting the money or whether the projects are worthwhile. In any struggle, if one side is doing something while the other is doing little or nothing, the outcome is clear.

We in the United States do have something to promote and sell, something to offer in competition. Why not actively promote the idea of democracy? And why not continue to do it through government agencies like A.I.D. and U.S.I.A.—but add to them the strength of those free institutions which exist in our society and not in the Soviet Union's . . . or for that matter, in dictatorships of the right? Institutions whose very existence shows the difference between our system and theirs—free trade unions, private business enterprise, independent political parties. Why not give a small amount of money ($31 million out of our annual budget of about $900 billion)? Each of these groups would not be using the money to do what the United States Government asks them to do. Rather, the government would provide money to these groups for activities each of them wants to do to help indigenous democratic institutions, at their request. The AFL-CIO would help strengthen free labor unions in other countries. The United States Chamber of Commerce would strengthen business groups abroad and promote the philosophy of free enterprise, while the Republican and Democratic Parties would help strengthen their democratic counterparts around the world, again at the request of these existing foreign organizations.

The idea had strong support across the political spectrum: President Reagan, AFL-CIO President Lane Kirkland, party chairmen Frank Fahrenkopf of the Republicans and Charles Manatt of the Democrats, Senators Christopher Dodd, Pat Moynihan and Orrin Hatch, Representatives Dante Fascell and Jack Kemp, among many others. The National Endowment for Democracy was born, and I was one of the 15 members named to be on its Board of Directors.

But on May 31, with NED only a few months old, the House voted to cut off all of its funds for next year. And now the only hope is that the Senate will continue to support NED. Why the turnaround? Well, some in Congress don't seem to mind having the United States do nothing while the Soviet Union scores gains. Others don't like the idea of our political parties being "tainted" by government money. But most are just afraid that when one or another of the parties in NED occasionally makes a mistake in how the money is spent—and occasional mistakes will certainly be made—their election opponents will hit them hard for voting for NED.

We can either do something to promote democracy around the world or decide to do nothing. If we decide to do something, we can do it exclusively through government agencies or we can also do it through private and free democratic institutions. (Of course, if we limit our efforts to government agencies, there will be many groups and institutions in other countries which either cannot or will not accept help from a foreign government.)

There is no doubt that our promotion of democracy around the world will be more effective if conducted openly by a private, nongovernmental group of Americans. The idea is good. It's worth trying. It may or may not work. But those ready to kill NED before it has had enough time to develop a track record either don't give a damn about promoting democracy—or are overly worried about demagogic attacks by political opponents. A bit of courage is called for.

THE AMERICAS IN 1984: A YEAR FOR DECISIONS

(Report of the Inter-American Dialogue)

CHAPTER THREE: PROGRESS TOWARD DEMOCRACY

All participants in the Dialogue share a deep commitment to democracy—to the progressive achievement of social justice in a context of political freedom, broad participation, regular and free elections, and constitutional guarantees.

Democratic governments take different forms in different countries. Some are more effective than others at discharging their responsibilities. Democracy is never a panacea. Whatever their exact form, however, democratic governments are the best guarantors of fundamental human rights and civil liberties. They are also more likely than authoritarian regimes to enact equitable social and economic reforms that last. Broadly based and sustained commitments to social justice are crucial to reducing the political tensions within all countries of the Hemisphere. In countries torn by civil strife, these commitments are required for national reconciliation, durable peace, and true security. Democracy is basic to the well-being of the Hemisphere.

In last year's report, we called attention to the return to democracy underway in much of the Hemisphere. Although we were heartened by what we believed was a trend toward democracy, we recognized the difficulty of sustaining and expanding fragile political openings. A year later, we are still encouraged, but we are even more conscious of the obstacles. The deepening conflicts in Central America inhibit meaningful progress toward democracy there. The economic crisis throughout the Hemisphere threatens the stability of all governments, authoritarian and democratic alike. In this difficult context, the continuing expansion of democratic rule in South America is all the more impressive.

Although the sources of democracy are internal to each country, the prospects for its emergence and growth are affected by international developments. We want to set forth some recommendations for creating conditions more favorable to democracy throughout the Hemisphere. Because Chapter 2 of the report is devoted to Central America, this chapter concentrates on South America. We believe, however, that most of our recommendations would apply to all of Latin America and the Caribbean.

RECENT PROGRESS TOWARD DEMOCRACY

During most of the 1970s, authoritarian rule prevailed in every country of South America except Colombia and Venezuela. Even in Uruguay and Chile, where the tradition of continuous democratic government had been longest, the crises of the early 1970s led to military dictatorships. The authoritarian regimes promised to restore national unity, institutional order, economic development, and eventually to return to democracy. Some regimes seemed successful for a while, but all have failed on most of these fronts in recent years. Now, one by one, they are being compelled to accelerate the return to democracy.

No country in South America has changed from democratic to authoritarian rule in the 1980s. Venezuela has strengthened its democracy, which it has now enjoyed for thirty years. Its recent presidential elections brought another peaceful change of administration. despite the challenges of a guerrilla movement. Colombia has also demonstrated the resilience of its democratic insti-

tutions. It elected a new president last year who offered amnesty to those guerrillas who would lay down their arms.

Over the last several years, three other Andean countries—Ecuador, Peru, and Bolivia—have regained democratic rule. In each case a demoralized military regime gave way to an elected government, but the new governments have been buffeted by economic recession and the region-wide debt crisis. Prices of exports have fallen, costs of essential imports have risen, and unemployment is at record levels. Over the past year, floods and droughts have devasted much of the three countries' agriculture. Moreover, the Belaunde government in Peru has had to respond to the Sendero Luminoso, an increasingly bold terrorist movement. In the face of these difficulties, all three countries have so far been able to sustain their democracies.

Democracy in the Andean region is reinforced by the progress in Argentina and Brazil over the past year and by the democratic stirrings elsewhere in the Southern Cone. In November, Argentina elected a civilian government after eight years of military rule. We do not underestimate the difficulties confonting Argentine President Raul Alfonsin. Argentina has endured the traumas of a brutal internal conflict and defeat in the South Atlantic. Its economy is badly damaged, and its debt is staggering. Nevertheless, for all of the difficulties, the new political climate in Argentina is testimony to the powerful public sentiment supporting democracy. In a country where little seemed possible a few months ago, the return to democracy has restored hope for political reconciliation and civic decency.

What happens in Brazil over the next year may be critical to sustaining the momentum for democracy throught South America. In November, 1982, congressional and state elections in Brazil demonstrated the military's commitment to a measured political opening. Opposition governors now serve in the most powerful Brazilain states. A presidential election, conducted by a government-controlled electoral college, is scheduled for January, 1985. But after twenty years of military rule, in the midst of a calamitous economic situation. Brazilians are increasingly impatient for the election of a president by direct popular vote and for the full return to democracy.

Events in Brazil and Argentina have heartened democratic forces in neighboring Uruguay and Chile, where pressures are mounting for return to civilian rule. In Uruguay, the military government has announced a limited political liberalization. Demands have been rising to open the presidential elections, planned for November, 1984, to the full political spectrum. In Chile, the Pinochet regime has so far refused to consider elections before 1989, but popular pressures for an early political opening have increased.

Even Paraguay is not impervious to the democratic trend in South America. Its authorization regime would be severely tested if democratic governments emerged in all neighboring countries.

IN SUPPORT OF DEMOCRACY

There is a renewed conviction throughout the Hemisphere of the necessity for greater popular participation in politics. Americans—North and South—have long expressed their highest political aspirations in democratic terms. Even authoritarian governments, upon seizing power, typically promise eventual elections and justify their repression as preparation for the return to democracy. Such proclamations may seem cynical. They are, nonetheless, a recognition that democratic ideals are the prevailing norms in this Hemisphere. Dictatorships may be rationalized and abided temporarily, but support for them is inherently unstable. Regimes that cannot claim to rule with the consent of the governed lose their legitimacy.

Public acceptance of authoritarian rule has also declined sharply over recent years because military governments have so often failed to accomplish their stated goals. Despite their promises of economic growth and stability, and their success for a while, military regimes have been associated with the worst economic crisis in fifty years. Despite promises to restore national unity, they have pursued inequitable policies widening the division between rich and poor. They have sought to impose political order on their countries through repression and human rights violations. The result has been political division and social unrest. Most military regimes have been less successful than democratic governments in pursuit of their goals. And the cost of their efforts—in terms of social inequities and human rights violations—has been higher.

Against this record of authoritarian regimes, the arguments for democratic rule are compelling. Citizens have the right to be ruled democratically; democracy is a fundamental political and civil right. We also believe that democratic governments are more likely than authoritarian regimes to achieve other desired social goals. Democratic rule is the surest way to protect basic human rights, including freedom from arbitrary arrest, torture, murder, or "disappearance." Authoritarian regimes can pledge themselves to respect human rights and civil liberties; but in the absence of a free press, free trade unions, an independent judiciary, and other institutional arrangements for due process, individual citizens have no protection against arbitrary actions by the state.

Although poverty and inequality breed social unrest in all nations, revolutionary violence and a totalitarian outcome are far more likely to occur where free political participation and peaceful social reform are blocked. Democracy does not guarantee either equity or growth. It does, however, offer more promise of political reconciliation and of effective social and economic reform than do authoritarian regimes. Democracy provides greater economic opportunity for the individual and more equitable distribution of income. Without progress toward social and economic democracy, the stability of democratic government is uncertain. Political legitimacy requires both broad, popular participation in the election of democratic governments and effective action by those governments in meeting the basic needs of their peoples.

Progress toward democracy within individual countries and throughout South America is mutually reinforcing. By acting cooperatively, democratic governments can help to create an international climate more favorable to democracy in their own countries and to democratic transitions in nations under authoritarian rule. The return to democracy in most of South America also encourages the revival of the inter-American system through such shared values as respect for the rule of law, tolerance for political and ideological diversity, and belief in the sanctity of basic human rights.

DIFFICULTIES FOR DEMOCRACY

This is not the first time that South America has seemed on the verge of a democratic era. At the beginning of the 1960s, elected civilian governments emerged in most of the continent. That so many were shortlived underscores why it is important to do whatever is possible to strengthen the prospects for democracy now.

Historically, the greatest obstacle to democracy in South America has been the weakness of political, governmental, and civic institutions. Part of the explanation for the weakness of these institutions is the gulf between the poor majority and the rich that divides most South American countries. Extremes of wealth and poverty encourage political and ideological extremes. Even nations such as Chile and Uruguay, with strong democratic institutions and relatively high living standards, proved vulnerable in the early 1970s to extremists who rejected compromise and reform.

But the fragility of democracy in South America is not only the product of weak civilian institutions. It is also the result of military interventions that have thwarted the expressed will of electoral majorities. In much of South America, military establishments have regarded themselves as the guarantors of national order, reserving the right to intervene in politics when it becomes unduly chaotic or divisive. By disrupting constitutional procedures, albeit with the backing of an important segment of the middle class, military interventions have undermined civilian institutions and democratic processes.

During periods of military rule, the suppression of democratic institutions and civil liberties diminishes opportunities for citizens to participate in civic affairs and to gain political experience. When democracies are restored, they must not only rebuild civic, political, and governmental institutions but also train new political leaders.

Democracy faces special challenges at this juncture in South America. The failure of military regimes has been due in part to their inability to manage their economic crises fairly and effectively. Unless the new democratic governments gain broad support for their policies, which will require sacrifices from all citizens, they may once again open the way to the cycle of polarization, institutional breakdown, military intervention, and authoritarian rule. It will take enormous discipline on the part of governments, opposition politicians, businesses, trade unions, and everyday citizens to pursue the austerity measures necessary for paying debt obligations and stemming inflation. Heightened social instability, as indicated by the recent riots in Brazil and the Dominican Republic and strikes in Peru and Argentina, is a serious concern in Latin American and Caribbean countries facing economic crisis on an unprecedented scale.

The collapse of military authority in many countries is also due to the corruption of power and the violation of human rights and civil liberties. Democratic governments must show that they can maintain order, unity, and legality and that they will use power with both authority and restraint. To bring their nations back together, the new governments will have to restrain pressures for retribution against officials of the former regime. They will also have to incorporate into the political system members of the left and right who are prepared to abide by constitutional procedures. If democracy

is to succeed, it must be founded on reconciliation.

The possibility of left-of-center reformist governments in some new democracies, combined with the near certainty of social unrest, will undoubtedly cause concern in the United States. If the conflict in Central America continues to escalate, some in the United States will be tempted to press an East-West view of the world on South American democracies seeking to pursue their national interests in their own ways. It would be tragic if the United States, out of concern over Soviet penetration in the Hemisphere, were to embark on another cycle of covert operations and destabilization policies. The United States would again be in the position of appearing to favor dictatorships over democracies. It would end up exacerbating the divisions within Latin American societies, encouraging ideological extremes, and weakening the underpinnings of inter-American relations. The United States and the South American democracies must understand their common long-term interest in seeking accommodation on specific issues and in protecting democracy in all its forms.

RECOMMENDATIONS FOR SUPPORTING DEMOCRACY

The success of the efforts to achieve democracy in the Southern Cone and Brazil and to reinforce it elsewhere in South America is crucial to the well-being of the Hemisphere. Despite their difficulties and imperfections, democratic governments are always preferable to authoritarian regimes. The continuing economic crisis in the region and the attendant social unrest add to our sense of urgency. We know that democracy requires sustained commitment over the long term. It is vital, however, to strengthen the democratic momentum already underway. Over the last two decades. South Americans have experienced the social costs of political polarization and authoritarianism; they now seek a return to the observance of human rights and civil liberties. To support democracy today in the region is to support self-determination and popular participation, together with political moderation, compromise, and reconciliation.

We remain skeptical about the capacity of governments, particularly their foreign policy agencies, to foster democracy by direct, politically-oriented assistance to other countries. Outside efforts to promote democracy easily become entangled with sensitive internal issues and may thereby be viewed as unilateral intervention. Other governments, especially those of larger and more powerful countries, can damage the prospects for democracy even when they mean well.

By its very nature, democracy must be achieved by each nation largely on its own. It is an internal process rooted within each country—in its history, institutions, and values; in the balance of its social and economic forces; and in the courage, commitment, and skill of its political leaders. As we stated last year, democracy is not an export commodity. It can and should be nurtured from abroad, but it cannot be transplanted from foreign countries.

We make ten recommendations for improving the prospects for democracy in the Americas, In a few instances, our recommendations call for positive action; in most, they call primarily for restraint.

1. Unilateral intervention in the internal affairs of other nations is antithetical to democracy. It contravenes international treaties and norms that are vital to the long-term peace and security of all nations in the Hemisphere.

Intervention violates the right of self-determination which is the underpinning of every democracy. In denying nations their right and responsibility to govern themselves, it provokes reactions of dependence or of defiance, each ultimately destructive of domestic and international relations. Moreover, in violating international treaties, intervention undermines respect for the rule of law. We call upon governments to refrain from activities, covert or open, which undermine the political autonomy or integrity of any other country. The principle of non-intervention must be respected throughout the Hemisphere. A revived inter-American system should monitor compliance with this principle.

2. The advancement of democracy in the Hemisphere should be a basic objective of all democratic countries, including the United States. Supporting democratic government as a tactic for some other end—such as combatting communism or promoting free enterprise—weakens democracy and discourages democratic leaders. For external support to be effective, it must be consistent and unwavering. A credible U.S. commitment requires patience, tolerance, and restraint, even when particular democratic governments and their policies are not to its liking. Over the long term, the United States and other governments should convey support not for particular political outcomes but for the democratic process itself. The same commitment is required of political leaders and ordinary citizens within each democracy. They, most of all, must be willing to stand by democratic rules and procedures despite disappointments and setbacks.

3. Foreign support for democracy is best accomplished within a multilateral or regional framework. The efforts of large countries acting alone, no matter how well-intentioned, may be construed as self-interested attempts to interfere in the internal affairs of weaker nations. On the other hand, cooperative measures by the region's democracies are more likely to be perceived as disinterested and legitimate.

4. The management of the debt crisis by South American governments, multilateral institutions, the U.S. Government, and the banking community greatly affects not only economic but also social and political stability in the Hemisphere. If governments are forced to embrace austerity programs in which the balance of payments and debt servicing take absolute priority, the resulting economic conditions may provoke social unrest and political disorder that would lead to default. Thus, in some cases, it is in the interest of everyone to reduce the burden of debt payments and to extend them over time.

Most of us believe that democratic governments, by virtue of their ability to seek compromise and consensus, are better equipped than military regimes to devise stable economic programs and to distribute the losses in real income equitably. Others of us are uncertain. Nevertheless, as stated in Chapter 1, we all believe that the prospects for the new democracies depend to a great extent on the financial leeway they are granted by the IMF and their creditors. Nothing could contribute more in the short term to improving the prospects of these governments than alleviating their current financial crisis and permitting them to focus on economic growth and equity.

Over the long-term, such development agencies as the World Bank, the Inter-American Development Bank, the U.S. Agency for International Development, and the South American governments themselves should increase their commitment to reduce poverty, improve income distribution, and create new jobs. Poverty-focused programs for basic education, primary health care, low-cost housing, small farmers, and small enterprises can yield high economic returns and strengthen the social underpinnings of democracy. We believe that the multilateral and bilateral development agencies should show preference for such programs in democratic settings, where their assistance will have the most beneficial effect.

5. The balance between civil and military authority in most Latin American democracies is likely to remain precarious. Relations between civilian governments and military officers recently returned to their barracks are extremely sensitive. Foreign governments should not allow their relations with the armed forces in another country to undermine that country's civilian authority. The United States and other foreign powers should be especially sensitive to this injunction in undertaking programs of military assistance and training. We also believe that arms control and disarmament measures should be pursued individually by each civilian government and jointly by the region's democracies. Such measures would not only reduce tensions between nations but also free resources for social and economic programs. To the extent that a revived inter-American system settles outstanding border disputes in keeping with our recommendations in Chapter 4, the rationale for reducing the size of armed forces will be enhanced.

6. Regular and free elections are essential to democracy. We recommend that a regional organization of democratic governments make available technical assistance in preparing elections and in verifying their fairness when such aid is requested. Outsiders, however, cannot guarantee fair elections. The best assurance of meaningful elections in a transition from authoritarian to democratic government is the prior establishment of the rule of law and negotiations among political opponents over specific electoral rules and procedures. Elections that are rigged or manipulated, whether by stuffing ballot boxes, intimidating candidates, preventing assemblies, or censoring mass media, encourage cynicism. Support by foreign governments for unfair elections undermines the idea of democracy and reinforces the view that political change must result from bullets rather than ballots.

7. Governments affect the international climate for democracy by the tone and quality of their diplomatic relations. We believe that diplomatic relations should be regulated by a presumption in favor of democracy. Relations between democracies should be warm and supportive. Their relations with authoritarian and totalitarian regimes should be more distant. We question the utility of ostracizing any country from the inter-American community. But regimes that practice repression should not be given foreign assistance. Democratic governments should pursue a policy of material and symbolic support—in bilateral relations and multilateral institutions—for other countries striving to achieve or to maintain their democracies.

8. The protection of human rights and the advancement of democracy are mutually reinforcing. We reaffirm our opposition to economic or military assistance to govern-

ments that systematically engage in violations of basic human rights. We recommend that democratic governments strengthen the integrity and professionalism of their judicial and law-enforcement systems and place them under independent civilian control. We regard the free flow of information as a vital safeguard against governmental excesses and caution against the damaging effects of government control over print or electronic media.

Regional or multilateral action to protect human rights is not intervention but an international obligation. We affirm our earlier recommendations for strengthening the Inter-American Commission on Human Rights. We strongly support those private organizations in the Hemisphere dedicated to monitoring and protecting human rights without partisan or ideological favor. Their vigilance and courage continue to make a civilizing mark on the societies of the Hemisphere.

9. Freely elected governments do not by themselves make democratic societies. They must be underpinned by economic, social, and civic institutions that express and mediate people's demands and assume responsibilities for advancing not only their own interests but also broader public interests. Foundations. universities, scientific and professional associations, labor unions, and other private institutions in the United States, Canada, or Europe can be helpful in working cooperatively with private institutions in South America. Their efforts can strengthen local institutions that are important for building pluralism and democracy and securing the rule of law. During periods of authoritarian rule, collaboration from abroad may help to keep alive centers of critical inquiry and democratic practice. Within democratic settings, such organizations give vitality to civic discourse. To protect the integrity of such transnational relationships, we urge that they be removed from governmental or partisan controls and conducted in ways that respect political diversity and avoid promoting ideological division.

10. We note the establishment of the new National Endowment for Democracy, a private foundation for support of democracy financed by the U.S. Government. The increased interchange that the Endowment could facilitate among business, labor, political, and civic leaders of different countries might strengthen their sense of democratic solidarity; it would also increase their appreciation for the distinct forms that democracy takes in different countries. We are concerned, however, that the Endowment avoid intervening, or even appearing to intervene, in sensitive political affairs within any country. We urge the Endowment to develop clear guidelines for its grant-making and to do so in full consultation with Latin Americans. If the Endowment is to be broadly accepted and effective, it must support the full fabric of democracy rather than any particular ideology or partisan strand. We recommend that the Endowment work cooperatively with regional or multilateral institutions and with well-established international organizations and private foundations. The experience of the Inter-American Foundation, a government corporation created by the U.S. Congress in 1969, is relevant. Rather than financing political organizations or activities, it has supported social and economic projects among grassroots organizations in Latin America and the Caribbean, which have encouraged local participation and self-reliance. We urge that the institutional autonomy and the nonpartisan character of the Foundation's program be maintained. These qualities, which would also serve the Endowment well, have been critical to the Foundation's acceptance by a broad spectrum of private, democratically-oriented organizations in the region.

In sum, our review of the recent authoritarian past of much of Latin America strengthens our democratic conviction. We believe that the danger of totalitarianism is more likely to stem from authoritarian regimes that thwart political participation than from democratic governments in any form.

The first and overwhelming responsibility for achieving and maintaining democracy rests with each country. We look to the leaders, citizens, and local organizations in each country to demonstrate the commitment, the discipline, and the tolerance needed to advance national reconciliation, to recreate hope for the future, and to achieve greater social justice. Other countries, especially the United States, can help. But we believe the most effective outside support may well be indirect—by rejecting policies that are unilaterally interventionist, cooperating in programs for the region that are multilateral, and assisting social and economic development.

● Mr. DOLE. Mr. President, spending $31.3 million for the National Endowment for Democracy is ludicrous. This is a new spending program—one that was created in November 1983. It cost $18 million in fiscal year 1984; now, the administration wants $31.3 million for operation of the Endowment in fiscal year 1985.

In the scheme of things, perhaps $31.3 million is not much in the interest of furthering democracy around the globe. This Senator suggests, however, that democracy would be better served by reducing the deficit by that amount, especially as we carefully consider how this money will be frittered away. The Senator from Kansas has voted against this Endowment from the outset, and hopes that colleagues who have voted for this program in the past will carefully review the short history of the program and conclude that we'd better nip this boondoggle in the bud.

My colleagues will recall that the funds are funneled through the AFL-CIO's Free Trade Union Institute [FTUI]; the National Republican and Democratic Parties' International Institutes; and the Center for International Private Enterprise of the National Chamber Foundation, a private affiliate of the U.S. Chamber of Commerce. Mr. President, there is something inherently wrong with a structure which funnels Federal money through four different organizations without any restrictions at all. It is as if we're trying to finance certain activities by the Federal Government, yet we don't want to be associated with or responsible for the activities we pay for. Because the National Endowment for Democracy is not subject to the Freedom of Information Act, it can operate without answering to the public. By contrast, the USIA, AID, and other such agencies are subject to the Freedom of Information Act and do answer to the public.

Mr. President, a review of the short history of the NED has removed any doubt in my mind about whether it would meet an early death. A New York Times article of May 28 states that some of the funds of the Endowment trusted to the AFL-CIO were in fact used to influence an election in Panama on behalf of a military supported candidate. The New York Times quotes our U.S. Ambassador as saying, in a cable:

> It would be embarrassing to the United States if the labor institute's use of endowment funds to support one side in Panama's elections became public knowledge. The Ambassador requests that this project be discontinued before the U.S. Government is further compromised in Panama.

Mr. President, I urge my colleagues to join me in deleting funding for the National Endowment for Democracy. Its goals are laudable, but the concept simply won't work.●

● Mr. RIEGLE. Mr. President, the fiscal year 1985 State Justice, Commerce appropriations bill which is now before the Senate for consideration, contains funding for an important program, the National Endowment for Democracy. The $31.3 million recommended by the Senate Appropriations Committee, will finance projects undertaken by the Endownment's four affiliated institutions: The National Democratic Institute for International Affairs [NDI]; The National Republican Institute for International Affairs [NRI]: The Free Trade Union Institute [FTUI] of the AFL-CIO, and the Center for International Private Enterprise [CIPE] of the Chamber of Commerce.

Senate action today will determine the fate of this program which was established by Congress 1 year ago in order to foster the growth of pluralistic values and democratic institutions abroad. Although the NED has not been in existence long enough to carry out its mandate, the House, on May 31, by a 226 to 173 vote, deleted the entire fiscal year 1985 appropriation for the Endowment. While I understand many of the concerns voiced by Members of the House just prior to that vote, I believe it is important that those concerns by put into perspective in light of recent actions taken by the Endowment's Board of Directors.

The main concerns raised during the House debate on the NED were: First, that some of the funds have already been used improperly to influence local elections in foreign countries and that potential for continued misuse exists; second, that information concerning activities of the Endowment are exempt from requirements of the Freedom of Information Act; and third, that there is insufficient ac-

countability of the public funds used by the NED's institutions overseas.

In response to the disturbing charges that the FTUI may have used NED funds to directly support a candidate in the recent Panamanian elections, the Board of Directors of the Endowment, on June 8, adopted a resolution prohibiting the use of funds, either by the NED or by any of its grantees, to finance the campaigns of candidates for public office, either in the United States, or abroad. In addition, the Chairman of the NDI has offered his assurances that all of the Institutes will be subject to strict guidelines which prohibit the use of NED funds for any party activity in the United States and for any foreign campaign for public office.

On the issue of FOIA applicability, the Board of Directors of the Endowment adopted, during its June 8 meeting, a resolution directing the Endowment's President to implement an openness policy, ensuring that all proposals approved by the Board, grant agreements between NED and its grantees, and other official documents of the Endowment are available to the public upon request. Furthermore, the NDI has expressed its full support of any proposals—such as FOIA access—which assure the Congress and the public that the NDI is fully responsive to its mandate.

Finally, to ensure accountability of the public funds committed to the National Endowment's programs, all grants will be subject to the ongoing review of the NED's Board of Directors, which is composed of respected individuals spanning the political spectrum. In addition, the activities of the Endowment will be subject to regular congressional oversight through the authorization and appropriation process, as well as to review by the General Accounting Office which is empowered to review all of the papers and accounts of the organization.

Mr. President, the usefulness of the House debate which highlighted these key concerns is evidenced by the fact that, within 1 week of the House action, the Board of Directors of the Endowment undertook to define the parameters of the activities for which NED funds may be used. The responsiveness of the Board to the concerns of the Congress evidences its genuine interest in promoting the types of activities envisioned by the Congress when it created the Endowment last year.

Mr. President, much of the Congress' time has been consumed with consideration of the multi-billion-dollar defense authorization bill for fiscal year 1985. While we must maintain a strong military defense capability, we must not ignore the nonmilitary initiatives which can also contribute to a more stable world environment. I believe it would be a mistake, therefore, to deny funding to the National Endowment for Democracy which, with proper guidance and oversight, can greatly enhance the understanding and appreciation of our democratic system and values around the globe.●

Mr. WALLOP. Mr. President, this is one of those ideas that is easy to formulate attractively in general terms, but is very difficult to translate into specific actions that resemble the descriptions at all. The effort to define what the NED should be began 2 years ago. There is still no document anywhere that shows what it would do. There is no strategy for expending the money in ways that would advance the cause of democracy as President Reagan desires.

The Endowment, however, has built up a record since it received its first U.S. Government grant almost 2 years ago. That record is one of the single-minded pursuit of money. The General Accounting Office's report on the expenditure of the grant that funded the study upon which the institution we are voting on today is based, says that very little time was spent trying to figure out what would be done.

The time, energy, and taxpayers' money were spent doing two things: Figuring out what shares of the money each participant would get, and lobbying the Congress to make sure the money would flow. In other words, there was no study. There was an excuse for greed.

After $18 million were appropriated, the House had specifically eliminated participation by the two political parties, and the Senate had specifically not mentioned the parties in its appropriation, the parties nevertheless received their shares. The Congress notwithstanding, the people who made up the coalition that got the money out of Congress stuck together and divvied up.

The GAO report points out that the coalition that drew up the report never considered any approach to furthering democracy other than establishing these networks of institutes—that is, funding themselves.

The original Boards of Directors of the several institutes made enlightening readings. The same people who were proposing the venture were studying it, lobbying for the money, in some cases were committee chairmen managing the bill on the floor, and would later manage the spending. When I first raised this issue last year, there was much scurrying about. Several Members of both Houses dropped off the Board. Last year also, the GAO asked the Endowment why it had planned to deposit $18 million in a bank whose assets were only $25 million. The plans were changed hastily and the money deposited in Riggs.

The primary question, however, this year as last, is, how is the money to be spent? What is the taxpayer supposed to be buying here?

Are the goals of the Endowment formulated and understood in a way that is achievable? Are they sufficiently focused to achieve the goals set forth by the President? The answer has to be no. Where is the strategy for spending this money? Where is the list of sample projects? Where is the hearing record? They simply don't exist. We simply have people who want the money quietly.

What has the Endowment done with the money it has received?

I exclude from this question the money for the AFL-CIO. Labor has done more of what it has always done abroad. By and large, that has been good for the cause of freedom and democracy in the world. If the AFL-CIO were asking for more money for itself for these purposes, I would be inclined to give it, under the same oversight as in previous years.

What have the Endowment's various institutes done? The first act of the Democratic Party institute was to hold a cocktail party near the United Nations where contributors to the party could mix with diplomats at the United Nations, including Soviets. The subsequent programs are conferences, conferences, conferences and research: In other words, lots of trips to foreign capitals, lots of friendly dignitaries in Washington. Who will argue that the totalitarians of the world will tremble before this? The taxpayer, however, has reason to tremble.

The Republicans are not very different: conferences, conferences, travel, cocktails.

The chamber of commerce's program is only a little better. It does provide a little more money to a long-standing program to teach foreign businessman to take part in the political process. But the Americans who teach the courses live in freedom. The problem for most businessmen is that they don't. The road to greater elbow room for free business abroad runs through the institutions of each country. I doubt the instructors know more about the dangerous labyrinth of Mexican or Egyptian politics and administration than do local businessmen. At any rate, the rest of the chamber's program is, predictably, conferences.

If anyone thinks democracy will be advanced by such methods, he needs an education.

The Endowment itself is little better. It has funded a conference, of course. It is funding an exchange between some organizations in the State of Washington and their Chilean counterparts, a traditional function of USIA. It has funded the training of human rights lawyers to be sent into South Africa, Argentina, and the Philippines—places where they may do

good or may help bring about even worse governments than are there now. It is also funding a Chinese language magazine for young people from mainland China studying in the United States. This is good.

Note, however, what the Endowment is not—repeat, not—doing. It has not expended one dime to make the subjects of totalitarian countries a bit more comfortable or hopeful, or to make their totalitarian masters' holds on them a bit shakier. The proof is in two actions the Endowment took. First, it funded a feasibility study for a center for human rights and peace, by Mr. Bukhouski. Now, Mr. Bukhouski is a very decent, articulate man, who has expressed publicly and in detail a variety of projects to advance democracy in Communist countries. Foremost among his suggestions has been the provision of material assistance to the families of political prisoners and others who have lost their jobs because they have run afoul of Communist authorities. Did the Endowment fund any of Mr. Bukhouski's actual projects? No. It funded a feasibility study for an institute. If that institute is ever funded, we can be sure it will be allowed to do mostly conferences.

What can lead us to the conclusion that the Endowment's board does not want to antagonize the Soviet Union and will never allow substantial funds to be used for such purposes? This month, the board approved a mere $66,000 for assistance to Polish political prisoners. But there was much opposition. In fact, the proposal was made only pursuant to a written threat by a Member of this body that his support in this vote hinged on the making of such a grant. In fact, the approval was made subject to further, later, review.

The point should be clear. An Endowment for Democracy worthy of the name would be putting most of its money into such projects. Instead, members of the Board and of the staff seem intent on giving money in ways that will garner political support from traditional groups involved in the formulation of foreign policy. In other words, the whole thing seems to be a rather shabby device for self-promotion and patronage—at the taxpayers' expense.

There is a need for doing what the President outlined before the British Parliament 2 years ago. But this is not the way. The project was begun badly, as the draft GAO report says. Mr. President, I ask unanimous consent that the draft report from the GAO and the account of expenditures for the National Endowment for Democracy be printed in the RECORD at this point. I would not want to be responsible for raising the American people's taxes to pay for this.

Mrs. HAWKINS. Mr. President, I rise in support of the National Endowment for Democracy. The National Endowment represents a bold new effort in American foreign policy. It provides us with the hope that the ideals and principles that we as a nation hold dear can be experienced by others who long to share them around the world. For too long we have acted as though democratic elements around the world will flourish without assistance, and that might be true in an ideal world. We live in a world that for the most part is hostile to the ideals and principles of democracy. We live in a world where torture and human rights violations are commonplace as we heard yesterday morning in a Foreign Relations Committee hearing. We live in a world inhabited by petty dictatorships and corrupt bueaucracies whose only goal is the selfish accumulation of wealth. We live in a world where the Soviet Union is dedicated to planting its Gulag philosophy wherever it can find root.

All around the world we find people who are as determined to choke out pluralism and democracy as we are to see it spread. We cannot afford to abandon our fellow democrats around the world. We Americans recall with appreciation the efforts of the French as our young Nation battled for independence and democracy. I believe that the National Endowment for Democracy will enable us to continue to repay our moral debt by helping others around the world who are also committed to democracy and pluralism.

What will the NED do? Through the contracts it approves it can help build up and train centrist parties so that they can compete with the extremists on the right and the left. It can help sponsor magazines or authors whose ideas will promote pluralism. It can help send attorneys skilled in laws involving human rights to countries in need, and so on. Is this kind of promotion of ideology new? Absolutely not. The Communists have been engaged in the promotion of their ideals by these means for decades and they continue today. So also do the European Socialist parties and the Christian Democratic parties around the world. In fact, in the area of public and open competition of ideas, we are virtually the only noncompetitor. This is a serious mistake and one which the NED helps correct.

Some may have doubts as to whether this kind of a program can work, and I believe that that is a legitimate concern. After all, if something, no matter how high-minded or noble doesn't work, then it doesn't make much sense to support it. The NED, I believe, however, will work. It will work because it involves promoting democratic ideals in much the same manner as the European Socialists, and unfortunately the Communists as well, have been able to successfully promote their agenda around the world. But there is also another reason for thinking the NED will work. From time to time, the CIA has engaged in covert political activities that have, with the benefit of time, been judged a success. I want to make clear that I am not talking about covert paramilitary operations such as the current operations in Nicaragua. I am talking about CIA funding for non-Communist political parties, newspapers, labor unions, church groups, and writers throughout post-World War II Western Europe. About these activities a former CIA Deputy Director of Intelligence, Dr. Ray S. Cline, has written:

> Many international labor and youth movements benefitted by having the CIA help non-Communist members oppose heavy-handed Communist efforts to seize control of all organs of mass opinion. Europeans made the major effort, but CIA support with money and information about Communist activities played a crucial part in preserving the multi-party political systems of Western Europe.
>
> In my view, the CIA especially deserves credit for encouraging left-wing intellectuals to find a democratic alternative in non-Communist organizations and enterprises. The Congress of Cultural Freedom, a genuine liberal intellectual movement in Europe, would have never got going without CIA help, and a number of first-class magazines of political commentary, such as Encounter and Der Monat, would not have been able to survive financially without CIA funds. Without CIA help emigre groups from the USSR and Eastern Europe could not have published in translation the many documents they have received from their old countries. This includes some of the celebrated Soviet samizdat protest literature describing life behind the Iron Curtain.
>
> These U.S. projects seldom involved direct U.S control but simply ensured through the intellectual influence of capable political action officers that honest non-Communist ideas were being presented. European opinion makes, supported by the CIA directly or indirectly and often without their knowledge created the free political environment in Western Europe in the 1950's. Without the countless covert political projects of the CIA, they could not have done so.

The advantage of the NED over the CIA is in the fact that its programs will be overt, not covert. There is no reason that we must be secretive about many of the actions we take to promote democracy around the world. Why would we need to be secretive about helping get samizdat literature published, or helping emigres from repressive regimes, or promoting organizations dedicated to human rights, or any of hundreds of projects that can help lay the foundation for democracy in countries around the world.

Certainly it would be optimistic to expect any single project to be the magic key for democracy, but scores or even hundreds of such projects can form a force for democracy and against totalitarianism and human rights abuses around the world. There is no reason to be ashamed of such a

program, in fact, I believe that there is good reason to be proud of it. It shows that America's commitment to democracy, pluralism and human rights is more than words, but that we are ready to back up our words with actions. No longer will our words ring hollow.

I urge my colleagues to support the National Endowment for Democracy and thereby support this bold experiment in promoting democracy around the world.

Mr. WEICKER. Mr. President, first of all, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. WEICKER. Mr. President, it would be my hope we could go to a vote in the sense that I think everything has been said that needs to be said.

Mr. RUDMAN. Mr. President, I know of no other Senators who have advised me that they wish to speak on this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut [Mr. WEICKER]. The yeas and nays have been ordered and the clerk will call the roll.

The bill clerk called the roll.

Mr. LAXALT (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from North Carolina [Mr. EAST], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. MCCLURE] are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina [Mr. EAST] would vote "nay."

Mr. BYRD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART], and the Senator from New Jersey [Mr. LAUTENBERG] are necessarily absent.

I further announce that, if present and voting, the Senator from New Jersey [Mr. LAUTENBERG] would vote "nay."

The PRESIDING OFFICER [Mr. CHAFEE]. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 42, nays 51, as follows:

[Rollcall Vote No. 182 Leg.]

YEAS—42

Abdnor	Glenn	Pressler
Andrews	Grassley	Proxmire
Armstrong	Heflin	Pryor
Baucus	Helms	Quayle
Biden	Hollings	Randolph
Boren	Humphrey	Rudman
Bradley	Jepsen	Stennis
Bumpers	Kassebaum	Symms
Burdick	Leahy	Thurmond
Byrd	Mattingly	Trible
Chafee	Melcher	Wallop
Cochran	Metzenbaum	Warner
Dole	Nickles	Weicker
Exon	Nunn	Zorinsky

NAYS—51

Baker	Garn	Mitchell
Bentsen	Gorton	Moynihan
Bingaman	Hatch	Murkowski
Boschwitz	Hatfield	Packwood
Chiles	Hawkins	Pell
Cohen	Hecht	Percy
D'Amato	Heinz	Riegle
Danforth	Huddleston	Roth
DeConcini	Inouye	Sarbanes
Denton	Johnston	Sasser
Dixon	Kasten	Simpson
Dodd	Kennedy	Specter
Domenici	Levin	Stafford
Durenberger	Long	Stevens
Eagleton	Lugar	Tower
Evans	Mathias	Tsongas
Ford	Matsunaga	Wilson

ANSWERED "PRESENT"—1

Laxalt

NOT VOTING—6

Cranston	Goldwater	Lautenberg
East	Hart	McClure

So Mr. WEICKER's amendment (No. 3357) was rejected.

Mr. MOYNIHAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. RUDMAN. Mr. President, for what purpose does the Senator wish me to yield?

Mr. KENNEDY. I want to inquire of the majority leader about a scheduling matter. I wondered if the Senator will yield for a minute or two until we are able to find out a particular scheduling matter.

Mr. RUDMAN. Mr. President, I am pleased to yield without losing my right to the floor.

(Mr. HECHT assumed the chair.)

Mr. KENNEDY. Mr. President, the Senator from Oregon and I wish to inquire of the majority leader about a particular measure referred to as H.R. 5490, the Civil Rights Act of 1984, which passed the House of Representatives 2 days ago by a vote of 375 to 32, an overwhelming vote. All but three Democrats in the House voted for the bill, and Republicans voted for it by a margin of over 4 to 1.

This bill is as close to motherhood on civil rights as I have ever seen. And the reason is clear. We settled these issues a decade ago. We decided that Federal funds should not be used to subsidize discrimination in any way, shape, or form, whether because of race, sex, age or disability.

The reason for the board bipartisan support for this bill is clear. It is not an expansion of civil right. It simply restores the law as it existed before the Supreme Court's unfortunate decision in the Grove City College case earlier this year. That is all the bill does—nothing more, but also nothing less. Let us not have any retreat from the progress we have made on civil rights.

In spite of its limited scope, this is the most important civil rights bill of this Congress. It is important legislation to prevent discrimination against the elderly, the handicapped, women and minorities in our society. The purpose of the bill is to reverse the Supreme Court's decision in the Grove City College case.

I hope that we may be able to inquire of the majority leader about his scheduling plan on this particular measure.

We have had the opportunity to talk privately to the majority leader previously, but it does seem to me that the Members of the Senate should have a clear understanding of when we may expect Senate action, in view of the overwhelming vote in the House of Representatives, the overwhelming interest in this legislation, and the overwhelming importance of it. I hope that we shall be able not only to get action on this civil rights measure, but that we shall also be able to obtain the active support of the administration by the time we debate it. I am just wondering what information the majority leader may be able to give us on that measure.

Mr. BAKER. Mr. President, if the Senator will yield, I shall be happy to respond.

Mr. KENNEDY. May we have order, Mr. President?

The PRESIDING OFFICER. The Senate will be in order.

The majority leader.

Mr. BAKER. Mr. President, I have had an opportunity to discuss this matter both yesterday and today with the Senator from Massachusetts, the Senator from Oregon [Mr. PACKWOOD], and today with the Senator from Utah, the chairman of the committee. The Grove City amendments, is one of the few amendments on which I have seen so little agreement and so much accord. Everybody seems to agree what they want it to do and nobody seems to know how to put it on paper.

I do not mean to be overly facetious, but I am advised that the administration wishes to support a position which they understand to be the status quo ante, before the Grove City decision. I understand that to be the position of the distinguished Senator from Oregon, the distinguished Senator from Massachusetts, and the general view of the chairman of the committee, the distinguished Senator from Utah [Mr. HATCH]. So far we have not been able to transfer that into useful language.

The Senator from Massachusetts yesterday began a rule XIV procedure to get this measure on the calendar, which he has every right to do and which I have no problem with. Today,

I had a conversation with the distinguished Senator from Utah and I urged him to have his committee report a bill, any bill, so we can have the matter on the calendar so we can begin scheduling deliberations and get something set up and done.

Mr. President, the question really, I suppose, is whether or not we can do this bill during the 3 weeks between the two political conventions. The answer to that is I do not know. I should like to, but these things must take precedence: First, we are going as slowly as we can on appropriations bills. Therefore, those 3 weeks will be devoted first to the completion of the appropriations bills and supplemental appropriations bills and other matters related to appropriations bills. I do not know how much time that will take.

There are certain other matters that I have already committed to other Senators that I shall try to get up during that 3-week period. So before I can make any further assurance than that in respect to the 3-week period, I am going to have to go back and make sure I have looked at the calendar closely and make my best appraisal of what we can do and make sure it will fit the best I can.

So all I can say at this point to the distinguished Senator from Massachusetts and others who are on the floor and interested is that I do intend to schedule that bill. It is my hope that we can do it during those 3 weeks between the conventions. I am not certain, but I shall try.

I have discussed the matter with the chairman of the committee and it is my understanding that he will make some effort to see that the bill is reported. I am sure it is not a bill that everyone will support, but it will be on the calendar together with the bill the Senator from Massachusetts will bring under rule XIV. But it is a matter on which this Senator will make every effort on this side to address this issue.

Mr. PACKWOOD. Mr. President, may I make a suggestion to the distinguished chairman? Could we get from the chairman a firm markup date on which there will be a markup and a final vote? Frankly, I am afraid what Senator KENNEDY and I were afraid will happen is that we shall be getting into September and September is as much taken up with appropriations as this time is.

Mr. HATCH. Mr. President, we concluded hearings on this bill last Tuesday so we could mark up on Wednesday. There was one Democrat and two Republicans who showed up at markup. At the markup the week before that, there were very few Democrats and very few Republicans who showed up.

I have a markup scheduled for tomorrow, because I have been proceeding with expedition. I do want to report it out. I do want to resolve it. I understand that I cannot get a quorum tomorrow. That is not necessarily from the Republican side.

So I am ready to set another day for markup and get it marked up. I intend to do that and I have acted in good faith to do that, regardless of the fact that I differ with the language in the bill, which is very broad language and goes far beyond what the sponsors of this bill have represented, I see, in the Senate.

Mr. KENNEDY. Mr. President, I want to point out to the majority leader that the specific language in the Senate bill introduced by Senator PACKWOOD and myself and 61 other Senators has now been supported by four different Attorneys General under Republican and Democratic administrations and 13 heads of the Civil Rights Division under Republican and Democratic administrations—unanimously except for one, and that happens to be Mr. Reynolds, the head of that Division in the present administration. So that is where the problem is. The House of Representatives has voted 375 to 32 in favor of the identical language in the Senate.

We are all aware of the historical difficulty the Senate has often had in dealing with civil rights measures. We want to avoid as much of those difficulties as possible on this bill.

But we are uneasy about the intentions of Mr. Reynolds and the Department of Justice under this administration. It was Mr. Reynolds, after all, who strongly urged the Supreme Court to reach the decision it did in the Grove City College case, cutting back drastically on our existing laws against discrimination. Now, we hear from Mr. Reynolds that he does not like the language of our bill, because he thinks it goes too far. So those of us who strongly support this legislation are entitled to wonder about the position of the administration.

The amendments which have been offered in the Senate Labor Committee, for the most part, are measures which were considered by the House of Representatives and rejected. Mr. Reynolds may have objections but, he was not able to persuade anyone in the House of Representatives to embrace them.

All of us recognize that, given the limited time we have in the rest of the session, any individual Senator can block a particular bill and kill it. We do not want that to happen to this civil rights bill. And it will not happen if the Reagan administration ends its silence and gives this bill its support.

It seems to me that the request of the Senator from Oregon, that we try to agree on a definite time for the Labor Committee to report out the bill, is not an unreasonable request and certainly one that I would support. I also welcome the expression of interest by the majority leader that we can deal with this bill in 3-week session in July.

Mr. BAKER. Mr. President, I thank the Senator from Massachusetts and the Senator from Oregon and the Senator from Utah. Let me try to summarize the situation. Then I hope that that will suffice for this moment and we can get on with the bill.

Let me say parenthetically it is the intention of the leadership to finish this bill tonight. I hope we do not take much longer, but I had not thought it would take this long.

Once again, Mr. President, it is my hope that we shall have a bill reported on Grove City and on the calendar. It is certainly the privilege of the Senator from Massachusetts to put his bill on the calendar under rule XIV. So we will probably have two bills on the calendar.

There are ways to do it without putting it on the calendar, as Senators know, to get to this issue. One way or the other, it is the intent of the leadership on this side to address this question this session and it is the hope of the leadership on this side that we can do it during those 3 weeks. That is as far as we can go, and I hope Senators understand that there is no desire on my part to sidetrack or delay. It is just a question of trying to find time when we can do it.

Mr. HATCH. Will the Senator yield on that point?

Mr. BAKER. Yes, Mr. President.

Mr. HATCH. There is no desire on the part of the committee to delay, but I think it is incumbent on all members of the committee, especially those who are responsible for this bill, to show up for markup. I think we ought to pay attention to the committee process around here. I have called for two markups now and the people were not there.

I want a markup, I will set it up to do it again. It will have to be the earliest dates we can when we get back. I want everybody there and I hope to mark it up.

Mr. BAKER. Mr. President, I promise that I shall assist the distinguished chairman in trying to get a quorum there. I have a hard time trying to get Senators anywhere, but I shall be glad to try to do that.

Mr. RANDOLPH. Mr. President, will the majority leader yield?

Mr. BAKER. Mr. President, I am going to ask the distinguished managers in a minute how much longer we are going to be, but before I do, I want to yield to the distinguished Senator from West Virginia [Mr. RANDOLPH].

Mr. KENNEDY. Mr. President, I am not sure whether I have lost the floor. I have a feeling it has happened. I think the Senator from New Hampshire had it and I asked him to yield

briefly so I could inquire of the majority leader.

Mr. BAKER. Mr. President, the Senator did have the floor.

Mr. KENNEDY. I have only one question.

The PRESIDING OFFICER. The Senator from Massachusetts did not have the floor. The Senator from New Hampshire had the floor.

Mr. KENNEDY. Whatever the situation, Mr. President, I would like to ask a final question of the majority leader, whether the President, himself, has taken a position on this legislation, whether he is supporting this legislation or opposing it? Could the majority leader enlighten the Senate as to whether the President is supporting this legislation, which is supported now by 63 Senators, Republicans and Democrats? The question is, Where does President Reagan stand on the Civil Rights Act of 1984?

Mr. BAKER. Mr. President, I try very hard to say only those things that I know. I do not always succeed even in that. But in this case, I know I do not know. My impression is that the President does support the objective of restoring the status quo ante before Grove City, but I have not talked to the President directly about it. I can say to my friend from Massachusetts that at some point in these deliberations I will talk to the President, but I am not prepared now to speak for him.

Mr. KENNEDY. I thank majority leader.

Mr. RANDOLPH. Will the able majority leader yield to me?

Mr. BAKER. Mr. President, will the Senator from New Hampshire permit me to yield to the Senator from West Virginia?

Mr. RUDMAN. I am pleased to yield to the Senator from West Virginia.

Mr. RANDOLPH. Mr. President, I respect all my colleagues. I wish to keep the record straight. I cooperate with the chairman of our committee on which I serve, Labor and Human Resources. It has been mentioned that certain Senators per se have not been present. I have been available on all occasions.

Mr. BAKER. Mr. President, I would never have expected anything less of the Senator from West Virginia, who was chairman of the Public Works Committee when I first came to the Senate and served with such great distinction, who continues to serve there, and is diligent in the extreme in the discharge of his duties.

Mr. President, may I inquire now of the distinguished chairman and ranking member, the distinguished managers of the bill, how many more amendments do you have? How long do you think it will take, and when can we finish?

Mr. RUDMAN. I reply, Mr. President, to the majority leader by simply saying that when this discussion is concluded, I will be offering an amendment on the National Endowment for Democracy for which there should be very little debate. We have discussed the issue. I should think we would have a vote very quickly. I thought, I say to the majority leader, that was going to be the last rollcall vote, unless someone called for a rollcall vote on final passage. It now appears that there are two other amendments which may require rollcall votes of which I am aware, one by the Senator from North Carolina [Mr. HELMS], which I will let him explain, and the second one by the Senator from Kansas [Mrs. KASSEBAUM], which deals, I believe, with United Nations funding.

I also understand the Senator from Ohio [Mr. METZENBAUM] has a concern with a certain NOAA siting of an ocean station and wishes to raise that issue. I do not believe that either the Kassebaum or the Helms amendment will take a great deal of debate. I cannot represent how long that third item will take because, frankly, I have not consulted with the Senator from Ohio. My best guess would be we ought to be out by 9 o'clock.

Mr. HOLLINGS. I agree.

Mr. BAKER. Mr. President, will the Senator yield further?

Mr. RUDMAN. I am delighted to yield.

Mr. BAKER. I heard the manager on the opposite side say he agrees, which constitutes a double finding of fact and is binding.

Mr. President, I was conversing with the minority leader a moment ago, and he asked me informally to give an outlook on the situation for the remainder of the day and tomorrow.

As I indicated earlier, it is the intention of the leadership on this side to attempt to finish this bill tonight. We will stay and do that. It is possible, Mr. President, I suppose, that we might take up the concurrent resolution to accompany the deficit reduction package from yesterday, although that is by no means certain and by no means essential. It might be tomorrow or it might be later, but we have to finish this bill tonight.

It is my understanding, Mr. President, that the conferees have not yet agreed on the bankruptcy conference. They seem very, very close, but they have not yet completed their work. But in any event, the House would act first in the normal course of events on that measure. So it seems unlikely that we will be able to get the bankruptcy conference report until tomorrow.

The House today adopted a rule with respect to the debt limit. It is my understanding, however, that the rule will not be presented to the House until tomorrow. Therefore, we will not have the debt limit until tomorrow.

So, Mr. President, it would appear to me that we are not likely to do much more than finish this bill tonight, if anything else. It would be the intention of the leadership to ask the Senate to come in at 10 a.m. tomorrow and to do the bankruptcy conference report, when it is available, and do debt limit when it is available, and to hope that we can be out in the early or midafternoon on Friday.

Mr. BYRD. Will the distinguished Senator who has the floor allow me to ask the majority leader a question?

Mr. RUDMAN. I am pleased to yield to the Democratic leader.

Mr. BYRD. I thank the Senator.

Mr. President, will the majority leader indicate when he expects to take up the legislative appropriations conference report? And as far as the two votes tomorrow, if it turns out to be two votes on bankruptcy and debt limit, would it be possible to have a voice vote; does he think?

Mr. BAKER. Yes, Mr. President, answering the last question first. I would urge Senators to consider the desirability of a voice vote on both of those matters tomorrow, that is, on debt limit and on the bankruptcy conference report.

Mr. President, on the matter of the legislative conference report, may I inquire of the Chair, is that measure here?

The PRESIDING OFFICER. That measure is here.

Mr. BAKER. Then I should have included that, Mr. President, we will do that tonight. But as far as I know, there is no controversy and there will probably be no rollcall vote on that.

Mr. MELCHER. Will the majority leader yield for a question?

Mr. BAKER. If the manager will permit.

Mr. RUDMAN. I will be pleased to yield to the Senator from Montana.

Mr. MELCHER. Are we to be advised on the House Concurrent Resolution 328—I believe that is the right number—the technical amendments to the Tax Reform Act of 1984?

Mr. BAKER. Mr. President, I do not know. I have consulted from time to time during the day on both sides to see when that matter was ready. I am ready any time. I think we should finish this bill first and either take it up tonight——

Mr. MELCHER. I am just inquiring whether it is likely to be something we take up tomorrow?

Mr. BAKER. Perhaps, Mr. President. We can do it either tonight or tomorrow, but I note no determination yet has been made on that.

Mr. DOLE. Will the Senator yield?

Mr. RUDMAN. I am pleased to yield to the Senator from Kansas.

Mr. DOLE. As I understand the procedure, we have to convene a meeting of the Finance Committee and report

that resolution. We are trying to make certain that we have an agreement before we do that. If we do not have any agreement, we do not want to call a meeting. We still have not resolved the problem with the Senator from Montana. I hope we are fairly close. We would like to work it out. I think, once that is done, we will convene a meeting in a back room somewhere and report it out.

Mr. BAKER. I thank the Senator.

Mr. President, I thank now both managers and all Senators for their cooperation.

ORDER OF PROCEDURE

Mr. BAKER. Mr. President, may I impose on the managers one more moment?

Mr. RUDMAN. I am pleased to yield to the majority leader.

Mr. BAKER. It has been brought to my attention that we did not reconsider the vote by which the several treaties were ratified this morning. I ask unanimous consent that it may be in order now to go into executive session for the sole purpose of moving to reconsider the vote by which the treaties were ratified this morning and then returning immediately to legislative session.

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

EXECUTIVE SESSION

Mr. BAKER. Mr. President, I move to reconsider the vote by which the treaties were ratified.

Mr. RUDMAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAKER. I thank the Chair.

LEGISLATIVE SESSION

Mr. RUDMAN. Mr. President, I ask unanimous consent that we go back to legislative session.

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

COMMERCE - JUSTICE - STATE - JUDICIARY APPROPRIATIONS, FISCAL YEAR 1985

The Senate resumed consideration of the bill.

Mr. RUDMAN. Mr. President, I want to announce before sending this amendment to the desk, for those Senators within earshot, that we may have a vote very early on, to save Senators traveling and then rushing back.

AMENDMENT NO. 3358

Mr. RUDMAN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN] proposes an amendment numbered 3358.

Mr. RUDMAN. Mr. President, I ask unanimous consent that the Clerk suspend further reading of the amendment.

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

The amendment is as follows:

On page 51, line 10, strike "$31.300,000" and insert the following: "$21,300,000: *Provided*, That none of the funds shall be awarded to the National Democratic Institute for International Affairs, the National Republican Institute for International Affairs, or any other organization connected in any manner with any political party operating in the United States.".

Mr. RUDMAN. Mr. President, may we have order?

The PRESIDING OFFICER. Will the Senator suspend? The committee amendments will have to be laid aside for the amendment to be in order.

Mr. RUDMAN. Mr. President, under the powers granted the managers of the bill previously, I ask unanimous consent that the pending committee amendment be laid aside and the Senate proceed to consider the amendment now at the desk.

The PRESIDING OFFICER [Mrs. KASSEBAUM]. The amendments are laid aside.

Mr. RUDMAN. Madam President, we have just had a fairly lengthy debate on the National Endowment for Democracy. I do not intend to prolong that debate. The Senate has spoken by vote of, I believe, 51 to 42. Obviously, the Senate believes there is some merit to the program.

In talking to my colleagues about this, the one part of this program that, to many, has little merit at all is the precedent of giving $5 million to the National Democratic Institute for International Affairs, part of the National Democratic Party, and $5 million to the National Republican Institute for International Affairs.

Quite frankly, Madam President, it seems to this Senator that the precedent of taking $10 million of taxpayer money and giving $5 million to the Republican Party and $5 million to the Democratic Party to somehow explain democracy around the world is a travesty. As a matter of fact, I do not think the Republican Party or the Democratic Party—and I say this not in criticism of any Members or leaders; I am just talking about the parties over the years—have done a particular poor job of explaining what they believe in to the American people.

In fact, I would be willing to wager that if you put together a multiple-choice test and gave it to 50,000 Americans and said: "Which of these are Republican principles and which are Democratic principles?" the collective American mark would be something under 10 percent. As a matter of fact, I do not think I would score much higher than 5 percent, myself. [Laughter.]

It gets down to a very simple matter. Are we going to go home on Saturday and tell our friends and constituents in our States that we took $10 million of their money and gave it to these two national committees to educate the world about democracy? It is absolutely absurd.

I know that these two organizations have a lot of clout around here. At last count, every Member of this body is either a Republican or a Democrat, and I have received more calls on this from "Republican officials" than there are snowflakes on Mount Washington in December.

The fact is that it is a bad idea whose time has not come. I have very little else to say about it. My amendment would strike that $10 million and would prohibit any money being used for any other organization connected in any manner with any political party operating in the United States.

Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Madam President, I think it is easy to criticize the political institutes with regard to a National Endowment for Democracy, but I wish to clarify several points concerning the party institutes.

The party institutes are absolutely essential to the Endowment's program to promote democracy abroad. Political parties are pivotal institutions in any democracy. Any assistance program to promote democracy abroad must strengthen democratic political parties, and the most effective way to accomplish this is through parallel U.S. institutions.

Mr. President, the United States has suffered by not having appropriate political instruments to carry out party-related work. The establishment of the two party institutes—the National Republican Institute for International Affairs and the National Democratic Institute for International Affairs—constitutes an attempt to fill this vacuum.

Although international activity by political parties is a new idea in the United States, it is an established fact in many democracies, such as West Germany. In fact, European party institutes, with funds provided by their governments, are currently active within our own hemisphere.

Because the party institutes are a new concept in America, this has lead to skepticism and misunderstandings by both conservatives and liberals. As a member of the board of the NED, I would like to set the record straight.

The party institutes under the National Endowment for Democracy are not part of the political or campaign operations of either party. They are new—and entirely separate—institutions within the broad range of structures that comprise the Democratic and Republican Parties.

Mr. CHILES. Mr. President, will the Senator yield?

Mr. HATCH. I yield.

Mr. CHILES. I must say that I am a little surprised.

Mr. HATCH. I cannot hear the Senator.

Mr. CHILES. Madam President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Staff members and Senators who wish to talk should retire from the floor.

Mr. CHILES. I am a little surprised, not to hear the Senator talk about this, not that the parties could not do a good job, not perhaps that they should not be doing the job. But I have heard the Senator from Utah talk many times about protecting the taxpayers' dollar and the power we take when we reach down there and take the taxpayers' dollars.

The problem I have with this matter is this: Is this a legitimate basis for our taking money from a taxpayer, to say that we are going to give it to a political party and that we want those parties to go over there and do good things with that money?

Mr. HATCH. The Senator raises a good point. I will tell him why. The Russians are spending $3 billion to $4 billion to undermine democratic principles.

Mr. CHILES. The Russians are doing a lot of things. Because the Russians go to Afghanistan and because the Russians do other things, I do not think the Senator from Utah and I would do that. Because the Russians do this, does the Senator think it justifies taking the taxpayers' dollars?

Mr. HATCH. The Russians are spending $3 billion to $4 billion a year in covert activity, undermining democratic principles. We big spenders are going to spend $31 million, only $5 million of which goes to these political party institutes.

Mr. CHILES. Can the Senator tell me how much the Republican Party has raised this year?

Mr. HATCH. I have no idea.

Mr. CHILES. We have heard a figure of $60 million.

Mr. HOLLINGS. That is the Senate campaign.

Mr. CHILES. Maybe that is the Senate campaign.

The question I have for the Senator from Utah is this: If the Republicans can raise $60 million—and I say the same thing to the Democrats—if this is a good purpose and something we should be doing for our country, should not the Republican Party and the Democratic Party be using some of that money that they have raised at their fund-raisers and in these mail campaigns we get, this trigger mail we send out and trigger people's emotions—should we not use that money, if we, as Republicans and as Democrats believe in it, for this all-American purpose, and not say we have to get the money from the taxpayer? We have to have Uncle Sam take the money from the taxpayers so that a political party can use the money. That is the problem.

Mr. HATCH. I understand the Senator's point. I believe the fact is that that would be a noble objective, and I wish both parties have the money to do it. Keep in mind that the party institutes are separate from the parties themselves, or are separate entities.

The Endowment's grant agreements ensure that NED funds provided to the institutes will not be used for domestic partisan political activity. Both institutes have voluntarily agreed to offer public audits to the Congress to show their compliance with the provisions of law regarding the separateness of NED funds and domestic partisan political activity.

I do believe that the activities of the parties are important. In the prior remarks I made, I went into a lot of reasons why I feel that the free labor institutes have been doing a great job at their own expense.

I have to admit that at one time I thought they were the only ones we should fund, because they have a proven track record.

I have to admit that one of the best proposals made to the board of directors was made by the chamber of commerce, very well put together, with a lot of effort put into it. I think they were excellent proposals. The party institute proposals were much less.

My point is this: We have not even had a chance to begin. We have approved very few grants thus far, and we have not even given the system a chance to work.

Mr. CHILES. We can let the parties use their own money in this, can we not?

Mr. HATCH. They could, if they want to.

Mr. CHILES. If they wanted to enough, they could do it.

The PRESIDING OFFICER [Mr. EVANS]. The Senator from Utah has the floor.

Mr. HATCH. Mr. President, I believe that the activities of the political parties are important and necessary. I believe that both of them have shown a propensity to do what is right. Their proposals were not up to the standards of the free labor institutes nor of the chamber of commerce, but the board took them to task for that, and they have agreed to work even more; and the board and others, including the free labor institutes and the chamber of commerce, have agreed to work in a bipartisan way to make sure that the funds are used in an effective and responsible way.

Mr. President, I believe the activities of the political institutes are important, necessary, and long overdue if we are to mount an effective challenge on behalf of democracy.

We seem unable to accept that international activity by political parties is now an unalterable feature of the international arena. Political parties from Europe and Asia are active within our own hemisphere. Many of these assistance programs run by other parties are conducted with funds provided by foreign governments for the international activities of these parties. Discussions with political leaders from Latin America and elsewhere begin, not with the question—"What are you going to do to help me?"—but rather with the question—"Where have your parties been?"

Mr. President, we should not deny ourselves the opportunity to affect the course of democratic political change merely because we are new to it. Our Government—in any of its iterations—cannot effectively involve itself in strengthening democratic political parties. To do so invites—and has already invited—charges of governmental interference in the internal affairs of another sovereign nation. Political parties, on the other hand, can involve themselves with democratic political parties abroad.

We have asked dozens of foreign leaders about the interference issue, and the same reply always comes back—the U.S. parties are the only ones not involved in these types of programs. Why is alleged interference not a problem for the Germans, the Venezuelans, the Soviets, and the Cubans?

Admittedly, our parties have much to learn in the process. International sophistication does not come overnight. But we also have much to offer, and these skills are available now. We are experts in political communication, infrastructure, the conduct of free elections, and this help is needed.

It is appropriate and necessary that we provide public funds for these activities. In several nations around the world public funds are provided to support international programs by political parties. There is no "implied consent" of our Government over the use of these funds as has been suggested; just as there is no implied consent over the activities of Asia Foundation, or the Inter-American Foundation.

Finally, ample provisions exist in both oversight and accountability to ensure that the Congress will have complete access to the programs and operations of the NED and the Party Institutes. This is first and foremost an open, overt enterprise. It has been

tried covertly in the past, and there is no doubt that political assistance is offered most effectively in the open.

Mr. President, the two Party Institutes are still quite new. Like any new organization it will take a while for the Republican and Democratic Party Institutes to reach their full potential. The NED is not an Endowment for mischief as its critics claim. Instead, it is truly a bipartisan effort to encourage the growth of democracy abroad. For too long the United States has not even been a participant in the worldwide competition of ideas.

I believe we have a moral obligation to the millions of people in the world who are not enjoying the benefits of freedom to help establish the framework for peaceful, democratic change. We cannot effectively accomplish this goal without the Party Institutes. I urge my colleagues to vote against any measure that would strip the NED or the Party Institutes. Instead, the Republican and Democratic Party Institutes should be given a chance to do the job they were created to do. That job is to encourage the growth of democratic political processes throughout the world.

Mr. President, I think everybody knows the issue here. I suspect that it will be easy to knock out the political party institutes if the Senate so desires, but I believe it would be a mistake.

We agreed with this program a little over a year ago. I think the program is a good one. It has not had a chance to work.

If within another year the parties do not show the maturation and the ability to do with these moneys what really they say they will do and the board says they will do and others who put their interests on the line, then I believe we can knock them out at that time.

I hope our colleagues will not do that.

Mr. MATHIAS. Mr. President, will the Senator yield for a question?

Mr. HATCH. I am delighted to yield.

Mr. MATHIAS. The Senator said several time during the course of the afternoon that the institute is a new one, that it has not really had a chance to work yet.

Mr. HATCH That is correct.

Mr. MATHIAS. It is my understanding that the original appropriations for the Endowment was $18 million.

Mr. HATCH. I believe that is correct.

Mr. MATHIAS. Can the Senator tell us how much of that $18 million is still on hand?

Mr. HATCH. All I know is that the NED board did meet about a month ago and started issuing its first grants, and I do not believe they spent an awful lot of the $18 million.

I do not have those figures available. I apologize to the Senator. But I do not.

Mr. President, I urge my colleagues to give the party institutes a chance, to give the distinguished Senator the benefit of the doubt.

It will reduce the funds to the Endowment by $10 million and knock out the party institutes and leave the AFL-CIO Free Labor Institute and the Chamber Institute in existence.

I think all Members of the Senate understand that.

I just ask Members of the Senate to consider giving the party institutes an opportunity and a chance to prove that they can be mature with these funds and they can do a good job, and the $31 million might be used in some measure to offset the $3 or $4 billion of covert activity by the Russians.

The PRESIDING OFFICER [Mrs. KASSEBAUM]. The Senator from Connecticut is recognized.

Mr. DODD. Madam President, I shall take a couple of minutes here.

Much has been said by the distinguished colleague from Utah, but I wish to address the toughest question of all, and that is, of course, the question raised by our colleague from Florida as to why should we as taxpayers or the constituents we represent be underwriting or financing the two major political parties of this country.

It is an appealing argument, certainly one that would, I suppose, as I mentioned earlier, attract resounding applause in most political gatherings across the country, and I presume in a couple of weeks this will be the subject of some good stump speeches if this amendment is defeated and we decided to retain the National Endowment for Democracy intact.

Let me just, if I may, in a moment, suggest that my colleagues take that argument to its logical conclusion. There are a number of other entities which we subsidize and finance with taxpayer money. We are engaged in foreign aid programs which seek to support development in Third World countries and elsewhere. As a result of that, of course, American banks become involved and make a lot of money off that process.

The argument might be why do we do that? Why do we not just let the banks spend their money to engage in developing the countries and we just stay out of it? Why should we benefit them? Let them do it.

We always argue when we talk about the various institutions that we support, whether it be NATO or the Organization of American States, the World Health Organization, other such entities which most in here I gather would support or some of which we would support, the argument that we use, the underlying argument is that we are trying to promote democracy, that we believe that by supporting some of these institutions we are advancing Democratic ideals, not Republican ideals or democratic ideals with a small "d", but democratic values.

That is why we underwrite. That is why we support. That is why we promote these things. We think it is important.

Our two political parties, one of which is the oldest standing political party on the face of this Earth, have acquired some experience, some knowledge and have some institutional memory about how to make a democratic society function even better.

What we are suggesting by the inclusion of these parties and asking God forbid $5 million—I realize that is an item that again people will relate to more than $5 billion or $500 million—but $5 million on an experiment, on an idea, to assist in asking these institutions to go out and try and help us promote democracy.

Madam President, we saw an election in El Salvador a few weeks ago, heralded all across this country as a great victory for democracy because people went to the polls and they voted and they had the bunting and the bands and all the rest that constitutes what we perceive as a democratic election.

But an election does not make a democracy. It is one step in that process, but it falls far short of what ultimately has to be done if that country is to ultimately become a freestanding, strong democracy.

It is going to involve political parties in that country, the left, the right, and the center. In order to see that these countries have an opportunity to grow in their democratic traditions, it is not a bad idea to have the two major political parties of this country assist in that process. The fact that we spend $5 million on an experiment and idea of taxpayer money to promote and assist in that effort I do not think is a great deal to ask.

I realize when the speeches are made it will seem like it is. I said earlier in the debate we spent $1.9 billion last year on foreign military sales. There was no great debate in this Chamber over whether or not that was a good idea. I suppose that some will argue that it contributes to promoting democracy.

This is $5 million to support the building of democratic institutions. Democracy is hard work. It is not easy. Once accomplished, once achieved, it does not survive forever. It needs nurturing. It needs support. It needs education. It needs help and assistance.

We in this country in our two major parties have contributed in no small manner to the fact that we are a strong democracy today.

To be asked on an experimental idea to support this effort and to give these

parties an opportunity to participate with taxpayer money, as difficult as it will be on the campaign trail, I suppose, for some to argue about why it is important to do so, it seems to me that it is worth supporting, to give it a chance. If it does not work I am sure, as I said earlier, there will be a legion of Senators and Congressmen standing up and calling for its demise, but with all the other dollars we spend where we do not even hear even 1 second of debate about it, the millions that are spent, and yet we are engaging in a lengthy debate around here about whether or not we are going to spend $5 million for the Republican Party and $5 million for the Democratic Party to promote democracy. And you would think that the budget of the United States hung in the balance.

Yet we see funds being spent far in excess of that amount with hardly any discussion or debate at all.

Madam President, I would hope, and I am not as optimistic as I would like to be, but I would hope that my colleagues would think this through and in a couple days there will be the Fourth of July and a lot of speeches about democracy all across this land. It might not be a bad idea in the Fourth of July speeches from New Hampshire, Florida, and Connecticut, if we talked about how the U.S. Senate before it recessed for the Fourth of July did something about democracy in the world and not just talked about it.

I yield the floor.

Mr. RUDMAN. Madam President, I do not wish to prolong this, but I cannot let that go by without a couple comments. The suggestion that to vote against this is somehow voting against spreading democracy is simply not credible.

Let us get down to specifics. We talk specifics around here sometimes but not too often. Let us get down to what this is all about, this great program that the Democratic Party and the Republican Party want 5 million bucks apiece for. Let us not put it in such noble terms.

In the first place, looking at the agenda of my party and the party of the junior Senator from Connecticut, I would say that they must have a powerful backing. I think the American hotel industry is behind this entire plan. That is what I really think.

Mr. HOLLINGS. Now you are getting there.

Mr. RUDMAN. That is what I really mean.

Mr. HOLLINGS. Amen, brother.

Mr. RUDMAN. As a matter of fact, the Democrats are a whale of a lot smarter than we Republicans because here the Western Hemisphere Leadership Conference—boy, that really sounds impressive—is going to be held in January. Is it going to be held in Hartford, maybe in Manchester, NH? Oh, no. In Miami.

They are going to bring Western Hemisphere leaders to Miami for 3 days, and they are going to talk about democracy. They are going to bring all kinds of groups here to Washington for consultations with Democratic leaders. They are going to have a followup conference on that; two more conferences. That is the junior Senator from Connecticut's party.

In my party, we are going to take a lot of people from our country down to South America to sit around and talk about their newly elected leader and how we run our Government and how they should run theirs, so forth and so on.

What it is is a travelog for a lot of folks who are going to have a wonderfully good time and probably impart a few good ideas.

I am not against American political leaders getting together for meetings. When I go back to New Hampshire, I say to my friend from Connecticut, and I do not give too many stump speeches, but I do not want to tell my friends in New Hampshire that we are taking $10 million of their money and using it for this purpose.

I believe that there are plenty of private foundations in America that can fund this.

Now, one last point. I see my friend from Delaware wants to speak. My friend from Utah, who is not on the floor, told us that these are separate from the national party; they are separate. Well, they may be. Let me tell you who the Republicans are that are on the Republican Institute: Richard Allen, the former National Security Adviser; Frederick Biebel, former White House liaison; Frank Fahrenkopf, I think you know that name; our colleague Paula Hawkins; Jack Kemp; Drew Lewis; William Middendorf; and so forth. I am sure there is no interface between that group of people and the National Republican Committee.

Let us talk about the Democrats. Well, we have Governor Celeste and Lynn Cutler and Congressman DYMALLY and Rosalyn Carter. I will not go on. You know the list. Let us not tell anybody here that these are not instruments of the Republican party and instruments of the Democratic party. Anybody who wants to vote here in this Senate tonight to give our political parties $10 million of taxpayers' money to have a wonderfully good time—and, p.s., maybe talk a little bit about democracy—let us vote for it. I will certainly vote no, and urge my colleagues to do likewise.

Mr. BIDEN. Will the Senator yield for a question?

Mr. RUDMAN. I yield the floor.

Mr. BIDEN. I would like to ask him a question.

Mr. RUDMAN. I would be delighted to answer.

Mr. BIDEN. Madam President, in fact, I seek the floor in my own right.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Madam President, I would like to ask my colleague if, in fact, the political parties on their own were doing what is going to be done and is being done with the taxpayers' money, would the Senator think it a good idea?

Mr. RUDMAN. I would answer, not particularly. I think there are better ways to spread democracy. And the finest way—and we can take a page from the book of the Cubans and the Soviets, and we can put some money aside to bring thousands of young people from around the world to see America, to see this country we live in, and let them go back to their countries and tell their compatriots what America is all about. Let us not do it with political leaders and party leaders. Let us let the ordinary folks come here and see what we have to offer, because we have a great deal to offer.

Mr. BIDEN. I appreciate the Senator answering my question.

I voted against this whole fund the first time and on the last vote we had. But I think it is somewhat disingenuous for people to suggest that if there is going to be a fund at all like this that the parties should not be involved. If, in fact, you are going to have this at all, it seems to me that, notwithstanding the fact that the notion of democracy can be better spread by sending young people and goodwill ambassadors from this country to spread the word, the fact of the matter is, unless I am mistaken, the building of the structure of political parties is, in fact, not the job for a sophomore in college. It is not the job for a well-informed academician. It is not the job of a business leader. It is not the job of a labor leader. It is the job of someone who has some knowledge about the really rigorous problem of how to build a party and how democracy is sustained.

Where has democracy been sustained anywhere in the world where there have not been freestanding competing political parties? Otherwise, you have a democracy that has short-lived breath, brought down by a particular leader, and you have personalities competing for access to run the country.

So, although I have voted against this program, if you are going to have a program at all—and that is the option I guess we are left with, right?—the option is since the attempt to knock it all out failed, the Senator from Delaware, as I understand my options, at this point, either votes to include the political parties—and that means there would be four players then, the chamber, labor, and the par-

ties—or he votes the parties out and lets the chamber and labor in.

Now, that is the old Hobson's choice. I do not want any of it, but if you are going to have any of it, I would rather have the parties. Because this is the place, in fact, where they need help right now, if there is any place—and I am very skeptical that the parties will be able to do it. But I sure know one thing, bankers and labor leaders are not going to be able to give any insight to the present Government of El Salvador, how to structure, maintain, and coordinate a political party. And whether or not El Salvador makes it will depend, in large part, in my view, on whether or not there are viable political parties, for example.

So as is often the case here, we are given the choice of whether you want to lose your left arm or your right arm. We are given the Hobson's choice, and the Hobson's choice here, for those of us who do not like any of this, is, do you vote to make it worse by knocking out the parties or do you vote to make it not so bad by leaving them in? And, from where I stand, if you are going to have it at all, you might as well have the parties or it does not make any sense at all. I do not think it makes much sense to begin with, but it is marginally better with the parties.

I yield the floor.

Mr. CHILES. Madam President, I think the parties probably could add something to the process. I do not have any problem with the parties being involved, and if we are going to have this thing I think the parties would be important.

My problem is the financing of the parties to do that. I want to know how interested the parties are in this. I have heard them say how interested they are until you reach the point of saying: "Are you willing to put some of your money into it?" It is just as simple as that to me.

We made a lot of loans to a lot of countries. We found out, over a period of time, that if we were telling them they ought to have a telephone system, they would say, "Fine; that sounds good." And we put in all the money for that telephone system. Somehow they never got a telephone system because they did not care enough about it to put some of their money into it.

I think that is a problem that I have. I do not want to make great political speeches out of it or anything else, but I believe the difference in whether you are going to have some people going down and traveling first class, having a great time, having a lot of international conferences, or whether you are going to be sending some party workers down there is going to depend on where that money comes from; whether those are hard dollars somebody has had to raise. Then some budgeteer says, "Wait a minute, we are competing for those dollars. Those dollars might be used in JOE BIDEN's race or they might be used down there." I think they are going to be looked at totally differently.

Mr. BIDEN. Will the Senator yield?

Mr. CHILES. I have said to Chuck Manatt, "I do not know what I can do, but if you want to put on some kind of fund raiser for this, I will try to help."

I think it might be a good idea. I think we might be able to convince the people. I feel confident that our brethren on the other side, with their millions and millions of dollars that they have in their coffers, that they could do this if they felt that it was really necessary. That is the argument I make.

Mr. HOLLINGS. Madam President, I think we are about ready to vote. I just want to insert a page of the committee report. I ask unanimous consent that page 67 of the committee report be printed in the RECORD.

There being no objection, the page was ordered to be printed in the RECORD, as follows:

Contributions to international organizations—United Nations and specialized agencies

	Fiscal year 1984 request
Food and Agriculture Organization	$49,323,000
International Atomic Energy Agency	18,528,000
International Civil Aviation Organization	7,211,000
International Labor Organization	32,393,000
Intergovernmental Maritime Consultative Organization	548,000
International Telecommunications Union	3,327,000
United Nations	183,016,000
United Nations Educational, Scientific and Cultural Organization	25,403,000
Universal Postal Union	460,000
World Health Organization	61,146,000
World Intellectual Property Organization	529,000
World Meteorological Organization	4,617,000
Subtotal	386,501,000
Inter-American organizations	
Inter-American Indian Institute	103,000
Inter-American Institute for Cooperation on Agriculture	12,625,000
Organization of American States	43,433,000
Pan American Health Organziation	33,087,000
Pan American Institute of Geography and History	303,000
Pan American Railway Congress Association	25,000
Subtotal	89,576,000
Regional organizations	
Colombo Plan Council for Technical Cooperation	11,000
North Atlantic Assembly	336,000
North Atlantic Treaty Organization	17,477,000
Organization for Economic Cooperation and Development	20,286,000
South Pacific Commission	578,000
Subtotal	38,688,000
Other international organizations	
Bureau of Internatonal Expositions	20,000
Customs Cooperation Council	1,433,000
General Agreement on Tariffs and Trade	3,516,000
The Hague Conference on Private International Law	42,000
International Agency for Research on Cancer	897,000
International Bureau of the Permanent Court of Arbitration	8,000
International Bureau of the Publication of Customs Tariffs	38,000
International Bureau of Weights and Measures	309,000
International Center for the Study of the Preservation and Restoration of Cultural Property	405,000
International Cotton Advisory Committee	167,000
International Hydrographic Organization	47,000
International Institute for Unification of Private Law	54,000
International Natural Rubber Organization	206,000
International Office for Epizootics	36,000
International Organization for Legal Metrology	46,000
International Rubber Study Group	37,000
International Seed Testing Association	4,000
Interparilamentary Union	293,000
Lead and Zinc Study Group	24,000
Maintenance of Certain Lights in the Red Sea	19,000
World Tourism Organization	204,000
Subtotal	7,805,000
Total	522,570,000

Mr. HOLLINGS. The Senator from Delaware should know that it is not an either/or or a Hobson's choice. I have listed here some 35 or 40 different organizations. We have the International Labor Organization, putting $32 million into that. It goes all the way down to the International Office for Epizootics. Evidently the Senator was not on the floor when I mentioned that.

Mr. BIDEN. Epi who?

Mr. HOLLINGS. Epizootics. I knew the Senator would be interested in it. I got interested in it because they told me it was hoof and mouth disease, something that I probably suffer from. But the whole proposition is that we have developed a web of inter-

national relations and organizations. We are spreading democracy with the Asian Development Fund. I could go through all of them. I will not put the whole committee report in the RECORD. But it is very interesting that we are spending over $1 billion. It is not that we do not know what we are doing and have not made the attempt, it is just what the Senator hit on. You have not heard a platform meeting for the Democratic Party that has asked for us, the party, to spread democracy overseas. That is not in the platform.

Mr. BIDEN. If the Senator would yield; we could probably spread it here.

Mr. HOLLINGS. That is correct.

Mr. BIDEN. But the other party has all the money.

Mr. BIDEN. That is why we do not have any. That is why I cannot be too sympathetic about contributions.

Mr. HOLLINGS. We just closed down resolutions, and everything else. You will not find a resolution. But if you want to dissolve the Republican and Democratic Parties, bring that up as a resolution, and say, "Let us spend the millions of dollars of contributions to the political parties to run around the world on the hotel tour." As the Senator from New Hampshire pointed out, to travel around the world, sit in these exotic places, eat, catch the gout—the nearest thing to it is the law of the sea conference. We never could adjourn. We never could agree because all of these chieftains and heads of States would meet in Geneva. We would sit, burp, and eat. We never would agree. [Laughter.]

I have been a member of that. We never would agree. They loved these kinds of things. This is one magnificent boondoggle, and the Senator from New Hampshire has described it.

I hope we can reallocate these funds to the student exchanges which have worked.

The Soviets know what is working. They have some 12,478 out of Central America. We have less than 500. We are behind the eight ball. We ought to catch up on these exchanges. Then you could get the heads of states, like our friend Nicky Balatti who is now the President of Panama, who went to N.C. State. That is the way to spread democracy in a realistic way, but not with a hotel-restaurant eating contest.

Mr. MITCHELL. Madam President, last September I expressed my support for the National Endowment for Democracy and my hope that it would be constituted so as to include the political party institutes. My support for these institutes results from the success which similar organizations have met in the Federal Republic of Germany. These institutes have operated for almost 20 years and have bolstered international debate on a variety of vital issues. Venezuelan party foundations have achieved similar successes in Latin America.

As my colleagues are aware, the National Endowment for Democracy was authorized in the fiscal year 1984 State Department authorization legislation, but by the time appropriations legislation reached the President, only $18 million was allotted to the endowment. No specific appropriations were approved for the National Democratic and National Republican Institutes of International Affairs.

While I continue to support giving the National Endowment for Democracy an opportunity to prove its worth, and while I hope that a formal role for the party institutes will be possible at some point in the future, I will oppose earmarking $5 million for each institute in the pending fiscal year 1985 State-Justice-Commerce appropriations bill. I base my opposition on a pledge I made earlier this year: To oppose to the maximum extent possible new spending in fiscal year 1985 because the Federal deficit is simply too large. This bill proposes to appropriate $31 million for the endowment this year, a large increase over last year. As much as I support the concept of the endowment I cannot support such an increase. Until we make greater strides in reducing this deficit, we cannot justify approving new spending except in the most exceptional, emergency circumstances.

Thank you, Madam President.

Mr. RUDMAN. Madam President, have the yeas and nays been ordered?

The PRESIDING OFFICER. Yes; the yeas and nays have been ordered.

The question is on agreeing to the amendment of the Senator from New Hampshire. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. HAWKINS (when her name was called). Present.

Mr. LAXALT (when his name was called). Present.

Mr. MOYNIHAN (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Idaho [Mr. MCCLURE] are necessarily absent.

Mr. BYRD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART], and the Senator from Mississippi [Mr. STENNIS], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 62, nays 30, as follows:

[Rollcall Vote No. 183 Leg.]

YEAS—62

Abdnor	Armstrong	Bingaman
Andrews	Baucus	Boren
Bradley	Hecht	Proxmire
Bumpers	Heflin	Pryor
Burdick	Helms	Quayle
Byrd	Humphrey	Randolph
Chafee	Jepsen	Rudman
Chiles	Kassebaum	Simpson
Cochran	Kasten	Specter
Cohen	Levin	Stafford
D'Amato	Long	Stevens
Dixon	Mathias	Symms
Dole	Matsunaga	Thurmond
Domenici	Mattingly	Trible
Eagleton	Melcher	Tsongas
East	Metzenbaum	Wallop
Exon	Mitchell	Warner
Garn	Murkowski	Weicker
Glenn	Nickles	Wilson
Grassley	Nunn	Zorinsky
Hatfield	Pressler	

NAYS—30

Baker	Ford	Leahy
Bentsen	Gorton	Lugar
Biden	Hatch	Packwood
Boschwitz	Heinz	Pell
Danforth	Hollings	Percy
DeConcini	Huddleston	Riegle
Denton	Inouye	Roth
Dodd	Johnston	Sarbanes
Durenberger	Kennedy	Sasser
Evans	Lautenberg	Tower

ANSWERED "PRESENT"—3

Hawkins	Laxalt	Moynihan

NOT VOTING—5

Cranston	Hart	Stennis
Goldwater	McClure	

So Mr. RUDMAN's amendment (No. 3358) was agreed to.

Mr. RUDMAN. Madam President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Madam President, I thank my colleagues for their support on this amendment.

We shall now have an amendment on the same subject, offered by the ranking member, it is my understanding. Following that, we shall have amendments offered in some order by the Senator from Oklahoma [Mr. NICKLES] and the Senator from North Carolina [Mr. HELMS]; an amendment that will be offered by the Senator from Kansas [Mrs. KASSEBAUM], which I believe will be accepted by the committee. I understand that Senators METZENBAUM and GLENN have amendments. I know that the amendment offered by the Senator from Ohio [Mr. GLENN] will be accepted by the committee. I have yet to discuss the amendment of the Senator from Ohio [Mr. METZENBAUM]. It looks to me like, if we keep moving, we can finish up here in an hour or an hour and 15 minutes.

AMENDMENT NO. 3559

Mr. HOLLINGS. Madam President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS] proposes an amendment numbered 3359.

Mr. HOLLINGS. I ask unanimous consent that further reading be dispensed with.

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

The amendment is as follows:

On page 49 delete all after line 18 through line 10 on page 51 and insert in lieu thereof the following:

EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

For expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag Exchange Programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), $135,916,000. For the Private Sector Exchange Programs, $8,948,000, of which $1,500,000, to remain available until expended, is for the Eisenhower Exchange Fellowship Program.

ACQUISITION AND CONSTRUCTION OF RADIO FACILITIES

For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $85,000,000, to remain available until expended.

RADIO BROADCASTING TO CUBA

For an addditional amount, necessary to enable the United States Information Agency to carry out the Radio Braodcasting to Cuba Act (providing for the Radio Marti program of Cuba Service of the Voice of America), including the purchase, rent construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $12,000,000, to remain available until expended.

CENTER FOR CULTURAL AND TECHNICAL INTERCHANGE BETWEEN EAST AND WEST

To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, $19,000,000: Provided, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended.

Mr. HOLLINGS. Madam President, this amendment deletes the full $21,300,000 appropriation now in the bill for the National Endowment for Democracy and increases the amount for Educational and Cultural Exchanges by $11,864,000. The increase for the exchanges would provide the full $135,916,000 expected to be authorized for these programs, including the Central American Initiative. Without this increase, only $11,236,000 would be available for the Central American Initiative instead of the $23,100,000 level by amendment provides.

This Senator yields to no one in his support of the exchange programs. When I assumed the leadership of the subcommittee in 1977, the allocation for the Fulbright and associated programs was only $40,048,000. Over the years, we have worked that up to $105,881,000. Similarily we have provided for the new Hubert H. Humphrey Fellowships as well as the other new exchange programs.

It is imperative that we fund the increased educational opportunities requested by the administration for Central America. In my mind this is a far greater way to promote democracy in these vital areas than the harebrained scheme of the National Endowment for Democracy.

Anyone who has visited Panama in the last 10 years, or any of the other Central American nations, knows that the Communists are beating us in providing these types of opportunities. The Soviets have promised 100 to 200 full scholarships a year to Patrice Lumumba University in Moscow. Our good friends in Panama are literally scared to death of a whole era of Panamanians being trained in Communist institutions. Current estimates are that 150 Panamanians are now at Patrice Lumumba, while our Government only sponsors 120 in the United States.

Dr. Ronald Trowbridge, who heads the Bureau of Educational and Cultural Affairs, recently reported on his visit to Central America. The Government official in Panama in charge of granting loans to Panamanian students to study abroad told him that the Soviet presence in the exchange field is dangerous. He found that only 40 percent of the faculty of the University of Panama has any graduate training and virtually the only applicants for open faculty positions are those trained in Communist countries, especially at Moscow's Patrice Lumumba. The director of the University of Panama indicated to him that the university sabbatical policy provides for salary only. Therefore, his faculty can only afford to travel to Mexico, Brazil, or Communist countries for research.

In the battle for the hearts and minds of the world, there is so much more we must do. Certainly, we can do much more by providing the necessary scholarships and fellowships that our Communist adversaries are so willing to underwrite, instead of sending politicians on junkets around the globe.

Mr. HOLLINGS. Madam President, this knocks out the entire amount. We have just voted to reduce the $31 million. We have knocked out the political parties and brought it down to $21 million to be administered by the AFL-CIO and the chamber of commerce. This amendment, in a sentence, still knocks out the Endowment—I do not want it misunderstood—the National Endowment for Democracy. In the amendment, I remove the entire $31 million and insert in lieu thereof $11,864,000 more for the student exchange in Central America.

Madam President, I believe in democracy, I believe in spreading it, and I believe this is a better way to spread it, rather than going with the Endowment for Democracy and going on the visitations and the various trips around and what have you. We are behind in Latin America, miserably behind, on what we first instituted, a spread of democracy through Fulbright, Humphrey, and other scholarships.

I ask unanimous consent that the statement I referred to by Ronald Trowbridge, Associate Director of the Bureau for Cultural and Educational Affairs, be printed in the RECORD. This is in support of the increased student exchange which we have been cutting back and denying.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

PREPARED STATEMENT BY RONALD L. TROWBRIDGE, ASSOCIATE DIRECTOR, BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS

The Soviet Union and its allies are concentrating efforts to win the hearts and minds of Central Americans through higher education, providing through careful analysis full-ride scholarships to future grassroots leaders there. In 1977 the Soviet Union and its allies sponsored 1,125 academic scholarships to Central Americans; in 1982 that number rose alarmingly to 7,415. (Worldwide, the figures are: 1978—48,700, increasing in 1982 to 102,400.) These students study in the Soviet Union, the Eastern bloc, or Cuba.

As director of the Bureau of Educational and Cultural Affairs, United States Information Agency, that is charged with implementing the academic exchange component of the National Bipartisan Commission on Central America (the Kissinger Commission), I have just returned from Central America, where I held numerous discussions with university rectors, professors, ministers of education, government officials, business leaders, American Ambassadors and Embassy officials. I noted three unifying strains: one, that they initiated mention of Soviet or communist infiltration in education; two, that this infiltration has sharply risen in the last "five to ten years," and, three, that something must be done urgently as a countermeasure "before it is too late."

Examples confirm this urgency. The government official in Panama, for instance, in charge of granting loans to Panamanian students to study abroad labelled the Soviet presence in the exchange field as "dangerous." The Rector of the University of Panama, Panama's largest university with 34,000 students, gave me an even more alarming account. Only 40 percent of his faculty have any graduate training, and for open faculty positions virtually the only applicants are those trained in communist countries, especially at Moscow's Patrice Lumumba. The Rector, a Ph.D. from Purdue University, said that while he does not want to hire these communist trained applicants, he has no choice. It is either that or not offer the classes. When I arrived in Panama the Rector of Patrice Lumumba University was there to meet with university officials and to attend a reunion of Panamanian graduates of Patrice Lumumba. The Rector of the University of Panama added, further, that since sabbatical policy provided salary only, his faculty could afford to travel only to Mexico, Brazil, or communist countries for research.

As but one more example in Panama, Chamber of Commerce members there are so alarmed by the Soviet or communist presence that they have banded together to raise funds to send Panamanian students to the U.S. for study.

In Costa Rica, the Vice Minister of Education told me that a counter to the communist aggregate in the area of academic exchange is necessary to keep democracy alive there, that the Soviets are far ahead of the U.S. in exchanges, that the relation between Costa Rican professors and students and the U.S. has "fallen off," that while the smaller upper class already cherishes U.S. values, the much, much wider middle and low classes need attention—the Soviets focusing their efforts here. He cited the example of the communists "astutely" choosing to educate a certain young man from an Indian reservation, who then returned to assume a position of influential leadership. We should focus our attention on youth, the Vice Minister observed, because "peace could only come from young people."

The Rector of a private university in Costa Rica echoed the same thoughts, adding that local businessmen hire the communist trained, whose degrees are recognized in Costa Rica, as these business leaders are not all that biased against communist training. He further observed that Costa Rican resentment against U.S. wealth enables the fertile ground upon which communist propaganda effectively spreads. The solution, he argued, is not economic aid or welfare to the Costa Ricans, but "communication," that is, education.

As one final example, the Rector of the University of Costa Rica, the oldest and most prestigious institution of higher learning in the country, signed in May 1982 an agreement with the Pushkin Institute of Russian Language in Moscow to train Costa Rican professors in Russian language, studies and politics in Moscow—the Soviets paying fully for the Costa Ricans, including "costs related to clothing."

Soviet attention in Central America in countries other than Panama and Costa Rica is even greater, their concentration and infiltration aimed not only at the pragmatic fields of education, technology, medicine, engineering, and communications, but even at bookstores and libraries. The Soviet Union is the world's fourth largest publisher of books in Spanish. In 1982, the Soviet Union produced 11.6 million copies of 391 titles in Spanish. Approximately 50 percent of these publications are in children's literature—the successor generation—and are characteristically allegorical attacks against capitalism and Western democracy. Moreover, the flood of Soviet and Marxist books to Managua, for example, is conspicuous. Well-printed large paperbacks, of the quality which normally sell for $6-8 in the U.S. (and considerably more in Central American bookstores), could be had in Nicaragua for the equivalent of fifty cents.

Unmistakably, the Soviet Union and its allies are making haste slowly in Central America through the sure-footed, long-term infrastructure of education. Will the U.S. even react in kind with our close neighbors?

Mr. HOLLINGS. My particular $11 million carries the full amount the President asked for in the budget. It is President Reagan's request, and I think this is a better approach. Those who want to sustain the National Endowment for Democracy will stick with this last vote because the National Endowment is sustained there. Those who want to use the student approach and not sustain the Endowment, then I hope they will stick with me in my amendment.

Mr. SYMMS. Will my colleague yield?

Mr. HOLLINGS. Yes, Madam President.

Mr. SYMMS. Madam President, I have been listening to the Senator from South Carolina discuss this this afternoon. A lot of what he said I agree with.

I would only make the observation after listening to this debate that if our State Department would do nothing more than take all the old used merchandise catalogs from Sears Roebuck and JC Penney and Montgomery Wards and pass them out around the world, they would do more to sell the good things about this country around the world than a lot of these things we are discussing and we would not have to be promoting democracy because it is a struggle of ideas and we are not selling the positive humanitarian aspects of our democratic system of this country. We do not tell the people the virtues of capitalism. Our bureaucrats who are paid by the American taxpayers do not go out and spread democracy, free enterprise, and capitalism enough. It happens occasionally. For those who do it, I praise them, but I think the Senator is on the right track. I would like to see this whole project wiped out. We already voted once to wipe it out and it failed, is that correct?

Mr. HOLLINGS. That is correct.

Mr. SYMMS. The Senator is trying to get students in Central America up here to school.

Mr. HOLLINGS. Right.

Mr. SYMMS. I compliment the Senator.

Mr. HOLLINGS. I thank the distinguished Senator. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Madam President, I congratulate my friend and colleague from South Carolina. This whole thing should be wiped out in my opinion. But certainly the amendment that he has just offered makes far, far more sense than anything else that has been introduced here on this subject. I therefore ask unanimous consent that I be listed as a cosponsor of the amendment offered by the Senator from North Carolina.

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

The Senator from Vermont is recognized.

Mr. LEAHY. I also ask unanimous consent to be listed as a cosponsor. I think it is an excellent amendment.

Mr. HOLLINGS. Madam President, I also ask unanimous consent to add the distinguished senior Senator from West Virginia, the Senator from Nebraska [Mr. ZORINSKY], the distinguished Senator from New Hampshire [Mr. RUDMAN], Senator CHILES, Senator GLENN from Ohio, Senator MATTINGLY from Georgia, and Senator MELCHER from Montana as cosponsors.

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

Mr. RUDMAN. Madam President, I think we are witnessing some new kind of rollcall. We are going to get this amendment accepted by acclamation.

This is a very sensible amendment. The money will do so much more good spent the way the Senator from South Carolina desires it be spent. I support it completely and I hope it is supported.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. HATCH. Madam President, I do not expect to take very long. Let us understand there is a difference between the National Endowment for Democracy and USIA. The USIA's purpose is an exchange of programs conducted under the Fulbright-Hayes Act. Its purpose is to tell America's story to the world, and I commend that purpose.

I would personally vote to increase funding for that which the distinguished Senator from South Carolina desires to do. They want to support U.S. foreign policy objectives to increase mutual understanding between the people in the United States and the people of other countries. In NED, the emphasis is on building free and democratic institutions and furthering the democratic cause. USIA's purpose is sufficiently narrow. It is basically to foster mutual understanding between the United States and other countries, and I support that. Its purpose is also to of influence foreign public opinion concerning the United States.

Now, we have stripped out this evening—the Senate has spoken—on the two party institutes. I can accept that. The Senate has spoken on it and that is the way it is. But that leaves two entities left in NED who have been doing a good job, and one in particular I think has set worldwide standards of doing a good job. That happens to be the Free Labor Institute of the AFL-CIO.

I spoke earlier of the fact that I have investigated these programs all over the world and I have seen the good they have done. I personally think it is wrong for us in the Senate to expect the AFL-CIO to continue to fund all of the efforts that they make, which I think are in the best interests of democracy around the world and

the best interests of freedom around the world, especially when we can add to the process and help them in the process to be able to do a better job.

Now, the chamber of commerce submitted a very good proposal to the board showing responsibility and showing that they have the maturity to do a job that should be done. I mentioned honestly that the two party institutes did not submit proposals of the same quality or depth as these two other institutes. I believe, having watched what the Free Labor Institutes have done in the past, that they have done more for this country in a variety of ways than almost any other insitution. They have done it at the expense of AFL-CIO.

Now perhaps that is what the Members of this body will determine should be done. But I think we can enhance what they are doing to create democratic principles, to foster democratic principles, to help others to understand democratic principles, to bolster countries that are having a difficult time with democratic principles, and to teach the principles of freedom around this world.

They are trained; they are good; they are tough; and they are doing it. I think we could help them by keeping the National Endowment for Democracy alive.

The thing that I would feel the worst about, if the Senator's amendment passes—and keep in mind I am offering to join with him in raising more funds if we have to for the purposes that he is talking about—the thing that would make me feel the worst is that we would not even have given the National Endowment for Democracy a chance.

Mr. MATHIAS. Will the Senator yield on that point?

Mr. HATCH. I will be delightful to yield.

Mr. MATHIAS. I inquired earlier of the Senator how much of the funds that had already been given to the National Endowment for Democracy still on hand. The Senator said he did not think very much had been expended.

Mr. HATCH. By the two party institutes. The reason a lot has not been expended is because the board has met on initial programs, and during that board meeting we laid out a complete series of programs at least for the Free Labor Institute and also the chamber's institute that will expend those moneys in the appropriate way and at the appropriate time.

Mr. MATHIAS. I have been advised that once the USIA makes a grant to the National Endowment for Democracy, the money remains available until it is expended. Now, such a grant has been made, has it not?

Mr. HATCH. We have accepted some limited grant proposals at this time.

Mr. MATHIAS. But the grant made by USIA to the National Endowment for Democracy has been made, has it not?

Mr. HATCH. The Senator is correct.

Mr. MATHIAS. So that money is on hand and the life of the National Endowment for Democracy does not depend on the Hollings amendment then, because they have on hand the funds to continue to operate——

Mr. HATCH. For this year.

Mr. MATHIAS [continuing]. At a somewhat lower level for some months to come. I am wondering if the Senator from South Carolina would agree with that.

Mr. HOLLINGS. Well, there is no question that the foundation itself is a private foundation, is organized under the laws of the District of Columbia, so chartered, and I imagine would certainly cost——

Mr. MATHIAS. They have money on hand.

Mr. HOLLINGS. How much is left still?

Mr. MATHIAS. Nobody knows.

Mr. HOLLINGS. I have been trying to find out and I could not.

Mr. MATHIAS. They started out with $18 million, and the Senator from Utah has said they have not spent very much yet, so they have enough money to keep going for quite a while.

Mr. HOLLINGS. Oh, yes, sure.

Mr. MATHIAS. At least as far as we can determine at this point during the debate.

Mr. HATCH. Well, but not on an extended basis, not in a way that they can really justify the programs they have laid out and the rather extensive proposal that we have accepted as a board of directors.

My personal feeling is that the Senator's amendment actually will spell the end of the National Endowment for Democracy. I think that would be a very bad thing. I suppose they can spend whatever funds they have allocated thus far, and they intend to do so, in accordance with a very, very good set of proposals.

However, let us not fool anybody. If we do not fund this for the coming year, there is no reason to think we can have a program that has continuity, which is necessary to fight for the principles of democracy around the world.

I do not intend to take any more time of my colleagues. I think I have made the case that the labor institute and the chamber institute have been responsible. I think it would be tragic if we do not support them. I hope my colleagues will support me in voting down the well-intentioned amendment of the Senator from South Carolina.

I restate my conviction that I will stand with the distinguished Senator in trying to find funds for him, so that he can do what he wants to do, without taking it away from the National Endowment for Democracy.

Mr. PRYOR. Mr. President, I am pleased to support the amendment by the Senator from South Carolina.

Perhaps because of my long association with Senator Bill Fulbright, I have always been a strong supporter of increasing the level of international student exchanges. I can think of no finer monument to Senator Fulbright than the enormous success of the exchange program that bears his name. Not only have thousands of deserving students enjoyed an opportunity to expand their knowledge of foreign cultures through the Fulbright program, but many, many of today's leaders received part of their education through Fulbright scholarships. Some of these leaders are Prime Minister Margaret Thatcher of Great Britain, President Julius Nyerere of Tanzanina, former Chancellor Bruno Kreisky of Austria, former Chancellor Helmut Schmidt of West Germany, and Prime Minister Indira Gandhi of India.

The resultant good will fostered by the Fulbright program through its students has been an important element of our foreign relations with those nations and others and should not be underestimated.

Federal support for international exchange programs amounts to only 10 to 15 percent of total funding, but that Federal participation attracts private funds and provides a stable operating base.

I voted last year for the establishment of the National Endowment for Democracy. I believe strongly enough in our democratic ideals that I'd like to see them exported to other countries. The goals of the Endowment are laudatory, and the participants in the Endowment—the two political parties, the AFL-CIO, and the National Chamber of Commerce—should be commended for their efforts and their sincerity.

But I have enough questions about the implementation of this new program to make me wonder if it is the best approach to the dissemination of democratic ideals.

I have no reservations whatsoever about international student exchange programs, however. What better way to teach democratic values than to expose students directly to them?

We must remember that the vast majority of the world's population has no idea what democracy means. The concepts of a free press, political opposition, free and open dissent, private ownership of the press, and civil liberties must seem incomprehensible to those who have never experienced them.

This is certainly true in Central American countries, and I applaud Senator HOLLINGS for aiming his amendment at students from those countries. The fortunes of the United States and Central America are closely

intertwined, and it is in our own best interest to increase understanding between the two.

I am afraid that the current perception of our system is a distorted one. We need to bring bright young Salvadorans and Guatemalans and Costa Ricans to the United States and let them carry back the message of what American democracy is all about.

The Senator from Connecticut, Mr. WEICKER, has spoken eloquently about his visit to Cuba, where he saw hundreds of African students being educated in Cuban secondary schools.

The Soviet bloc countries currently sponsor the education of 14 Central American students for every one student exchange with the United States. An estimated 4,000 young people are being trained now in Cuba. In the last 5 years, the Soviet bloc has increased its student exchanges with Central American countries by 700 percent.

For years now, we have engaged the Soviet Union in an arms race. I'd like to see us begin a second race—to outdo the Soviets in the area of international exchanges.

Mr. HOLLINGS. Madam President, I ask unanimous consent to add as cosponsors of the amendment the Senator from Connecticut, [Mr. WEICKER], the Senator from North Dakota [Mr. ANDREWS], and the Senator from South Dakota [Mr. PRESSLER], the distinguished presiding officer, the Senator from Kansas [Mrs. KASSEBAUM], and the Sentor from Arkansas [Mr. PRYOR] be added as cosponsors of the amendment.

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

The question is on agreeing to the amendment. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. LAXALT (when his name was called). Present.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. MCCLURE], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

Mr. BYRD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER [Mr. WILSON]. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 44, nays 49, as follows:

[Rollcall Vote No. 184 Leg.]

YEAS—44

Andrews	Boren	Chafee
Armstrong	Bradley	Chiles
Baker	Bumpers	Cochran
Baucus	Burdick	Dole
Biden	Byrd	East
Exon	Leahy	Quayle
Glenn	Mathias	Randolph
Grassley	Mattingly	Rudman
Hatfield	Melcher	Symms
Heflin	Metzenbaum	Trible
Helms	Nickles	Tsongas
Hollings	Nunn	Warner
Humphrey	Pressler	Weicker
Jepsen	Proxmire	Zorinsky
Kassebaum	Pryor	

NAYS—49

Abdnor	Gorton	Packwood
Bentsen	Hatch	Pell
Bingaman	Hawkins	Percy
Boschwitz	Hecht	Riegle
Cohen	Heinz	Roth
D'Amato	Huddleston	Sarbanes
Danforth	Inouye	Sasser
DeConcini	Johnston	Simpson
Denton	Kasten	Specter
Dixon	Kennedy	Stafford
Dodd	Lautenberg	Stevens
Domenici	Levin	Thurmond
Durenberger	Long	Tower
Eagleton	Lugar	Wallop
Evans	Matsunaga	Wilson
Ford	Mitchell	
Garn	Moynihan	

ANSWERED "PRESENT"—1

Laxalt

NOT VOTING—6

Cranston	Hart	Murkowski
Goldwater	McClure	Stennis

So Mr. HOLLINGS' amendment (No. 3359) was rejected.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. RUDMAN. Mr. President, the minority floor manager and I agree to lay aside the pending amendment to briefly consider amendments to be offered by other Senators.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I will call up an amendment in just a moment. But I ask unanimous consent that I may yield to the distinguished Senator from Ohio, Mr. GLENN, who has an amendment which has been cleared on both sides, provided that I do not lose my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Ohio.

Mr. GLENN. Mr. President, I thank the distinguished Senator from North Carolina.

AMENDMENT NO. 3361

(Purpose: To amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide death benefits for additional public safety officers)

Mr. GLENN. Mr. President, I send an amendment to the desk and ask for its immediate consideration. It has been cleared on both sides.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. GLENN], for himself and Mr. NICKLES, proposed an amendment numbered 3361.

Mr. GLENN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment reads as follows:

On page 36, between lines 10 and 11, insert the following new section:

SEC. 204. (a)(1) Section 1201 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796) is amended by adding at the end thereof the following new subsection:

"(g) The authority to make payments under this section shall be effective only to the extent provided for in advance by appropriation Acts.".

(2) Section 1202 of such Act (42 U.S.C. 3796a.) is amended—

(A) by striking out "or" at the end of clause (2);

(B) by striking out the period at the end of clause (3) and inserting in lieu thereof "; and "; and

(C) by adding at the end thereof the following:

"(4) to any person employed in a capacity other than a civilian capacity.".

(3) Section 1203 of such Act is amended—

(A) by striking out clause (3) and inserting in lieu thereof the following:

"(3) 'firefighter'—

"(A) means a person whose duties include performing work directly connected with the control and extinguishment of fires and who, at the time the personal injury referred to in section 1201 is sustained, is engaged in such work or in another emergency operation; and

"(B) includes a person serving as an officially recognized on designated member of a legally organized volunteer fire department;";

(B) by striking out clause (5) and inserting in lieu thereof the following:

"(5) 'law enforcement officer' means a person—

"(A) the duties of whose position include performing work directly connected with—

"(i) the control of crime or juvenile delinquency;

"(ii) the enforcement of the criminal laws; or

"(iii) the protection of Federal officials, public buildings or property, or foreign diplomatic missions; and

"(B) who, at the time the personal injury referred to in section 1201 is sustained, is—

"(i) engaged in the detection of crime;

"(ii) engaged in the apprehension of an alleged criminal offender;

"(iii) engaged in the keeping in physical custody of an alleged or convicted criminal offender; or

"(iv) assaulted or subjected to the conduct of criminal activity in the line of duty, and includes police, correction, probation, parole, and judicial officers;";

(C) in clause (6) by inserting "the United States," after "means"; and

(D) in clause (7), by striking out "fireman" and inserting in lieu thereof "firefighter".

(b) The amendments made by subsection (a) shall take effect with respect to injuries sustained on or after October 1, 1984.

Mr. GLENN. Mr. President, I am offering an amendment today to provide a $50,000 death benefit to the survivors of Federal firefighters and law enforcement officers who are killed in the line of duty. This measure would extend this benefit to the families of these Federal officers by amending the Public Safety Officers' Benefits Act. Since its enactment in 1976, this act has provided the same $50,000 death benefit to the survivors of State and local public safety officers.

Extending the same death benefit to both Federal and State and local public safety officers is a simple matter of fairness and equity. There is no distinction in the hazards that these officers face and sadly, in their profession, they suffer some of the highest death and injury rates in the country. Because these officers face the same dangers and risk of death, when they perish or are slain in the course of protecting our safety, there should be no disparity in the death benefits available to their survivors.

Several examples will illustrate the anomalous and inequitable operation of the current law.

The first example concerns the 1981 shooting incident involving the President. In addition to the President, a District police officer and a U.S. Secret Service agent were wounded. Had these officers died, only the family of the police officer would have been eligible to receive the $50,000 death benefit.

Another example concerns the mutual-aid agreements that most Federal fire departments participate in with their surrounding localities. If both a Federal and local firefighter are killed during a cooperative effort, again only the family of the State and local officer would be eligible to receive the $50,000 death benefit.

A final example concerns a Federal firefighter who is killed while serving as a volunteer for a local fire department. Although his survivors normally would be ineligible to receive the $50,000 death benefit, the opposite is true where a Federal firefighter serves in a local volunteer status.

In 1976, when the Public Safety Officers' Benefits Act was enacted, death benefits for State and local public safety officers were substantially less than the benefits available to their Federal counterparts. According to the International Association of Firefighters, the reverse is true today with many States having equivalent or greater death benefits than are available to the survivors of fallen Federal officers even before the $50,000 death benefit is taken into account.

Mr. President, in the 97th Congress, the Senate passed a death benefit measure which is virtually identical to the amendment that I am offering now. The House passed a similar measure but both measures failed of enactment. The Congress also passed the death benefit bill in the 96th Congress, although it was vetoed, in part because it was retroactive. This amendment is not. It is my understanding from supporters of this measure that if the death benefit bill reaches the President's desk, he will sign it. I would hope so.

My amendment, which is similar to the death benefit bill (S. 1163) that I introduced earlier this session, has the broad support of the law enforcement and firefighting community, including the International Association of Firefighters the Fraternal Order of Police, the International Association of Fire Chiefs, National Association of Police organizations, the Joint Council of National Fire Service Organizations, National Volunteer Firefighters Association, the American Federation of Government Employees, and the National Federation of Federal Employees. With this support, the impressive track record of the death benefit bill in Congress, and its negligible cost—$250,000 per year—and laudable purpose, I am confident that the Senate will pass my amendment.

Mr. President, Federal firefighters and law enforcement officers routinely risk their lives in the line of duty to protect many lives and secure the areas in which the Federal Government operates. These Federal firefighters and law enforcement officers deserve the same peace of mind as their counterparts on the State and local levels have from knowing that if they die in the line of duty their families will at least be afforded minimal financial security.

Mr. NICKLES. Mr. President: I am pleased to join Senator GLENN as a cosponsor in offering this amendment to provide a $50,000 death benefit to the survivors of a Federal law enforcement officer or firefighter whose death was the direct and proximate result of a personal injury sustained in the line of duty.

On March 22, 1984, I introduced S. 2472, the Federal Public Safety Officers' Supplemental Death Benefits Act of 1984, which Senator GLENN cosponsored. That bill would also have provided a $50,000 death benefit to the same Federal public safety officers. When I introduced S. 2472, it had been my hope that it would have been signed into law by now. Hopefully, this amendment can fulfill that wish in the near future.

There is much evidence of widespread support for this amendment. Two other bills, S. 1163 and S. 1716, have been introduced this Congress by Senators GLENN and DENTON, respectively, to provide this benefit. During the 97th Congress, the House of Representatives passed a death benefit bill similar in intent to this amendment by a vote of 327 to 82 and the Senate passed an amendment granting the benefits. Unfortunately, the House and Senate did not work in tandem to get a bill to the President's desk.

This Congress, the House has again passed a bill, H.R. 622, granting this death benefit. I hope the Senate will join with Senator GLENN in passing this amendment and that the House will accept it. We have come too close in the past to provide this benefit without finalizing our actions.

Mr. RUDMAN. Mr. President, this has been discussed on both sides. This is a matter which has passed the full U.S. Senate on two occasions. It deals with the benefits for certain Federal law enforcement officers who are killed in the line of duty. We will accept this and we hope that we may work it out at the conference with the House.

Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Ohio [Mr. GLENN].

The amendment (No. 3361) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GLENN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from Vermont, provided I do not lose my right to the floor.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

USIA

Mr. LEAHY. Mr. President, about 1 month ago, I read in the newspaper that the head of the U.S. Information Agency [USIA], Charles Wick, caused quite a stir in Japan when he requested an armored limousine and a police escort from our Embassy. Apparently our Embassy informed Mr. Wick that the U.S. mission did not have an armored limousine nor were any known to exist on the rental market in Japan.

According to the State Department, USIA has requested and received four personal armed bodyguards for Mr. Wick on all of Mr. Wick's foreign journeys—and there have been many of Mr. Wick's foreign journeys.

The Washington Post reported that: "the State Department cannot refuse requests to give Wick bodyguards because he is a longtime friend of President Reagan."

"The relationship between Wick and the President is the sole reason for his protection," said one diplomatic offi-

cial. "There's a little paranoia involved. He perceives himself, because of his relationship with the President, to be more in danger than you or I might perceive him to be."

Mr. President, I am not sure that you or I would see the same threat to Mr. Wick—to the extent that he was made a special deputy U.S. marshal so he could carry a handgun at home, or to put in a $32,000 security system for his home.

Given these press reports, I would ask the committee, in the spirit of budget discipline, if it would request from the USIA a report on the amount of taxpayers' funds spent by USIA or any other Federal agency for bodyguard and other personal protection for Mr. Wick, either here or abroad.

Mr. RUDMAN. Mr. President, I think the Senator from Vermont raises a very interesting point. The committee will, in fact, look into the matter the Senator from Vermont raises.

Mr. LEAHY. I thank the Senator from North Carolina and the Senator from New Hampshire.

AMENDMENT NO. 3360

(Purpose: To impose sanctions on Bulgaria)

Mr. HELMS. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS], for himself, Mr. SYMMS, Mr. WALLOP, Mr. EAST, Mr. DODD, Mr. DENTON, and Mr. DOMENICI proposes an amendment numbered 3306.

Add at the end of the Bill the following new section:

"SEC. —. (a) Notwithstanding any other provision of this Act,

(1) no funds shall be expended by the Department of Commerce to promote trade with Bulgaria including but not limited to expenditures for trade fairs, trade specialists, and the Bulgarian-U.S. Business Roundtable or any other such joint body,

(2) no funds shall be expended by the Department of State to promote trade with Bulgaria,

(b) It is the sense of Congress that Bulgaria should be declared to be engaged in state sponsored terrorism within the meaning of Sec. 6(i) of the Export Administration Act of 1979.

Mr. HELMS. Mr. President, I am honored to have as cosponsors of this amendment Senators SYMMS, WALLOP, EAST, DODD, and DENTON.

Mr. President, this amendment would prohibit the expenditure of funds by the Department of Commerce and by the Department of State to promote trade with Bulgaria. Further, as the clerk has just indicated when he read the amendment, it expresses the sense of Congress that Bulgaria should be declared to be what it is—engaged in state-sponsored terrorism.

Mr. President, in recent months the Department of Commerce and the Department of State have stepped up an extensive program to promote trade with Bulgaria. There is a great body of opinion that this is improper in light of the direct Bulgarian involvement in the plot to assassinate Pope John Paul II and in light of the farflung international operations of the Bulgarian Government to promote international terrorism and drug trafficking.

The world was shocked by the brutal attempt on the Pope's life on May 13, 1981. Even in the weeks and months immediately following the assassination attempt, reports emerged pointing a finger at the Kremlin and its satellites in Eastern Europe. It should not be forgotten that these reports were systematically ridiculed and downgraded by those in the West who did not want to see the Soviet Union exposed by the truth. Today, however, there has grown a conclusive body of evidence which links the Bulgarian Government directly to the assassination attempt and further evidence that links the attempt to the KGB and the Soviet Government. Claire Sterling, a writer of international renown, has just published a carefully researched book on the Bulgarian role in the papal assassination attempt. Paul Henze, an authority on international matters, has also recently published a book demonstrating the Bulgarian connection and the Soviet links to the assassination.

Mr. President, it is a matter for deep concern that the attempt to assassinate the Pope did nothing to introduce caution into the State Department and the Commerce Department with respect to dealings with the Soviet bloc. Indeed, just the opposite has occurred. In 1982, the Bulgarian Minister of Transportation made an official visit to the United States and in 1983 the Bulgarian Minister of the Chemical Industry made an official visit to the United States.

This spring, at a time when more and more information was establishing conclusive links between the Bulgarian Government and the attempt on the Pope's life, the pace of State Department and Commerce Department activities with Bulgaria and other Soviet bloc countries increased. It is a matter of public record that Richard Burt, Assistant Secretary of State, made a trip to East Germany, Hungary, and Bulgaria this past February. Mr. Burt was the highest U.S. official to visit East Germany since the establishment of relations in 1974. He also used the trip to pave the way for U.S. sponsored trade fairs in East Germany and in Bulgaria.

It may seem incredible to Members of this body that the U.S. Government would sponsor a trade fair with Bulgaria, a country which is known to our intelligence services as promoting international terrorism and drug trafficking. Nevertheless, such a trade fair did occur between May 14 and May 17 of this year in Sofia, Bulgaria.

Mr. President, the involvement of the Government of the United States to promote this trade fair and related commercial activity is outrageous in light of the information available concerning the Bulgarian role in the plot against the Pope's life. Indeed, the involvement of the Government of the United States to promote trade with Bulgaria is outrageous in the light of massive documentation about other activities sponsored by the Bulgarian Government involving the spread of international terrorism and international narcotics.

Mr. President, it is no secret that the Bulgarian Government's merchant marine fleet is assisting in the delivery of Soviet bloc weapons and munitions to the Sandinista Communist dictatorship in Nicaragua. We regularly read reports in the press noting these ships passing through the Panama Canal and delivering weapons and munitions in Nicaragua to help the Sandinistas spread death and destruction not only in their own country but also to spread death and destruction among the free peoples and nations of Central and South America.

The fact that the Bulgarian Government is directly involved in the international heroin trade is no secret. Just this month, during hearings in the House of Representatives, extensive documentation was presented showing the Bulgarian role in the international heroin traffic.

Mr. John C. Lawn, Acting Deputy Administrator of the United States Drug Enforcement Agency stated that:

We can confirm that about 25 percent of the heroin reaching the United States transits at some point through Bulgaria.

Mr. Lawn went on to state flatly that the official Bulgarian state trading agency, Kintex, was deeply involved in this drug smuggling operation. He said:

* * * the government of Bulgaria has established a policy of encouraging and facilitating the trafficking of narcotics through their corporate veil of Kintex.

In virtually every report available to the DEA since 1970 about narcotics trafficking in and through Bulgaria * * * Kintex is mentioned as a facilitator of transactions.

In turn, knowledgeable sources tell us that top ranking members of the Bulgarian Security Service or ex-Bulgarian ministers comprise the directorate of Kintex.

Mr. President, according to information reaching my office, the entire Kintex operation which is headquartered at 66 Boulevard Anton Ivanov in Sofia, Bulgaria, is run by the First Directorate of the Bulgarian Secret Police, the KDS. In turn, the KDS is run by the Soviet KGB which has several dozen KGB officers working inside the KDS.

During these same hearings, Mr. Paul B. Henze, a former State Department employee who is now working for the Rand Corp. and who has just published a book entitled, "The Plot To Kill the Pope," linked the Soviet Union directly to these Bulgarian activities. In addition, Mr. Henze testified that the narcotics activities are just a part of the overall global operations of the Kintex trading organization which is deeply involved in funneling weapons to the Middle East, Africa, and Central America.

Mr. Henze testified that:

Bulgaria has been acting with the full endorsement, and in effect the urging, of the leadership of the Soviet Union.

Mr. President, it is high time that we send a message to the Bulgarian Government that we will not tolerate its activities sponsoring international terrorism and the international narcotics trade. The activities of the Bulgarian Government constitute a direct threat to the people of these United States.

Mr. President, my amendment is clear cut and direct. The amendment would stop all expenditures by the Department of State and by the Department of Commerce used to promote trade with Bulgaria. Further, the amendment states that it is the sense of Congress that Bulgaria be declared to be engaged in state sponsored terrorism.

Mr. President, I ask unanimous consent that an article from the Financial Times of London on February 23, 1984, concerning Richard Burt's trip to Eastern Europe be printed in the RECORD at the end of my remarks as exhibit 1.

Mr. President, I ask unanimous consent that an article from the Commerce Department magazine, Business America, entitled "Bulgaria Invites U.S. Firms To Discuss Trade Prospects In May" appearing on April 16, 1984, be printed in the RECORD at the end of my remarks as exhibit 2.

Mr. President, I ask unanimous consent that an Associated Press story by David Goeller of June 7, 1984, be printed at the end of my remarks as exhibit 3.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

U.S. OFFICIAL HOLDS TALKS IN EAST BERLIN

(By Leslie Colitt in East Berlin)

The U.S. Assistant Secretary of State for European Affairs, Mr. Richard Burt, has held high-level talks with the East German Communist Party and Government, in the first U.S. bid for many years to improve relations with that country.

Mr. Burt is the most senior State Department official to visit East Berlin since East Germany and the U.S. established diplomatic relations in 1974.

The U.S. diplomat was on the first leg of a three-nation tour of Eastern Europe to inform East Germany, Bulgaria and Hungary that the U.S. is prepared to begin a "more effective dialogue" with the Soviet Union and its allies. He left East Berlin yesterday for Sofia.

Mr. Burt had previously acknowledged at a Nato meeting in Brussels that there were apparently diverging interests in Eastern Europe over the deployment of new Soviet missiles in East Germany and Czechoslovakia.

Herr Erich Honecker, the East German leader, said earlier this year that no one was "pleased" in this country about the deployment, but that the U.S. was to blame, after introducing new medium-range missiles into Western Europe.

Czechoslovakia expressed a similar sentiment, although both countries have publicly assured Moscow of their readiness to assume a greater defence burden.

Bulgaria is believed to have been urged by Moscow to accept Soviet missiles on its territory but to have refused. Hungary, while not due to receive missiles, has been actively promoting a dialogue between itself and Western leaders.

The U.S. diplomat met Herr Oskar Fischer, the East German Foreign Minister, and Herr Hermann Axen, the East German Politburo member responsible for international relations.

They discussed the U.S. interest in resuming the Geneva missile reduction talks with Moscow, as well as bilateral issues such as trade, humanitarian questions and the unsettled claims by U.S. citizens for nationalised property in what is now East Germany.

Mr. Burt said afterwards that improved relations between the two countries could best be achieved by progress in these areas.

EXHIBIT 2

[From Business America, Apr. 16, 1984]

BULGARIA INVITES U.S. FIRMS TO DISCUSS TRADE PROSPECTS IN MAY

U.S. companies will have an excellent opportunity to explore trade prospects with Bulgaria during the May 14-17 Bulgarian-U.S. Business Roundtable hosted by the Bulgarian Chamber of Commerce and Industry. An optional visit to the Spring Consumer Goods Fair at Plovdiv is planned for May 14. The Roundtable will kick off on May 15 with presentations by ranking Bulgarian trade and economic officials on Bulgarian investment plans and import needs in the 1980s. The remaining two days will feature working groups on specific industry themes (see box on meeting schedule) and individual meetings between U.S. company representatives and Bulgarian foreign trade and enterprise officials.

Participating U.S. firms will have the opportunity to specify in advance to the Bulgarians their particular business interests and with which Bulgarian officials they would like to meet. For companies both familiar with, and new to, the Bulgarian market the Roundtable should be a valuable event.

THE BULGARIAN MARKET

Several features of the Bulgarian economy make it one of the most attractive markets in Eastern Europe. Economic growth, although reduced from the rates achieved in the 1970s, has continued at a strong 3.5 percent annual average rate since 1980. The 1984 economic plan calls for 4 percent growth. Bulgaria also enjoys a favorable financial situation. At the end of 1983, net hard-currency debt was estimated at $1.7 billion, the lowest in Eastern Europe. Finally, Bulgarian officials have indicated interest in expanding trade and economic cooperation with the West, including the United States. American firms able to demonstrate that their products and know-how can further Bulgarian economic goals could benefit from good sales prospects in Bulgaria.

Bulgaria is one of the smallest countries in Europe, but it has undergone rapid industrialization. Economic growth rates in the 1970s averaged 6-7 percent annually as the country developed basic industries such as metallurgy, machine building, chemicals, and petrochemicals. Industrial growth rates have been reduced in the 1980s but, at 3-4 percent per year, remain high even by world standards. Investment plans for the rest of the decade emphasize metallurgy, energy development, chemicals and rubber production, metal engineering, and electronics and electrical engineering. A number of U.S firms have concluded cooperation arrangements with Bulgarian partners in these areas. Of particular interest to the Bulgarians are process controls, and equipment and technology to reduce energy consumption and raw material inputs.

Bulgaria has made significant improvements in agriculture in recent years. Economic reforms introduced in 1979 have resulted in increased agricultural efficiency and exports. Bulgarian agricultural planners have expressed interest in Western irrigation methods, hothouse production techniques, planting/harvesting machines, and food processing technology.

Bulgaria is a highly trade-dependent country, with half of national income attributable to trade. Foreign trade turnover increased by 7 percent in 1983. While nearly 75 percent of Bulgaria's foreign trade is conducted with other COMECON countries, particularly the Soviet Union, the Bulgarians have begun to place greater emphasis on trade with the West. According to official Bulgarian statistics, 1982 imports from the West stood at $1.9 billion, while Bulgarian exports to the West totaled $1.3 billion. Over the next few years, Bulgaria will seek to balance trade with the West by emphasizing higher quality and more diversified exports to hard-currency markets. Imports of Western equipment and technology also will grow to help meet these goals. Prospects for increased Western exports to Bulgaria have been improved by the country's strong financial position.

The desire to increase trade and cooperation with Western countries led the Bulgarian government to introduce legislation in 1980 that permits Western equity investment on Bulgarian soil. The joint-venture decree permits foreign participation to exceed 50 percent and provides for 100 percent repatriation of operating profit and capital. To date, four joint ventures have been formed with Western companies, including one with an American firm to market process control equipment in Bulgaria. Several other joint projects are under discussion.

TRADE WITH UNITED STATES

Officials from both Bulgaria and the United States have expressed strong interest in diversifying commercial contacts and cooperation. The visits to the United States of Bulgarian Minister of Transportation Vasil Tsanov in 1982 and of Minister of Chemical Industry Georgi Pankov in 1983 established a number of new business contacts. In December 1983, Congressman Sam Gibbons, Chairman of the House Ways and Means Subcommittee on Trade, led a Congressional delegation to Bulgaria and other East European countries. Congressman Gib-

bons' delegation was received by Bulgarian President Zhivkov, who reaffirmed his country's interest in improved bilateral commercial relations.

While such bilateral exchanges have improved the atmosphere in trade relations, several commercial policy issues remain to be resolved with Bulgaria. Currently the United States does not extend most-favored-nation tariff treatment to Bulgaria, nor is the country eligible to receive U.S. government credits or credit guarantees. Lack of normalized trade relations to some extent has restrained bilateral trade levels. U.S. exports to Bulgaria totaled $66 million in 1983, and as in past years, consisted chiefly of agricultural products such as soybeans, tobacco, and corn. Similarly, U.S. imports from Bulgaria, which last year totaled $25 million, have been predominantly agricultural. Tobacco, cheese, wine, and rose oil account for three-fourths of Bulgarian sales to the U.S. market.

The Bulgarian-U.S. Business Roundtable is aimed at diversifying bilateral trade and economic cooperation. The Bulgarians have indicated particular interest in discussing business opportunities with U.S. producers of agricultural machinery and chemicals, machine tools, consumer goods, pharmaceuticals, food processing equipment, mining machinery, and port equipment.

Further information on the Bulgarian-U.S. Business Roundtable and on trading with Bulgaria can be obtained from Karen Jurew, Bulgarian Country Specialist at the Department of Commerce, Washington D.C., 202-377-2645, or from George Musorliev, Bulgarian Commercial Counselor, New York, 212-935-4646.

EXHIBIT 3

[From the Associated Press, June 7, 1984]

BULGARIA SAID MAJOR TRANSIT POINT FOR HEROIN TO UNITED STATES

(By David Goeller)

One-fourth of all the heroin reaching the United States comes through Bulgaria with the toleration and perhaps active cooperation of the Bulgarian government, a House panel was told Thursday.

Witnesses from the State Department and Drug Enforcement Administration said there is evidence that much of the drug trafficking is done under the protective umbrella of Kintex, the official international trading company of the communist nation.

John C. Lawn, acting deputy DEA administrator, described Kintex as a "safe base" that makes it easy for narcotics smugglers, principally Turks, to ship drugs to Western Europe and the United States.

"We can confirm that 25 percent of the heroin reaching the United States transits at some point through Bulgaria," Lawn told the House Foreign Affairs Committee's task force on international narcotics control.

He testified that data collected by the DEA "indicates that the government of Bulgaria has established a policy of encouraging and facilitating the trafficking of narcotics through the corporate veil of Kintex."

"In virtually every report available to the DEA since 1970 about narcotics trafficking in and through Bulgaria . . . Kintex is mentioned as a facilitator of transactions," Lawn said.

"In turn, knowledgeable sources consistently tell us that top-ranking members of the Bulgarian Security Service or ex-Bulgarian ministers comprise the directorate of Kintex," Lawn said.

He said the U.S. government has received allegations "that the Bulgarians . . . have an officially sanctioned program for selling illegal drugs to Western Europe and using the proceeds from those drugs to finance illegal arm transactions and to bankroll terrorist groups."

Palmer said "there's no question" about the involvement of Kintex and added that the U.S. government has complained repeatedly to Bulgaria.

But, he said, because "our relations with Bulgaria are at rock bottom . . . there isn't much further punitive we can do."

Paul B. Henze, a former State Department official now with the Rand Corp., a private research organization, said narcotics are just part of illegal Kintex operations that also involve funneling weapons to the Middle East, Africa and Central America.

"Bulgaria has been acting with the full endorsement and approval and in effect the urging of the leadership of the Soviet Union," and Henze, author of the book, "The Plot To Kill the Pope."

"Bulgaria's support for narcotics operations cannot be separated from all the other forms of international illegality in which Bulgaria has long been involved," Henze testified.

Both Palmer and Lawn stopped short of accusing the Soviet Union of being behind alleged drugs and arms trafficking through Kintex, which reportedly operates the largest truck fleet in Europe.

Lawn said that while these operations bring much-needed "hard Western currency" into Bulgaria, "an ultimate goal of using drugs as a political weapon to destabilize western societies may be inferred."

Mr. SYMMS. Mr. President, will the Senator from North Carolina yield?

Mr. HELMS. I certainly yield.

Mr. SYMMS. I thank the Senator from North Carolina.

Mr. President, I rise in support of the Bulgaria sanction amendment that I am cosponsoring.

I believe that the evidence of the Bulgarian connection to the plot to assassinate Pope John Paul II on May 13, 1981, is overwhelming. I ask unanimous consent that the following article from the New York Times of June 10, 1984 entitled "Bulgaria Hired Agca To Kill Pope, Report of Italian Prosecutor Says," by Claire Sterling, be printed in the RECORD. This article, presents much of the evidence of the Bulgarian and Soviet KGB role in this evil deed.

Mr. President, I have long been intensely concerned that the United States do something to sanction Bulgaria and the Soviet Union for their outrageous, evil attack upon the Pope. I have written two letters to the President inquiring about the Bulgarian-Soviet role in the plot against the Pope, and so far I have heard nothing back. Claire Sterling's writings provide all the proof that is necessary.

Mr. President, I urge all my colleagues to join us in sanctioning Bulgaria by voting for this amendment. I thank my colleagues for their support.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 10, 1984]

BULGARIA HIRED AGCA TO KILL POPE, REPORT OF ITALIAN PROSECUTOR SAYS

PLOT WAS EFFORT TO WEAKEN SOLIDARITY MOVEMENT, OFFICIAL SAYS IN HIS REQUEST FOR NINE INDICTMENTS

(By Claire Sterling)

BONN, June 9.—An Italian state prosecutor has filed a report in court saying that the bulgarian secret services recruited the man who shot Pope John Paul II in 1981 in a plot to weaken the Solidarity movement in Poland.

The rise of the Solidarity labor union in Poland "and consequent social convulsions," the report says, were "perceived as a mortal danger" to Eastern Europe and were "mostly due to the fervid religious faith of the population, sustained and helped above all by the first Polish Pope in history."

These conclusions are in a 78-page report by State Prosecutor Antonio Albano, who is the equivalent of a district attorney. The report is based on some 25,000 pages of documentation gathered by Judge Ilario Martella in his investigation of the attempt to assassinate the Pope.

The report, which was filed in court May 8 and is still officially secret, asks for the indictment and trial of three Bulgarians and six Turks for conspiring to assassinate the Pope. The Turks include Mehmet Ali Agca, who has been convicted of shooting the Pope on May 13, 1981, in St Peter's Square.

Under Italian law, the report cannot be made public until Judge Martella issues his own comprehensive report, which is expected next month, when he rules whether there is to be a trial. The Prosecutor's report is not binding on the judge, but it is based on the same material the judge will use in his report. There has been virtually no public disagreement between the Prosecutor and the judge on the case, and most people think the report faithfully reflects the judge's views.

The prosecutor's report, which has come into my possession, makes these additional points:

Although the K.G.B., the Soviet intelligence and internal security agency, is not mentioned by name, the report, speaking of the turmoil in Poland, says "some political figure of great power took note of this most grave situation and, mindful of the vital needs of the Eastern bloc, decided it was necessary to kill Pope Wojtyla."

Mr. Agca was promised more than $400,000 by the Bulgarians to kill the Pope but has not received it.

The man who was supposed to help Mr. Agca escape was spirited out of Italy in a sealed diplomatic truck of the Bulgarian Embassy. The truck was sent to Bulgaria under a diplomatic procedure not used before or since by the Bulgarians. Since then no one has reported seeing the man, Oral Celik, a leader of Turkey's neo-Nazi Gray Wolves and a close friend of Mr. Agca.

Mr. Agca did not start to confess until a year after the shooting. He apparently concluded that he had been abandoned by the Turks and Bulgarians who he thought would manage to obtain his freedom.

The authorities think Mr. Agca's testimony against the Turks and Bulgarians is accurate, despite his earlier lies, because such a preponderance of the details he provided have been independently confirmed in the investigation.

FIRST REPORT OF FINDINGS

Although the Prosecutor's request for indictments has been reported, the broad outlines of the judge's findings are presented here for the first time.

They point to an elaborate conspiracy involving the Gray Wolves, the Sofia-based Turkish Mafia and, in the Prosecutor's words, "organs and institutions of the Bulgarian state."

The three Bulgarians facing indictment—Sergei I. Antonov, Todor S. Aivasov and Zhelyo K. Vasilev—were all operating in Rome when the Pope was shot. They are described as "agents of the Bulgarian secret service." Evidence also shows active involvement by the Bulgarian Embassy.

The confession of Mr. Agca, the Turkish gunman, also implicated the others who face indictment—Bekir Celenk, Omer Mersan, Musa Serdar Celibi, Omer Bagci and Mr. Celik, the man who was supposed to help Mr. Agca escape. Mr. Agca is described as "a despicable mercenary" and a liar. Nevertheless, the core of his confession seems to have stood up under severe magisterial scrutiny.

AGCA IS CONVINCING

"Every declaration of Agca's, every circumstance and detail, was checked and investigated," the report says. In the end, "Agca is convincing in his reconstruction of the crime."

Since Mr. Agca started to confess in May 1982, Bulgaria in particular has branded him a pawn in an imperialist plot against the Communist East, coached in prison by the Italian security services or the United States Central Intelligence Agency or both. Prosecutor Albano dismisses this as "archaic cold war propaganda."

"Nothing—I repeat, nothing—supports this theory," the Prosecutor adds. Speaking of the Italian security services, he says: "Agca had one sole meeting with the services, authorized in December 1981. He gave vague, uncertain and irrelevant replies to his visitors, who were utterly ignorant of the facts."

It was not until five months later that Mr. Agca "began spontaneously to collaborate with Italian justice." What follows is the State Prosecutor's description of the evidence found as the court's investigation proceeded. The narrative is based directly on his text, and the quoted matter is the language in his report. My own remarks appear in brackets.

MURDER OF AN EDITOR IN TURKEY SETS STAGE FOR AGCA TO SHOOT THE POPE

The Italian investigation began with the premise that Mr. Agca "did not act alone"; "was not mentally infirm but psychologically lucid and composed"; was "possessed of lively intelligence and savage criminal instincts," and was "the material executor of a broader conspiracy, conceived, decided upon, organized and perfected by other people elsewhere."

The behavior of this intelligent and lucid man of 23 baffled Italian interrogators from the start. Always insisting that he had acted alone, he showed no interest in striking a bargain with them, deliberately misled them or remained silent, refused to testify at his own trial and above all refused to appeal his life sentence. His "boastful indifference" to a lifetime behind bars seemed beyond understanding.

The key to this behavior would be found in Turkey.

For some years before fleeing his country in 1980, Mr. Agca earned "lucrative sums" by smuggling "arms, cigarettes, drugs, anything." His most powerful chiefs were, to use the terms used in Turkey, the Godfather of the Turkish Mafia, Abuzer Ugurlu, and the equally high-ranking Mafia boss Bekir Celenk, who were partners with different areas of responsibility in the underworld. for the most part, "this contraband passed through Bulgaria."

AGCA WAS NOT DISTURBED

Having been "trained in Syria," Mr. Agca felt "professionally efficient and ready for criminal and terrorist action." The same went for his friends in the Gray Wolves, the armed branch of the ultranationalist National Action Party and the dominant terrorist force of the extreme right. These friends included Oral Celik, Abdullah Catli and three or four others on the fringes of this case, all pushing drugs or running guns for the Turkish Mafia as well.

On Feb. 1, 1979, "on orders from the Turkish Mafia—that is, Abuzer Ugurlu—Agca participated in the murder of the Turkish editor Abdi Ipekci" for reasons that have never been ascertained. He was picked up the following June after an anonymous tip to the police.

"Agca was not disturbed. He promptly declared that he was the sole assassin and so maintained until the end of October 1979, when he threatened to identify his accomplices." He thereupon escaped from Istanbul's impregnable Kartal-Maltepe military prison, "walking calmly out the front door, thanks to the power of money and efficiency of the Mafia."

The Ipekci case "became Agca's operative model for safety from punishment." Eighteen months later, he would "show up in St Peter's Square in the insolent certainty that, even if arrested, he would get away with it."

In fact, Mr. Agca used the same procedure after his arrest in Rome, "saying he acted alone, offering a congeries of motives and illogical, unverifiable circumstances and sending cryptic messages to his accomplices and patrons." Among these last was his announcement in July 1981 of a hunger strike to come the following December, the same five-month period that elapsed between his arrest and escape from prison in Turkey.

In substance, he was giving his patrons to understand, indirectly but clearly, that he expected to be liberated, "by escape or exchange with some kidnapped Italian hostage or subversive plans for noisy terrorism beginning elsewhere and ending up at Ascoli Piceno," where he was held in solitary confinement.

Seen in that light, his early behavior in prison was plausible. So long as he expected to be liberated, his overriding concern was to protect his patrons. That explained his refusal even to appeal his life sentence lest the appeal lead to deeper judicial investigation.

"But Italy wasn't Turkey, and Ascoli Piceno wasn't Kartal-Maltepe, Agca, who had fired solely for money, had not even received the conspicuous sum agreed upon. He began to understand that nothing would come of all the promises, that he was alone and abandoned by all and had traded his life for nothing."

AFTER A YEAR, AGCA TALKS

That was when he began to talk, exactly a year after his arrest.

While Mr. Agca had undoubtedly harmed himself by telling so many tall stories, that did not necessarily ruin his credibility. "Can we dismiss him solely as a vulgar liar because he did not tell the complete truth at once?" the Prosecutor asks. "We must keep in mind that he was trying to bargain for his freedom with three interlocutors at the same time: his Turkish accomplices, his Bulgarian accomplices and Italian justice."

For all his erratic assertions and retractions, Mr. Agca's continuing confession "was coherent and firm in the substance of the charges he made" regarding his main accomplices: the Turkish Gray Wolf leaders Oral Celik and Musa Serdar Celibi, the Turkish Mafia boss Bekir Celenk and the Bulgarian nationals Sergei I. Antonov, Todor S. Aivasov and Zhelyo K. Vasilev. The Prosecutor has not asked for the indictment of the other Mafia boss, Abuzer Ugurlu, who is under indictment in Turkey in the Ipekci case.

"Their roles and behavior, closely connected to the plot, have never been modified or altered. Changes and contradictions in Agca's statements involved minor details and superfluous indications of times and places, which never affected the relevant aspects of the case."

PLANS ARE MADE AT MEETINGS IN BULGARIA ON HOW TO ASSASSINATE THE POPE

This is the substance of the story Mr. Agca told, borne out by independent witnesses and verifiable evidence.

In the first days of July 1980, "with a false Indian passport in the name of Yoginder Singh procured by Abuzer Ugurlu," the Mafia boss, Mr. Agca went to Sofia, Bulgaria. "An obliging functionary at Turkey's frontier in Kapikule waved him through" and he "entered Bulgarian territory without particular controls or formalities."

At once upon his arrival—"as he was advised to do in Turkey"—Mr. Agca looked up a fellow Turk named Omer Mersan in Room 911 of the Hotel Vitosha.

[Mr. Mersan's name was the only one Mr. Agca volunteered in his first Italian interrogation, along with the name and phone numbers of the Vardar Export-Import Company, which employed Mr. Mersan in Munich. According to Mr. Agca at that time, Mr. Mersan was "tied to people involved in the black market on a vast scale in Turkey." But no evidence to that effect would come to light until some two years later. Questioned by the West German police in those first weeks, Mr. Mersan confirmed his meeting with Mr. Agca in Room 911 of the Vitosha but denied helping him in any way or even knowing his true identity. He was released within 24 hours. C.S.]

During his stay in Bulgaria, Mr. Agca was in fact helped in several ways by Mr. Mersan, "a wheeler-dealer agent extremely well-connected with the Bulgarian authorities, dedicated to a traffic of arms, drugs and contraband of all kinds."

CONTACTS ARE ESTABLISHED

It was Mr. Mersan who "reserved Agca's room at the Vitosha, gave him money on the orders of Abuzer Ugurlu and furnished documents permitting his sojourn in Sofia. Mersan also put him in contact with Bekir Celenk, a potent Turkish Mafia boss."

Mr. Celenk in turn then arranged a meeting toward the end of July 1980 between Mr. Agca and a "'Sotir Kolev,' an agent of the Bulgarian secret services and a functionary of the Bulgarian Embassy in Rome." This was Mr. Aivasov, the embassy's treasurer.

Mr. Agca's close friend Oral Celik, also in Sofia by then, took part in that and three or four other such meetings in the Bulgarian capital.

During these meetings with "Kolev" that summer, agreement was reached on the "conceptual, organizational and contractual bases for the assassination of Pope Wojtyla, to be carried out in the spring of 1981."

The motive centered on Poland. "The Bulgarian secret services had a specific political interest in killing Pope John Paul II. The imposing rise of Solidarity in Poland in the summer of 1980 and consequent social convulsions constituted a most acute crisis for the socialist states of Eastern Europe. This was perceived as a mortal danger to their political cohesion and military strategy. And since Poland's ideological collapse was mostly due to the fervid religious faith of the population, sustained and helped above all by the first Polish Pope in history, the Polish rebellion might be greatly weakened and fragmented" by this Pope's "physical elimination."

SECRETS WRAPPED IN SECRETS

"As this is no mere rhetorical exercise but the history of our times, it is easy to see what really happened," the State Prosecutor says. "In some secret place, where every secret is wrapped in another secret, some political figure of great power took note of this most grave situation and, mindful of the vital needs of the Eastern bloc, decided it was necessary to kill Pope Woityla."

[The report does not answer the question of whether or not the Soviet Union was involved. This is as close as it comes. C.S.]

The machinery of the plot would be set up like this:

"1. Through Bekir Celenk—bound to the Bulgarian services faithfully and for self-interest by reciprocal illegal activities—the Bulgarian services contracted with the Turkish terrorists Agca and Oral Celik for the organization and execution of the plan."

"2. The Bulgarian secret service was committed to:

"a. Payment, through Bekir Celenk, of three million deutsche marks [roughly $1.25 million. C.S.], to be evenly divided between Agca, Celik and the leader of the Turkish Gray Wolves' Federation in West Germany, Musa Serdar Celibi. Closely tied to Oral Celik as a fellow Gray Wolf, Celibi was also associated intimately with the Mafia boss Bekir Celenk."

"b. Safe and undisturbed refuge in the Bulgarian port of Varna, on the Black Sea."

"c. Arrangements and facilities for flight, for Agca and Celik, through immediate departure from Italy by TIR truck or diplomatic vehicle." trucks with TIR registration are bonded and can pass through customs points in Europe with a minimum of checking.

PLAN IS SET IN MOTION

From the end of July to the first days of August 1980, Mr. Celenk, the Mafia boss, met with Mr. Agca and Mr. Celik. On Mr. Celenk's instructions, Mr. Agca telephoned from Sofia to the Gray Wolf leader, Musa Serdar Celibi, in Frankfurt, to set the plan in motion.

In effect, he was arranging to rent Mr. Celibi's organization, whose services in Europe would provide him with safe houses, protective cover, security, intelligence-gathering and small amounts of cash when needed.

Mr. Celenk left Bulgaria early that August. "Kolev," Mr. Aivasov, returned to Rome at the end of the month.

On the night of Aug. 30, 1980, Mr. Agca met Mr. Celik and another Gray Wolf associate named Abdullah Catli—a lieutenant of the Godfather, Mr. Ugurlu—near the Turkish border post at Kapikule. Mr. Catli gave him a counterfeit passport, regularly stamped, in the name of Faruk Ozgun, and Mr. Agca boarded a tourist bus for Yugoslavia.

FOR 9 MONTHS, AGCA TRAVELS IN EUROPE AND OBTAINS THE PISTOL HE WILL USE

Over the next nine months, Mr. Agca wandered back and forth across Europe, seemingly without purpose. Reportedly, he was covering his tracks. Between holiday jaunts and evenings at discos, he was setting things up "for an attack as simple as taking candy from a baby. Firing some shots at the Pope in St. Peter's Square during a public audience was laughably easy."

Almost everything up to the moment of the shooting would be virtually untraceable later: phone calls, verbal agreements, meetings on the street, in bars, homes, restaurants and railroad stations. It was in arranging for safe flight afterward that the plan broke down.

When he reached Rome in November 1980, Mr. Agca's first step was to call the Bulgarian Embassy as arranged and meet "Sotir Petrov." This was Mr. Vasilev, secretary to the military attaché.

Mr. Vasilev, already told of the plans made in Sofia, was running the show in Rome. Among other things, he would take care of Mr. Agca's financial needs until the day of the shooting, five months afterward. [He is said to have spent the better part of $50,000 during that period. C.S.]

FREQUENT MEETINGS IN ROME

In November, December, January, April, and May, Mr. Agca met frequently with Mr. Vasilev; at Rome's Hotel Archimede, Doney' cafe on the Via Veneto, the Piccadilly Bar in Piazza Barberini and an apartment at 3 Via Galiani belonging to Mr. Aivasov, the "Kolev" he met in Sofia.

There, along with Mr. Aivasov and Mr. Vasilev, Mr. Agca met "Bayramic," who was Mr. Antonov, deputy director of Bulgaria's Balkan Air in Rome. All three were secret agents, but Mr. Antonov was plainly a subaltern who "took his orders from Vasilev."

[Mr. Antonov's arrest in Rome on Nov. 25, 1982, has inevitably focused public attention on him alone. Skeptics have argued that he looks a most unlikely master spy, and it now seems clear he was not, that he just happened to be caught while his superiors made their way back home. C.S.]

During one or more of Mr. Agce's meetings with these three, in January 1981, "a project was discussed to assassinate Lech Walesa," the leader of Solidarity, "if possible combining that with an attack on the Pope at the same time." Mr. Walesa was to have a private audience with the Pope during a five-day visit to Rome that month.

WALESA SUBPLOT IS DROPPED

Mr. Agca told Judge Martella about this subplot on Dec. 29, 1982, describing Mr. Walesa's itinerary in Rome, the exterior and interior of the Hotel Vittoria where Mr. Walesa stayed, the route from there to the Casa del Pellagrino, where he also stayed, the press room for his scheduled conference. A police check some days later confirmed these details. For reasons still unclear to the Prosecutor, the Walesa project was dropped.

In December 1980, Mr. Agca had a first meeting with Mr. Celibi, the Gray Wolves' leader, in a Milan hotel room. On March 31, 1981, at the Sheraton Hotel in Zurich, a final meeting was held to "work out definitive terms, settle money questions and assign tasks." Among those present were Mr. Agca, Mr. Celik, Mr. Celibi and Mr. Celenk, the Turkish Mafia boss. It was agreed that three million deutsche marks would be made available for the operation, "provided by Bulgaria and paid over by Bekir Celenk." The money would be spilt three ways: a third each for Mr. Celibi, Mr. Celik and Mr. Agca.

Before that meeting, Mr. Agca had gone to Vienna, where Mr. Celik joined him. A longtime and close associate of Mr. Celenk's in "illicit affairs," Mr. Celik telephoned the Turkish Mafia boss, who instructed him to go to an Austrian arms dealer called Otto Tintner for the Browning semiautomatic pistol that Mr. Agca would use in St. Peter's Square. Proceeding to Switzerland, they entrusted the weapon to a local Gray Wolf leader named Omer Bagci, who agreed to deliver it promptly on request.

THE FINAL PREPARATIONS

In April 1981, Mr. Agca returned to Rome, checked into the Hotel Torino and got back in touch with the three Bulgarians. "On Vasilev's advice Agca then went to Perugia," where he registered at the Foreign Language School to acquire student's credentials.

Back in Rome, he met with all three Bulgarian agents "to settle the final details."

Soon afterward, he took off for a two week holiday in Palma, Majorca. From there, he called Mr. Celibi in Frankfurt to ask if Mr. Celenk had come through with the money. Assured that the payment had been made to Mr. Celibi and Mr. Celik, Mr. Agca then called Mr. Celenk in Athens to be doubly sure. Mr. Celenk confirmed payment, and everything "was set to go." Four days later, Mr. Agca called Mr. Bagci in Switzerland and made a date to pick up the Browning at the Milan railroad station.

From Milan, Mr. Agca returned to Rome that same evening "for a scheduled meeting in Piazza Indipendenza with Vasilev and Oral Celik, who was in the city already." [On May 10, Mr. Agca and Mr. Celik each exchanged 1,000 Swiss francs for Italian lire, a couple of hours apart, at a Rome branch of the Banca Commerciale Italiana. C.S.]

"In a room at the Y.M.C.A., Vasilev showed Agca and Celik folders on the Vatican and photographs of the Pope. Then by telephone, Vasilev reserved a room for Agca at the Pensione Iva, not far from the Vatican, for May 11.

COUNTDOWN TO THE SHOOTING

"Between the afternoons of May 10 and May 13, Agca and Celik met Aivasov, Vasilev and Antonov, with whom they inspected St. Peter's Square several times. Together they went over the timing and placement and settled last-minute details on the particulars of escape and flight.

"At 1 P.M. on May 13, Agca, Celik, Aivasov and Vasilev met at the usual bar near Piazza Republica. Antonov was driving a blue car—perhaps an Alfa 2000—driven by Vasilev the previous day. After lunch near Piazza Barberini, the three went off in the same car to an address near Via Nomentana [where Antonov lived, C.S.]. Antonov left them and returned with a small valise containing two guns and two panic bombs for Oral Celik.

"Around 3 P.M., they drove on to the Vatican, parking in front of the Canadian Embassy in Via della Conciliazione. Together they made a final inspection of the square. Aivasov left. The other three had coffee in a nearby bar.

"Around 4 P.M., Antonov left also. Agca and Celik returned to St. Peter's Square,

where Agca fired on the Pope shortly after 5 P.M."

That was when Mr. Celik was supposed to set off the panic bombs, creating confusion to cover Mr. Agca's escape. Instead, Mr. Celik fled the square. He was photographed on the run by Lowell Newton, a news editor for a Detroit television station, who saw a gun in his hand.

[Mr. Celik's failure to use the panic bombs is not explained in the Prosecutor's report. He does say, however, that Mr. Celik was Mr. Agca's best friend, "dearer to him than a brother." Mr. Celik had been sent to the scene with a gun. Some Italian investigators assume that he had orders to shoot Mr. Agca after the Pope was shot and that the panic bombs were meant to cover the killing of Mr. Agca rather than their joint escape. If so, Mr. Celik may simply have lost the nerve to carry out the order, but nobody knows for sure. C.S.]

With Mr. Celik's flight, for whatever reason, the vital last stage of the whole assassination plan—a swift exit to safe harbor for Mr. Agca and Mr. Celik—collapsed.

THE PLAN FOR A SEALED TRUCK

From the time Mr. Agca first mentioned the escape plan to the judge, on Dec. 22, 1982, he "asserted repeatedly that the three Bulgarian agents in Rome had promised to get him out of St. Peter's Square in Antonov's car, and then out of Italy by TIR truck." [The letters stand for Transport International Routier. The designation is used for trucks carrying cargoes across more than one European border. By international agreement, such trucks are sealed by customs in the country of departure and may cross borders unchecked until customs clearance at their final destination. C.S.]

The TIR truck would "apparently be set up for transporting diplomat's furniture, to reach Bulgaria by way of Yugoslavia," Mr. Agca contended. The Italian police found evidence to that effect.

Just over an hour after the Pope was shot, a "Bulgarian TIR Magirus, license number CK 3572 and trailer number CE 6176, left the Bulgarian Embassy in Rome for the Yugoslav frontier." It had come in from Sofia the day before "with a banal shipment of liquors and other beverages," according to the manifest, and its return cargo—"books, crockery, personal effects and so on"—was no less banal.

GRAVE SUSPICIONS

Despite the trivial nature of both cargoes, the Bulgarian Embassy had urgently requested the TIR's free passage across Italian borders both coming and going, with customs clearance on the embassy grounds. It was the first and last time that the Bulgarian Embassy resorted to such an urgent and extravagant customs procedure.

"The exceptional nature of this operation raises grave suspisions," the State Prosecutor writes. "Our Finance Police know all too well what can happen after a TIR truck is sealed. What was so immensely important and useful in the TIR's cargo that the Bulgarian Embassy should make such unique demands for urgency—Exactly on May 13, 1981?"

"We must conclude that on board that TIR truck, hidden among those personal effects, was Oral Celik."

[Whether or not this was so, there have been no reported sightings of Mr. Celik and no one has reported hearing from him, even in his own Gray Wolf circles, from that day to this. C.S.]

For the Prosecutor, "the circumstances surrounding this TIR truck are of fundamental relevance [in] giving Agca the right to be believed."

THE CORROBORATION OF AGCA'S ACCOUNT; WHY THE AUTHORITIES BELIEVE HIM

Judical belief in Mr. Agca's confession was apparently fortified by a mass of corroborative evidence. Only the highlights are included in the Prosecutor's report, which refers to still-secret numbered documents for the rest.

The credibility of Mr. Agca's confession depends on "documents, testimony and ascertained facts" establishing that what he said proved right, and what those he accused said proved wrong.

Some of his statement were "unverifiable because of insurmountable difficulties in the investigation." Of all the rest, "only two elements could be proved to be untrue." One was that Mr. Agca mistook Mr. Vasilev's height, saying Mr. Vasilev was shorter than he. Mr. Agca is actually the shorter. The other was that Mr. Agca lied about the identity of the man photographed in flight at St. Peter's Square—not Mr. Aivasov, as he contended at first, but his intimate friend, Mr. Celik.

Otherwise, his recollection of times, places and people appear to have been borne out to a remarkable degree.

He exactly described the rooms and exteriors of the Hotel Vitosha and four other hotels he claimed to have stayed at in Sofia during the summer of 1980. His assertions about the money deposited to Mr. Celibi's account in Frankfurt were established as "a certainty": the deposit was made while Mr. Agca was in Palma.

All those he said were his collaborators turned out to have been where he said they were at the crucial times between July 1980 and May 1981. Mr. Celik was the only one who could not be found for interrogation, but all the others perfectly matched his detailed descriptions in physical features and personal habits. [Mr. Vasilev's height was his sole error. C.S.]

THE DESCRIPTION OF ANTONOV

His accuracy in describing Mr. Antonov is particularly noteworthy. He described an eye defect of Mr. Antonov and his constant use of glasses to drive. He said he drove a Fiat 124 and occasionally a blue Peugeot, called his wife Rosy and had one child of 10, collected miniature liquor bottles as a hobby, loved flowers and often left some in the car, liked pop music, smoked cigarettes heavily and sometimes Havana cigars, disliked walking because of a tendency to fatigue and breathing difficulties, had a taste for whisky and spoke "a little English," although far less well than Mr. Vasilev and Mr. Aivasov.

Under questioning in prison, Mr. Antonov confirmed every one of these details himself. Even the shops he frequented to buy the miniature liquor bottles were found to be where Mr. Agca said they were. [The car he drove, although a Russian-made Lada, had the body of a Fiat 124. His admission that he spoke some English—and could therefore have communicated with Mr. Agca in that language—shattered a major Bulgarian argument in his defense, which was that he did not speak English. C.S.]

In addition, Mr. Agca "provided the location and description of Antonov's apartment, its contents, the street, the trees, the view from the windows, the floor of the building, the buildings opposite."

The details were correct.

BULGARIANS' ALIBIS REJECTED

The alibis cited by the Bulgarian authorities for both Mr. Antonov and his wife, Rossica, turned out to be useless. "It is certain and ascertained that Rossica did not leave Italy" on the decisive days in May when she claimed to have been in Sofia, the Prosecutor states. Mr. Antonov's alibi "for the afternoon of May 13" could not be verified either.

Although Mr. Agca's general descriptions of the other two Bulgarians were harder to check—Judge Martella could question them only once, in Sofia, with a dozen Bulgarian officials present—they proved no less accurate.

Mr. Aivasov's passport showed that he was in Sofia when Mr. Agca claimed to have met him there as "Kolev" "between the end of July and the second half of August 1980." Mr. Agca had described his features down to "the state of his dentures." He said Mr. Aivasov did not smoke, spoke good Italian and drove a Fiat 124. He referred to the presence of Mr. Aivasov's family in the Via Galiani apartment that May. He described the built-in wardrobe and large mirror in the hall, a desk in a room to the side, the rug in the dining room, the details of the bathroom. And he gave Mr. Aivasov's unlisted phone number, 327-2629—which existed despite insistent Bulgarian claims to the contrary.

"All this corresponds to the truth," the Prosecutor says, adding: "Aivasov's alibi for May 11, 12 and 13, 1981, has not only proved unverifiable but has been denied by witnesses and incontestable documents."

Mr. Vasilev's passport "confirms his presence in Italy during the months Agca claimed to have met with him": November and December 1980, January, April and May 1981. Agca's unerring description of him, his height aside, included "a small dark wart on his left cheek." According to the Prosecutor, "the wart is not visible in photographs." He added, "Only somebody who saw him face to face could notice it."

Particulars on Mr. Celenk, the Turkish Mafia boss, were equally precise. His passport showed that he had been in Sofia between late July and early August 1980, as Mr. Agca asserted, and in Switzerland on March 31, 1981, and in Athens when Mr. Agca claimed to have phoned him there early in May.

Among other characteristics described correctly by Mr. Agca were Mr. Celenk's liking for nightclubs and gambling casinos, a cigarette habit and "a specific way of walking, as if he had a slight limp in his right leg."

Mr. Agca's account of Mr. Celenk was fortified unwillingly by the Turkish wheeler-dealer living in Munich, Omer Mersan, "who—like so many others—only after infinite denials, ended by confirming various points Agca had made."

DETAILS ON THE OTHERS

Among these was Mr. Mersan's relationship with Mr. Celenk. Arrested in Munich at the end of 1983 on Judge Martella's request, Mr. Mersan was extradited to Italy on charges of having given "false testimony," largely about Mr. Celenk. After correcting it, he was shipped back to Germany. Despite his "conspicuous reticence," he had admitted by then to knowing Mr. Celenk for years and lying about it "to safeguard Celenk from any possible connection to Agca."

Judging from what he said, the State Prosecutor says, "Agca would seem to have told the truth about what happened in Sofia, since Mersan also admitted that he

had been authorized by Abuzer Ugurlu to give Agca money there."

The Gray Wolf leader in Germany, Mr. Celibi, was also obliged in the end to admit his special "business connections" with Mr. Celenk. Arrested and extradited to Italy in October 1982, he appears to have admitted little more under interrogation in prison. Faced with the testimony of other witnesses, however, he was forced to confirm his meeting with Mr. Agca in Milan in December 1980, and witnesses have placed him at the gathering in Zurich the following March 31, with Mr. Agca, Mr. Celik and Mr. Celenk.

The Gray Wolf entrusted with Mr. Agca's Browning pistol in Switzerland, Mr. Bagci, has been imprisoned in Italy since his extradition in June 1982. He has confessed to keeping the gun in storage when Mr. Agca said he did and delivering it to Mr. Agca in Milan on May 9, 1981.

THE PROSPECTS FOR TRIALS

State Prosecutor Albano has now requested the formal indictment and trial of all these people: the Bulgarians, Sergei I. Antonov, Todor S. Aivasov and Zhelyo K. Vasilev; the Turkish Mafia boss, Bekir Celenk; Omer Mersan, his longtime business acquaintance; the Gray Wolf people, Musa Serdar Celibi, Omer Bagci and Oral Celik; and Mr. Agca himself.

Four would probably have to be tried in absentia. Mr. Aivasov and Mr. Vasilev, who had diplomatic immunity in Rome, cannot be extradited from Bulgaria. The extradition of Mr. Celenk from Bulgaria, where he has been since October 1982, seems unlikely, although the Prosecutor has asked for it. Mr. Celik has vanished.

Along with the other defendants now in prison, Mr. Agca would have to stand trial again, this time on charges of "importing weapons of war into Italy."

Despite widespread press reports, Mr. Agca will probably not have to face the curious charge of "self-slander and slander" that arose from his brief retraction of some testimony that had already been corroborated. Judge Martella sent him a communication that he was under investigation for such a charge last September in regard to certain confusing allegations of his in the Lech Walesa plot. The State Prosecutor has recommended that the charge be dropped.

Prosecutor Albano's report ends with an unusual tribute to Judge Martella, whose patient, meticulous and professionally dedicated labor "made it possible for me to perceive the logical design, the causes, the objectives, the moral miseries and penal responsibilities in this extraordinary case."

"No amount of praise could repay the Judge for the immense labor and spiritual solitude imposed upon him," it says.

LEGAL PROCESS ITALY USED

Under Italy's judicial process the State Prosecutor's office worked closely with an investigating magistrate to determine whether or not the evidence gathered was sufficient to warrant trial. The prosecutor makes his recommendation one way or the other when the investigation is done, and the investigating magistrate then makes the final ruling.

In the case of the shooting of the Pope, State Prosecutor Antonio Albano has been in close consultation with Judge Ilario Martella since the investigation began in November 1981 and has consistently supported the judge's position.

His support was reflected in five rulings by various judicial authorities rejecting appeals for the release of the Bulgarian prisoner Sergei I. Antonov.

He disagreed publicly with Judge Martella only once, last December, when the judge agreed to transfer Mr. Antonov from prison to house arrest for health reasons. Mr. Antonov had been refusing food and had lost about 15 pounds. On the day of the transfer, Mr. Albano appealed to the Tribunal of Liberty for Mr. Antonov's swift return to prison "because of the gravity of the charges against him" and as a "pretrial precaution." He feared Mr. Antonov might otherwise escape or be murdered, he said.

The Tribunal of Liberty ruled in the prosecutor's favor, and Italy's Supreme Court upheld this ruling, whereupon Mr. Antonov was sent back to prison.

While the prosecutor's recommendation is not binding on Judge Martella, most people take it for granted that his report faithfully reflects the Judge's views.

MAJOR EVENTS IN REPORT

1979

Feb. 1—Agca takes part in murder of Abdi Ipekci, a Turkish editor.

June—Agca is arrested in Turkey.

October—Agca threatens to identify his accomplices.

November—Agca escapes from Turkish prison.

1980

July—Agca goes from Turkey to Bulgaria, and Agca and Bulgarians start to plan assassination.

Aug. 30—Agca starts nearly nine months of travel around Europe, presumably trying to cover his tracks.

1981

March 31—Agca has final meeting in Zurich with co-conspirators to settle money questions and assign tasks.

May 9—Agca goes to Milan to pick up pistol.

May 13—Pope is shot.

July—Agca announces he plans a hunger strike in December, thus warning his sponsors that he expects them to arrange for his freedom.

1982

May—Agca starts to confess.

December—Agca tells of plan for escape after assassination.

1984

May 8—State Prosecutor's report is filed in court.

THE PEOPLE IN THE REPORT

These are the people mentioned in the report on the Italian investigation into the attempt to assassinate Pope John Paul II and what the report says their roles were:

Mehmet Ali Agca—Turk, convicted of shooting the Pope, indictment requested.

Todor S. Alvasov—Bulgarian, indictment requested.

Sergei I. Antonov—Bulgarian, indictment requested.

Omer Bagci—Turk, Gray Wolf in Switzerland with whom Agca stored the rifle used to shoot the Pope, indictment requested.

Bayramic—alias for Antonov.

Abdullah Catil—Turk, a Gray Wolf leader.

Bekir Celenk—Turk, underworld leader, indictment requested.

Musa Serdar Celibi—Turk, Gray Wolf leader, indictment requested.

Oral Celik—Turk, friend of Agca, a Gray Wolf leader, indictment requested.

Abdl Ipekci—Turk, editor murdered by Agca in 1979.

Sotir Kolev—alias for Aivasov.

Omer Mersan—Turk, indictment requested, business associate of Celenk and Agca's first contact in Bulgaria after escaping from prison in Turkey.

Faruk Ozgun—alias for Agca.

Sotir Petrov—alias for Vasilev.

Yoginder Singh—alias for Agca.

Otto Tintner—Arms dealer in Vienna who provided the weapon Agca used.

Abuzer Ugurlu—Turk, underworld leader.

Zhelyo K. Vasilev—Bulgarian, indictment requested.

Mr. DODD. Mr. President, will the Senator yield?

Mr. HELMS. I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I am a cosponsor of this particular amendment. I commend the Senator from North Carolina. He and I are not often together on issues. But I happen to in this particular case, dealing with what seems to me to be more than just cursory evidence.

A recent report by the Italian Government implicating the State of Bulgaria in the attempted assassination of the Pope I think is something that we cannot be silent upon. So I commend him for the amendment.

I would ask my friend from North Carolina in relationship to this amendment, while he does not as I understand the amendment directly go beyond the issue of trade and such activities—I will ask him the question, Mr. President, if I may—if an official of the Bulgarian Government that we were aware was involved even indirectly in the attempted assassination of the Pope, I would presume that my colleague from North Carolina would join me in objecting to the extension of a visa to such an individual. Would he agree with me on that?

Mr. HELMS. Yes; I would join him wholeheartedly.

Mr. DODD. I am sorry.

Mr. HELMS. In the Senator's hypothetical case, if there was evidence, of course.

Mr. DODD. I appreciate that answer, and I thank the Senator for that response.

I again am delighted to be a cosponsor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I am not necessarily prepared on this particular amendment but I have a few thoughts.

It strikes me that we are striking in the wrong direction. The attempted assassination of the Holy Father was a damnable act. There is no question about it, but even the Pope himself has given forgiveness to Mehmet Ali Agca. And at the present time, while the investigation momentarily indicates some Bulgarian complicity or participation for this horrendous act,

the case is to be tried. I do not like to prejudge cases.

I do not like to inject politics, and I think the handling of the case by the Italian Government has been very outstanding. I hate it to be blemished by the political activity that might be taken on the floor of the U.S. Congress. We do not believe in prejudging people. We believe in trials, but we who are supposed to know something about the law and spread democracy—we have been here all afternoon spreading democracy—forget about the democracy. We are forgetting the procedures that we so revere, the trial procedures. We rush prejudge this one, and by gosh cut off the trade fair.

What have we done? For one thing, I do not happen to think the trade fair is a favor to Bulgarians. We argued earlier about the foreign policy of the United States, and this monster communism. I do not know how you beat it. Perhaps the better way to approach it—as we have said early on the floor today about the developing of a web of relationships in the battle for the minds and hearts—is to set up every practical exchange that we could possibly fashion. Whether it be cultural, whether it be by way of scientific, joint ventures in space, medicine, cancer research, the various exchanges that we have had with the eye institute at Johns Hopkins, the former Soviet Premier, and various other things of that kind—knowing all along the intent—that what we should do. We know the Communist conspiracy. We know the terrorism of communism. But we have not yet condemned it in that sense on the floor, such as to say let us start cutting off with the principal involved in this matter.

If anybody thinks having read the Sterling reports and the others that Bulgaria was the principal, they are naive. That went immediately to the KGB—and perhaps the way that was operated, the former Premier, former head of the KGB, then Premier of Soviet Russia, Andropov himself.

I do not see anybody getting at the target. I see a thrashing around here. In one way, and I do not want to seem to be facetious, we ought to say, "Let us, on account of terrorism, double trade fairs and see if we can get more trade fairs."

I can tell you what will happen, according to the Department of Commerce. The distinguished Senator from North Carolina is on the floor. In 1983, according to the Department of Commerce, we had $65 million in business in trade with Bulgaria, I am quoting the Department of Commerce and it was one-third North Carolina tobacco. They did not say just tobacco. Their words were "North Carolina tobacco."

The Senator from North Carolina said, "Do not raise tobacco. I did not say anything about tobacco. I said trade fairs."

He, too, must live in wonderland. If you live in Bulgaria and think they can be guilty of terrorism, they can be guilty of retaliation. They know retaliation and know how to do it, as Senators have done on this floor, because they have taken issue with the Senator from South Carolina and caused us trouble on the tobacco bills.

We used to pass them with rather a large vote. I have been here for years. The Senator from Georgia, Senator Talmadge, and I faced the opposition of the Senator from Utah, Senator Moss, and the Senator from Massachusetts, Senator KENNEDY. But we still passed them by overwhelming margins.

Now we see retaliation here on the floor. If they can read the language here, they will say right to the point that the Senator from North Carolina is trying to cut us off or sponsoring some embarrassments, or charging us with terrorism.

He might be very, very right. I happen to think he is right on the charge. But they would retaliate, and I am afraid we would be hurting some of our tobacco farmers, cutting our nose off to spite our face.

Being right on the point of the unforgivable act, an attempt on the life of the Holy Father, is one thing. But being able to, in a mature fashion, react is another thing. I would rather think that if we are really going down this road and think this is the way to punish, to highlight, to recognize or somehow or the other bring a consensus in behind stopping terrorism, then we ought to really start with the Soviets, we ought to go to Qadhafi in Libya. We ought to go to the organization that the Soviet Union trains and sponsors.

On this particular item, it was found, of course, that it went right straight into the KGB, the Soviets. And we do not mention the Soviets.

I think we ought to be able to act in a little bit more mature fashion.

You know, there is an old saying down in North Carolina, no matter how well the gun is aimed, if the recoil is going to kill the gun crew, you do not shoot it.

Your aim might be very good against this terrorism, to show the people of North Carolina that you and I are against it. I am against it, and I am confident that you are.

But I would seriously counsel with my colleague from North Carolina this is the wrong attempt on the one hand. It will not work to stop terrorism, a little trade fair. I would rather put trade fairs all over Bulgaria. Maybe we would get some opposition and stir up some freedom in this country of Bulgaria. But cutting off trade fairs will not help but it will hurt the Senator from North Carolina and the Senator from South Carolina directly. Therefore, I oppose the amendment.

Mr. HELMS. Mr. President, I would remind the Senator from South Carolina that the last tobacco legislation that passed this Senate passed by the widest margin in 10 years.

I do not know where the Senator got his figures about the imports and exports of tobacco, but I have the whole 9 yards if the Senator is interested.

For the 5-year average from 1976 until 1981 relating to tobacco, per year the U.S. imports of tobacco from Bulgaria—and remember, they produce tobacco over there, too—were $17.7 million. We exported to Bulgaria $1.8 million.

So I am not worried about any recoil, if the Senator will forgive me, I say to the distinguished Senator from South Carolina.

In 1981, the United States imported $18.2 million worth and exported to Bulgaria $9.8 million.

In 1982, the United States imported $17.6 million worth and exported $6.9 million. Some recoil, I would say to the Senator.

In 1983, the United States imported $25.8 million worth of tobacco from Bulgaria and exported $13.4 million.

I would point out further to the Senator that this amendment does not stop private sector trade.

For the rest of the Senator's argument, he can say he is against terrorism all he wants to. I am sure he is. I know this Senator is. We can talk about being against it, but when you come to the push and shove of it, you find a lot of people flaking out.

I yield the floor.

Mr. CHAFFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. HOLLINGS. Will the Senator yield for a minute?

Mr. CHAFEE. I yield.

Mr. HOLLINGS. $25 million is a figure given by the Department of Commerce from Bulgaria to the United States. I got that from a staff member on your side of the aisle. I cannot call the Department of Commerce now and get a better figure, but I am using your Department's figures there. I am not trying to mislead.

We will let the RECORD show about the close votes. We have been hustling. On the last vote, yes, if you can get an agreement, and if we get an agreement on the labeling bill and pass that, we will pass it overwhelmingly.

But when it comes down to the close votes, that is why we yielded on the so-called labels, because we cannot get the votes. That is why CHARLIE ROSE and those on the other side work hand in glove with us. We try to get the best we can under the circumstances. The RECORD will verify that.

The Senator from Rhode Island was very courteous in allowing me to proceed. I thank the Senator.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. HELMS. Will the Senator yield 30 seconds?

Mr. CHAFEE. Yes.

Mr. HELMS. Mr. President, I want to emphasize that my figures are correct. They came from the Department of Agriculture, which has the responsibility of knowing about the export and import of agricultural commodities. I thank the Senator for yielding.

Mr. CHAFEE. Mr. President, I hope an effort is not being made on the floor of the Senate tonight to make this a referendum on whether you are pro- or anti-terrorism. No one here is condoning terrorism. No one here is condoning the wicked actions that were taken against the Pope in the attempted assassination.

But this is pretty serious business we are dealing with here tonight. What the Senator from North Carolina is attempting to do is, late in the evening, bring up a measure on which there have been no hearings whatsoever.

We do not know whose trade is going to be affected by this. I do not know whether it is affecting the trade from my State or any other State. We do not know. But here is a measure that comes up late at night, with no forewarning whatsoever, an attempt to reduce our trade with Bulgaria, on the ground that Bulgaria sponsors terrorism.

Mr. President, there are established procedures to deal with this issue. The Secretary of Commerce and the Secretary of State determine, in accordance with provisions of the Export Administration Act, which nations support terrorism and whether trade sanctions should apply to those nations.

Mr. President, I do not think we should use trade restrictions in an effort to counter activities such as this without having the executive branch's input.

A trade embargo never works. This indeed is not a trade embargo; but it could be the first step toward a trade embargo.

Mr. President, it seems to me that this is the wrong way to go. We do not know whose trade is affected, we do not know what exports are involved or what imports. We do not know why Bulgaria is being singled out rather than other nations.

It was brought up that Bulgarian ships go into Nicaragua. So do Soviet ships, so do a lot of other nations' ships, some of them from countries which are our close allies. I do not think that is the basis that should be used, the criterion that should be used in deciding an issue such as this.

Mr. President, I hope this amendment is defeated. I think it is a bad business. I think it has not had adequate hearings. We do not know exactly what we are doing. Nobody knows what we are doing with this amendment. I urge that, at the proper time, it be defeated.

Mr. HELMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DANFORTH. Mr. President, it strikes the Senator from Missouri that there is a certain amount of deja vu with respect to this amendment. Certainly Bulgaria is not within the sphere of influence or the friendship category of the United States. But it seems that every time there is any problem between the United States and the Eastern bloc, foreign policy problems, outrages of various kinds perpetrated by Eastern bloc countries, the instantaneous reaction of our Government or people within our Government has to do with international trade.

The Soviets invade Afghanistan and immediately the cry goes up, "Let's do something about the Soviet Union; that is an outrage; we can't tolerate it. Let's take effective steps."

Those effective steps are always to cut off trade. At the time of the Korean Air Line episode, it was suggested by some that we should do something and do something effective, "Let us cut off trade." That was not done at that time because I think that it has grown to be recognized by the American people that ofttimes when we use trade as a weapon of foreign policy, we cause more injury to our own people than we do to people in other countries.

I do not know what damage we would cause Bulgaria if we never traded anything with them. I do not know what damage we would cause any Eastern bloc country if we never traded with them at all. My guess is that they could always go elsewhere for their business. I also do not know the extent of agricultural trade that we have or would intend to have with Bulgaria.

I do know that with respect to the Eastern bloc in general, American agriculture has been one of the main beneficiaries of trade. If we are again to get into the business of using trade as a tool of foreign policy, then I wonder whether the first victim of our approach is not going to be again the American farmer.

I think that this is a strategy which has backfired in the past and I think it is likely to backfire in the future. I recommend to the Senate that we reject this amendment.

Mr. MATHIAS. Mr. President, I wish to associate myself very briefly with the remarks of the Senators from Rhode Island and Missouri. The experience of the United States with restrictive trade measures in the last decade has not been very happy. As the sponsors of this amendment must know, there are vast fields of soybeans growing in Brazil today only because the United States placed restrictions on export of soybeans. So the farmers of Brazil saw an opportunity, seized it, and now have a flourishing economy in soybeans all because we declined to sell soybeans. That market is now gone forever. It is not something where you can turn the spigot off and on. Once you let that market go, it is gone.

There are, at the present time, compressor pumps being fabricated in the Soviet Union in plants that did not exist before we declined to sell compressor pumps for the European pipeline. That is now a business that is permanent, ongoing, competitive for all time with U.S. industry.

Those are just two examples of what happens when you apply restrictive trade measures in an attempt to achieve a political result, which is seldom, if ever, achieved. I join with the Senator from Rhode Island and the Senator from Missouri in hoping that the amendment will be defeated. It has nothing to do with how we may feel about the perpetrators of a great crime. It does have something to do with adopting appropriate measures to respond to that atrocity. I would not consider this an appropriate measure.

Mr. D'AMATO. Mr. President, I rise in support of the amendment by the distinguished senior Senator from North Carolina. This amendment is timely and necessary. It calls Bulgaria the terrorist state and hired assassin it is and it stops expenditure of U.S. funds for the purpose of promoting trade with Bulgaria.

Some may question this measure, because the Italian authorities have not yet tried and convicted the three Bulgarians and six Turks named in the state prosecutor's report. Some may say that we should wait for the verdict of the court before putting the Senate on record against Bulgaria. I disagree.

My colleagues may recall that I personally visited Italy in February 1983 to look into the investigation of the May 1981, attempted assassination of Pope John Paul II. During the course of this visit, it became clear to me that the Bulgarian connection is very real.

This amendment is a reasonable attempt to send a message to both Bulgaria and the State Department concerning terrorism and the investigation into the attempted assassination of the Pope. Clearly, we cannot take military action against Bulgaria. What other course of action is available to us? The only intercourse between the United States and Bulgaria we can reach is trade.

Accordingly, while some of my colleagues may resist the notion that we

should cut the expenditure of U.S. funds to support trade with Bulgaria, it is the only concrete action we can take. I ask my colleagues, if Nazi Germany were still with us, and we were not at war with them, what would you say about spending U.S. funds to promote trade with them? Would you argue that we must remain in competition for their trade because if we didn't, the business would go to other nations? Is there no moral dimension to this issue?

I do not believe since only one of the three Bulgarians named by the prosecutor is in custody in Italy, that there will ever be a full explanation of the Bulgarian role in the assassination attempt. I am confident, however, based on the evidence in the hands of the Italian authorities, that they will prove Bulgarian state support, organization, and direction of this terrible crime.

Since the Soviet Union is known to control the Bulgarian secret service's operations through KGB officers acting as advisers to that service, and since this control is exercised from within Bulgaria, it is unlikely in the extreme that any hard evidence connecting the Soviet Union to this monstrous conspiracy will ever be uncovered. However, it is equally unlikely that the Bulgarians themselves conceived this murderous design which was intended to result in the cold-blooded murder of this truly holy man. As the Italian prosecutor said,

Some political figure of great power took note of this most grave situation (in Poland) and, mindful of the vital needs of the Eastern Bloc, decided it was necessary to kill Pope Wojtyla.

When this motive is connected through the evidence in the hands of the Italian authorities with the means by which the deed was to be done, there is only one conclusion a thoughtful person can reach. The inescapable conclusion must be that the Soviet Union was the place where the plot was born, took form, and grew to be the instrument of death which was employed in Saint Peter's Square on May 13, 1981, through the gun in Mehmet Ali Agca's hand.

Let us take this action against Bulgaria to tell the whole world that we know who was responsible. Let us take this action against Bulgaria to tell our cautious bureaucrats in the executive branch that this issue is alive and will have to be faced. Let us take this action against Bulgaria to send a message to their masters in Moscow: We know who did the deed and we know who was behind it and we will not forget.

This is a small step forward for justice. If we can take enough small steps, we will reach the end of our journey—a world which understands and accpets the cold facts concerning the basic nature of the Soviet Union and its satellites. If we value our freedom and world peace, we will take this lesson to heart.

I urge my colleagues to support this amendment.

Thank you, Mr. President.

Mr. CHAFEE. Mr. President, I move to lay the amendment on the table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment on the table.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. MCCLURE], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

Mr. BYRD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER [Mr. SYMMS]. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 14, nays 79, as follows:

[Rollcall Vote No. 185 Leg.]

YEAS—14

Boschwitz	Hollings	Packwood
Chafee	Mathias	Pell
Danforth	Matsunaga	Stafford
Durenberger	Metzenbaum	Tsongas
Evans	Moynihan	

NAYS—79

Abdnor	Glenn	Nickles
Andrews	Gorton	Nunn
Armstrong	Grassley	Percy
Baker	Hatch	Pressler
Baucus	Hatfield	Proxmire
Biden	Hawkins	Pryor
Bingaman	Hecht	Quayle
Boren	Heflin	Randolph
Bradley	Heinz	Riegle
Bumpers	Helms	Roth
Burdick	Huddleston	Rudman
Byrd	Humphrey	Sarbanes
Chiles	Inouye	Sasser
Cochran	Jepsen	Simpson
Cohen	Johnston	Specter
D'Amato	Kassebaum	Stevens
DeConcini	Kasten	Symms
Denton	Kennedy	Thurmond
Dixon	Lautenberg	Tower
Dodd	Laxalt	Trible
Dole	Leahy	Wallop
Domenici	Levin	Warner
Eagleton	Long	Weicker
East	Lugar	Wilson
Exon	Mattingly	Zorinsky
Ford	Melcher	
Garn	Mitchell	

NOT VOTING—7

Bentsen	Hart	Stennis
Cranston	McClure	
Goldwater	Murkowski	

So the motion to lay on the table was rejected.

(The following occurred later:)

Mr. FORD. Mr. President, I made a mistake in casting my vote on a motion to table amendment No. 3360, which is rollcall vote 185. I have talked to both sides. I have cleared this unanimous-consent agreement that my vote be changed from "aye" to "nay" since it will not change the outcome of the legislation.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. FORD. I thank the Chair.

(The foregoing tally has been changed to reflect the above order.)

Mr. HELMS. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BAKER. Mr. President, could I inquire of the distinguished Senator from North Carolina if he might be willing to vitiate the yeas and nays on the amendment and let us have a voice vote on that?

Mr. HELMS. Mr. President, I want to go home.

I ask unanimous consent that the yeas and nays be vitiated.

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

The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment (No. 3360) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. RUDMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3362

(Purpose: To reduce discretionary funds in the bill by 4 percent)

Mr. NICKLES. Mr. President, I have an amendment at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oklahoma (Mr. NICKLES) proposes an amendment numbered 3362.

Mr. NICKLES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 72 after line 19 add the following new section:

"SEC. 512. Except as otherwise provided in this section, each dollar amount contained in this Act is hereby reduced by 4 per centum. This section shall not apply to amounts on page 7 line 22, page 8 lines 6

and 7, page 12 line 16, page 21 lines 17 and 18, page 24 line 22, page 33 line 12, page 36 lines 2 and 5, page 37 lines 18 and 19, page 41 line 13, page 45 line 15, and page 53 line 12."

Mr. NICKLES. Mr. President, I will alert our colleagues that I do not think this amendment is going to take very long to explain and I expect there will be a rollcall vote shortly.

Mr. President, the amendment that I have pending at the desk is very simple. It would place an across-the-board cut, which was in the House bill, of 4 percent for all dollar amounts except those in areas that are mandated and cannot be cut. The reason for this amendment is quite obvious.

Mr. President, this bill calls for a spending increase of $972 million over last year, an increase of 9.25 percent. That is an increase of about 6 percent over what inflation is.

We are not being very responsible. One of the good things that Harry Byrd did on almost every appropriation bill was to stand up right before the vote and remind Senators how much of an increase was in the bill.

There is almost a $1 billion increase, nearly a 10-percent increase over fiscal year 1984. It is $722 million more than the House-passed language.

I am embarrassed by the fact that the House of Representatives came up with something more prudent than this.

One of the things that the House language had in it was a 4-percent cut. The Senate Appropriations Committee did not deem it wise to include that cut. Instead we are increasing spending over last year $972 million. We are over the President's submission: $721 million over what the administration requested.

So this bill that we have before us is not very fiscally sound. Some would say it is within the rose garden agreement, but I think if that is true then the rose garden needs a little more pruning. We really have not done a very good job.

I am concerned. Last night we had a tax bill of $50 billion. Last night, right after we passed the tax bill, we passed a bill called the math-science bill to spend almost $1 billion. This bill spends in the first year $1 billion more than we spent last year. We will spend at least that much the following year and probably add 5 percent on top totaling $1½ billion. In the third year we will continue this pattern, amounting to $2 billion over this year's total.

So that means if you add the increases for the next 3 years in this small appropriation bill we will increase spending from the present level about $4.5 billion to $5 billion. In other words, in this little appropriation area we will actually spend or consume 10 percent of the tax raise that we passed last night.

I do not think that is being very prudent. I do not think it is very fiscally sound.

I think we have Congressmen and Senators all the time running back to the States and districts saying, "Yes, these deficits are terrible and we need to get them down." Then on voice vote we automatically increase spending well above what the inflation rates are.

The real world, Mr. President, cannot afford it. In the real world, if they had a deficit of any size or a percentage size as we find in the Federal Government today, they would not be increasing spending 10 percent as though there is no problem.

Mr. President, we had a deficit last year of $195 billion, and this type of spending increase is indicative that we will continue to have those types of deficits.

So the net essence of the amendment that I have to the bill is a reinstatement, basically, of some House-passed language that called for a 4-percent cut across the board except in those areas that are mandated. It would save $450 million. Spending would still increase in this bill, even with this 4-percent cut, by an average of over 5 percent, which is still above that spending anticipated for inflation.

So, Mr. President, I will not take any more time of the Senate. I hope we will be able to adopt the amendment.

Mr. RUDMAN. Mr. President, I just wish to point out a few things to my friend from Oklahoma because this particular amendment of his, although it may be dealing with the surface, unfortunately, does not take into consideration some facts that are contained in this bill and some obvious figures the Senator from Oklahoma was unaware of.

In the first place, it is totally irrelevant to compare it to the House bill. The reason it is irrelevant is because the House struck, on a point of order, all the money for EDA, all the money for Legal Services, and all of the money for FTC as they have before. That money is in this bill. It has to be in this bill. It would carry on any vote in this body and that is why it is in the bill.

So one cannot compare apples and oranges. Let us get down to the increases.

I would suggest, if the Senator from Oklahoma is going to have a problem, he does not have it with the committee. He has it with the President and with this administration because he should look at the line items of this particular bill when he starts making accusations that the bill is too high. These increases, in the main, were requested by the President.

What do they deal with? The FBI, the immigration authorities, law enforcement, drug enforcement, the Justice Department—all of these things which the administration has asked for enormous increases believing that although they wish to restrain budget growth in terms of controlling crime in America, drug use in America, and many other things, illegal immigration; we need to fund these things at a much higher level.

I am glad they recognize that because they are quite right. It is true. In this entire bill there was about $200-and-some-odd million added by Members of this Senate who believed that these are programs that are necessary. But, in the main, the increases that are in this bill were proposed by the administration and, as a matter of fact, this committee has cut the administration's request in a number of areas below what they requested of the committee.

So I suggest to the Senator from Oklahoma that, although I would like to save some money if we could, the fact of the matter is that the administration has essentially requested more funds in some cases than we put in the bill. We only tried to do what they want.

Mr. NICKLES. Mr. President, will the Senator yield?

Mr. RUDMAN. I am happy to yield.

Mr. NICKLES. Am I not correct in saying thst this bill, as presently before the Senate, is $621 million more than the President had requested—that includes the Legal Services Corporation, if the Senator is trying to figure out the difference. But even excluding the Legal Services Corporation, this bill is still $296 million over what the President requested.

Mr. RUDMAN. The figure is in the committee report.

Mr. NICKLES. That is where I was getting the figure.

Mr. RUDMAN. As to this $296 million, there are a number of programs that the administration does not support which are supported by vastly more than 51 Members of this body.

Mr. NICKLES. Mr. President, will the Senator yield for one other question?

Mr. RUDMAN. I yield.

Mr. NICKLES. If it is correct that it is $296 million, not counting the funding for the Legal Services Corporation, nor including the House-passed amounts in any way, is it also not true that this bill is $972 million over last year, which is a 9.2-percent increase from last year's bill?

Mr. RUDMAN. I would answer the question by saying that it would have been approximately $1.150 billion over if we gave the administration all they asked for. We gave them less than they asked for, and I propose it is a reasonable bill.

Does the ranking minority member have anything to say?

Mr. HOLLINGS. No. I think the distinguished chairman has done an outstanding job of explaining it to the Senate. I was trying to seek out the figures. We really are not all the way back on the cuts made with respect to the FBI, with respect to drug enforcement. We all favor these things, and there is no way now to come and say that you are for law enforcement, for one thing, and then go with the cut across the board.

I vouch for what the Senator from New Hampshire has to say and I am ready to vote.

Mr. RUDMAN. Mr. President, I move to table the amendment offered by the Senator from Oklahoma and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from New Hampshire to lay on the table the amendment of the Senator from Oklahoma.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. GOLDWATER], the Senator from Idaho [Mr. MCCLURE], and the Senator from Alaska [Mr. MURKOWSKI] are necessarily absent.

Mr. BYRD. I announce that the Senator from Texas [Mr. BENTSEN], the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber wishing to vote?

The result was announced—yeas 49, nays 44, as follows:

[Rollcall Vote No. 186 Leg.]

YEAS—49

Abdnor	Glenn	Mitchell
Andrews	Gorton	Moynihan
Baker	Hatfield	Packwood
Boschwitz	Hawkins	Pell
Bradley	Heinz	Percy
Burdick	Hollings	Randolph
Chiles	Huddleston	Rudman
Cochran	Inouye	Sarbanes
Cohen	Johnston	Simpson
D'Amato	Kennedy	Specter
DeConcini	Lautenberg	Stafford
Dodd	Laxalt	Stevens
Domenici	Levin	Tower
Durenberger	Long	Tsongas
Evans	Mathias	Weicker
Ford	Matsunaga	
Garn	Metzenbaum	

NAYS—44

Armstrong	Denton	Heflin
Baucus	Dixon	Helms
Biden	Dole	Humphrey
Bingaman	Eagleton	Jepsen
Boren	East	Kassebaum
Bumpers	Exon	Kasten
Byrd	Grassley	Leahy
Chafee	Hatch	Lugar
Danforth	Hecht	Mattingly
Melcher	Quayle	Trible
Nickles	Riegle	Wallop
Nunn	Roth	Warner
Pressler	Sasser	Wilson
Proxmire	Symms	Zorinsky
Pryor	Thurmond	

NOT VOTING—7

Bentsen	Hart	Stennis
Cranston	McClure	
Goldwater	Murkowski	

So the motion to lay on the table amendment No. 3362 was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3363

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma [Mr. NICKLES], for himself and Mr. HATCH, Mr. LEVIN, and Mr. HECHT, proposes an amendment numbered 3363.

Mr. NICKLES. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in the bill, insert the following: Mr. Louis Farrakhan, advisor to one of the presidential candidates, is reported to have referred to the Jewish faith as a "gutter religion";

Mr. Farrakhan has also accused the United States of being a "criminal" for our "aiding and abetting" role at the time of the creation of the Israeli nation; and,

Mr. Farrakhan has even called the very existence of Israel an "outlaw act"; that it is therefore the sense of the Senate that—

(1) there is no place in our society, nor in our electoral process, for hateful, bigoted expressions of anti-Jewish and racist sentiments such as those reportedly being made by Louis Farrakhan, and all such vicious expressions must be condemned, and

(2) the leadership of the Senate is instructed to communicate with the Chairmen of the Democratic and Republican parties to request that they immediately repudiate in writing the sentiments and expressions of hatred reportedly made by Mr. Farrakhan.

Mr. NICKLES. Mr. President, I have an amendment cosponsored by Senator HATCH, Senator LEVIN, Senator HECHT, myself, and others to express the sense of the Senate concerning our repulsion by the expressions of religious bigotry and hatred that are being made, and have been made, by Mr. Louis Farrakhan.

Mr. President, I notify the Members of the Senate that this will be a very brief debate, at least on this Member's part.

I do expect a rollcall vote.

Mr. President, there is no place in our society——

The PRESIDING OFFICER. The Senator will suspend.

If Senators insist on conversations, please take them from the Chamber.

Does the Senator ask for the yeas and nays at this time?

Mr. NICKLES. Yes.

Mr. RUDMAN. Will the Senator withhold?

Mr. NICKLES. Yes.

Mr. RUDMAN. I would ask the Senator if he would be willing to have a voice vote on this and, if the Senators are vociferous and as unanimous as the Senator from New Hampshire thinks they will be, to insert into the RECORD that it was a unanimous vote. At this hour of night, I am not sure that every Member in the Senate feels as the Senator from Oklahoma does. I do not know why we should have a rollcall vote on this matter, since everyone is outraged about this matter. Could the Senator have a voice vote?

Mr. NICKLES. I have consulted with several Members, some of whom are cosponsors, who wish to have the yeas and nays. I will keep my remarks confined to 2 minutes.

The PRESIDING OFFICER. Are the yeas and nays requested?

Mr. NICKLES. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is not a sufficient second.

Mr. NICKLES. Mr. President, I will place the request at a later time. I wish to make my statement.

There is no place in our society—nor in our electoral process—for statements that castigate the Jewish faith as a "gutter religion."

Mr. Farrakhan has continuously made a fool of himself since first threatening the life of a Washington Post reporter.

Unless society universally condemns the thoughts and expressions of Mr. Farrakhan, I suspect that we will be further subjected to his divisive and poisonous thoughts concerning the heritage of individual Americans. It is a shame that, after the progress this country has made in the last generation regarding equality and tolerance of other races, creeds and national origins, Mr. Farrakhan's statements have again rekindled bigotry and raised the specter of hatred. I thought we had matured as a society. I am embarrassed by Mr. Farrakhan's conduct.

I call on the Senate and the Congress—and because these statements were made in the greater electoral process—I also call on the political parties to condemn and repudiate the thoughts and expressions that stand behind Mr. Farrakhan's statements.

Mr. President, that is the conclusion of my statement.

There are other Senators, cosponsors, who may have brief remarks.

Mr. HATCH. Mr. President, I rise to support this amendment. I personally condemn these statements and I repudiate them for their bigotry.

Over the last 20 years, since passage of Civil Rights Act of 1964, our Nation has undergone a welcome evolution. It has moved away from the days when the color of one's skin, the denomination of one's religious beliefs, or the cultural origins of one's family were a bar to full participation in our society.

We had begun to breathe full life into the twin promises of liberty and equality. This Nation began as a haven for refugees fleeing from bigotry, hatred, and intolerance. We fought a war within our own national borders to give life to President Lincoln's admonition that a nation cannot live half-slave and half-free. This century, we fought foreign wars, sacrificing the lives and well-being of our sons and daughters so that this democratic flame of liberty, equality and toleration would not be extinguished by the depravity of mindless bigotry.

We had moved toward the day when all are treated equally when equal opportunity and the other provisions of our bill of rights are not just promises, not just slogans, but are reality. Our Nation is by no means perfect, but more than any other country in the world, we have demonstrated a willingness and ability to fulfill the democratic ideal of the American dream.

Unfortunately, not all of our citizens share the vision of this most fundamental of American birthrights. Louis Farrakhan has publicly denounced an entire people, an entire way of life. He would again pit race against race, religion against religion. He wages the politics of hate; he spurns the prospect of unity and understanding.

As a member of a minority religion that has suffered the slings of bigotry and hatred, that has weathered official edicts of eradication, I can empathize with the anguish of my fellow Americans of the Jewish faith. Such intolerance cannot be ignored, cannot be left unchallenged.

For this reason, I think it is important that this distinguished body that has fought so many battles to protect the principles of freedom, of freedom of religion, of freedom of association, make a stand. It is important that as elected officials, we make a statement on behalf of the American public that religious persecution, that religious intolerance, that anti-Semitism has no place in the public debate. It has no moral right in our electoral process.

I am cosponsor of a resolution that condemns these statements and repudiates this bigotry.

Mr. President, I ask unanimous consent that certain articles appearing in the Washington Times and the Washington Post be printed in the RECORD at this point.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

JEWISH LEADER VOWS FIGHT OVER FARRAKHAN

(By Bill Kling)

An influential Los Angeles-based international Jewish leader vowed yesterday to mount a vigorous protest at next month's Democratic National Convention if the Rev. Jesse Jackson addresses the convention without first repudiating Black Muslin leader Louis Farrakhan.

"We're not going to let this issue die," Rabbi Marvin Hier, dean of the Simon Wiesenthal Center for Holocaust Studies at Yeshiva University, said in a telephone interview about anti-Semitic remarks by the head of the Nation of Islam, a black-supremacist religious sect also known as the Black Muslims.

Republican National Chairman Frank J. Fahrenkopf Jr. yesterday called on former Vice President Walter Mondale, apparent winner of the Democratic presidential nomination, to meet with Mr. Jackson "and demand that he formally rebuke and disavow" Mr. Farrakhan's anti-Semitic remarks.

And at the White House, Larry Speakes, President Reagan's spokesman, first declined comment on Mr. Farrakhan's remarks but, when pressed by reporters, said, "It goes without saying that we strongly oppose these kinds of views. We don't feel compelled to speak out on everything the man says."

Mr. Jackson refused comment on the Farrakhan issue yesterday during a Havana news conference with Cuban President Fidel Castro to announce the release of 22 Americans held in Cuban jails.

"I should not respond to that," Mr. Jackson said. "I do not know enough about it . . . In this press conference, I'm going to focus on this agenda and, when I would have read this statement and understand its text and context, it would be appropriate to respond at that time."

On Tuesday, Mr. Hier and Rabbi Abraham Cooper, also a Holocaust Center official, sent a telegram to Democratic National Chairman Charles T. Manatt urging that Mr. Jackson "be refused the privilege of addressing the Democratic Party convention until he firmly and finally repudiates his association with notorious anti-Semite Louis Farrakhan."

"The Democratic Party has a dilemma," Mr. Hier said yesterday.

The Hier-Cooper telegram asked Mr. Manatt "to apply [the] same standards to Rev. Jackson as would be applied to a white candidate whose close friend and supporter was a leader of the Ku Klux Klan," adding that Mr. Jackson "cannot be a moral force in this country so long as he remains a friend of this unabashed racist and bigot."

GOP Chairman Fahrenkopf called on the Democratic Party to "disavow any support for Mr. Farrakhan and his offensive, abusive statements."

"Anything less would be an attempt to play politics with this most basic moral issue," Mr. Fahrenkopf said in a statement released by William I. Greener III, communications director of the Republican National Committee.

"The time has come to state the obvious about Louis Farrakhan. He is a racist of the worst kind. To say that 'the presence of Israel is an outlaw act' and Jews are 'using the name of God to shield their gutter religion under His holy and righteous name' is reminiscent of the language used in Nazi Germany. It is hardly the sort of comment one would expect from an adviser to a Democrat candidate for president of the United States."

Mr. Jackson has sought a meeting with Mr. Mondale to discuss differences over the Democratic Party platform and rules for the party's San Francisco convention, where both men—along with Colorado Sen. Gary Hart—will vie for the party's presidential nomination. Mr. Mondale claims enough delegate votes to win the nomination on the first convention ballot.

Mr. Mondale's demands Tuesday that Mr. Jackson repudiate Mr. Farrakhan's support "simply do not suffice in making clear that Mr. Farrakhan's message has no home either in America or in the Democrat Party," Mr. Fahrenkopf said. "Republicans throughout America are united in our strong objection to the views and comments of Louis Farrakhan."

In a Sunday speech, Mr. Farrakhan said Israel represented "cold, naked scheming and plotting and planning against the lives of a people there in Palestine," and nations supporting it "are criminals in the sight of the almighty God."

Earlier, Mr. Farrakhan was criticized by many politicians and Jewish leaders for calling Adolf Hitler a "wickedly great" man and for allegedly threatening a Washington Post reporter who revealed that Mr. Jackson referred to Jews as "Hymies."

"I'm not anti-Jew," Mr. Farrakhan said Sunday. "I'm pro-truth."

Reacting to mounting pressure from American Jewish leaders, Mr. Mondale, in his statement issued Tuesday in New York City, said, "The most recent statements by Louis Farrakhan are venomous, bigoted and obscene. I condemn those statements and urge all public leaders to do likewise. It is crucial that all of us, including Rev. Jackson, repudiate Farrakhan."

In reply to a question, however, Mr. Mondale said later in Hartford, Conn., that he would not make repudiation of Mr. Farrakhan a condition of his expected upcoming meeting with Mr. Jackson.

[From the Washington Post, Tuesday, June 26, 1984]

FARRAKHAN CLAIMS ISRAEL EXISTS AS AN "OUTLAW ACT"

CHICAGO, June 25 (UPI).—Nation of Islam leader Louis Farrakhan, home from a visit to Arab nations, has attacked the existence of Israel as an "outlaw act" and said nations supporting it have participated in a criminal conspiracy.

"The presence of a state called Israel is an outlaw act," he said in a speech Sunday at his Nation of Islam headquarters here, broadcast on WBEE radio.

Farrakhan, who barred reporters from the speech, said that if you "aid and abet someone in a criminal conspiracy, you are a part of that criminal conspiracy. So America, England and the nations are criminals in the sight of Almighty God."

Israel has had no peace, Farrakhan said, "and she will never have any peace because there can be no peace structured on injustice, lying and deceit and using the name of God to shield your gutter religion under His holy and righteous name."

Farrakhan mentioned his trip to Arab nations and a meeting with Libyan leader Muammar Qadhafi, but mostly attacked Zionists. He called the formation of Israel "cold, naked scheming and plotting and planning against the lives of a people there in Palestine."

Farrakhan said Zionists made a deal with Adolph Hitler not to boycott German products before World War II after he allowed 65,000 German Jews to emigrate and $100 million in Jewish assets to be transferred to Palestine.

He said this act was documented in the book "The Transfer Agreement" by Edwin Black, "one of their own kind."

"The Zionist made a deal with Adolf Hitler, the same people that condemn me for saying Hitler was a great but wicked man," Farrakhan said.

Howard Kohr, assistant Washington representative of the American Jewish Committee, called Farrakhan's comments "outrageous" and said that Jesse L. Jackson, whose presidential candidacy Farrakhan backs, and other candidates for public office should repudiate the remarks.

"This man has no place in the political process," Kohr said. "This guy is a demagogue of the worst sort. . . ."

Other Jewish leaders said that the book cited by Farrakhan had been the subject of controversy. They said the author had brought his interpretation to a long-public agreement allowing some Jews to emigrate to Palestine in the 1930s. They said the emigration might have undermined a Jewish boycott of German products unintentionally, but that this was outweighed by the need to rescue Jews.

IT'S HARD TO BE NEUTRAL ON LOUIS FARRAKHAN

To some, he is a master mindmolder, a speechmaker par excellence, a wielder of the great power of the pulpit. To others, he is a hatemonger, a black racist and a Jew-baiter. Few remain neutral in their feelings about Louis Farrakhan, leader of the Nation of Islam.

His endorsement of Jesse Jackson's presidential bid was both boon and bane to the Jackson campaign. For though he was able to deliver voters who would have ignored the primaries (Mr. Farrakhan himself registered to vote for the first time this year), his unique rhetorical style alienated many others.

It was Louis Farrakhan who denounced Washington Post reporter Milton Coleman—the man who first wrote of Mr. Jackson's "Hymietown" gaffe—in a radio speech so easily interpreted as a death threat that Washington police beefed up patrols near Mr. Coleman's home and The Post hired full-time bodyguards to protect him.

But the breadth of opinion about Mr. Farrakhan—some people love him as much as other people hate him—is symptomatic of the complexity of the man. Even Mr. Jackson, after being urged to do so, declined to repudiate him while at the same time rejecting his threats to Mr. Coleman.

At 50, Mr. Farrakhan was the obscure leader of a small black Islamic community. His support of Mr. Jackson thrust him into prominence.

He was born Louis Eugene Walcott in Boston. There he was an honors student at Boston English High School before attending Winston-Salem, N.C., Teachers College for two years.

Musically inclined, he was a successful local singer in Boston, going by the name "Calypso Gene," until 1955, when he was recruited into the Black Muslim movement by Malcom X and took the name Louis X.

Mr. Farrakhan has been a black nationalist ever since.

After becoming more prominent in the movement, Mr. Farrakhan left Boston for New York, where he wrote and recorded the song "A White Man's Heaven is a Black Man's Hell." He and Malcom X parted ways in the early '60s, and Malcom X's death was attributed by some to the arguments that arose between them.

After the 1975 death of Elijah Muhammad, founder of the Nation of Islam, Mr. Farrakhan split from Mr. Muhammad's son and successor, Imam W. Deen Muhammad, over questions of amity with whites and racial separatism, taking with him several thousand followers. The Nation of Islam is now thought to number between 5,000 and 10,000.

[From the Washington Times, June 27, 1984]

FARRAKHAN STATEMENT MAY HURT DEMOCRATS

(By Wesley Pruden)

A chorus of outrage against Louis Farrakhan's denunciation of the Jewish faith as "a gutter religion" and the Rev. Jesse Jackson's angry refusal to disavow him for it threatened yesterday to engulf Walter Mondale and the Democratic ticket.

One Jewish leader challenged Mr. Mondale to "screw up enough courage" to make a public break with Mr. Jackson unless he repudiates the support of Mr. Farrakhan, the leader of a Chicago-based Muslim sect called the Nation of Islam.

"The issue is not Farrakhan, a vulgar bigot whose racist rhetoric one must assume is repugnant to blacks no less than to whites," said Henry Siegman, national director of the American Jewish Congress, "but the test of integrity is whether a political candidate is prepared to pay the price of his convictions in a concrete and specific situation.

"That is a test Walter Mondale has yet to meet."

The close association between Mr. Jackson and the fiery Muslim leader flamed anew as a political issue on Sunday when Mr. Farrakhan, in a Chicago radio broadcast, described Israel as "an outlaw state" and the Jewish faith as "a gutter religion."

"America, England and the nations [that supported the creation of Israel] are criminals in the sight of the almighty God," he said.

Mr. Jackson was angered by suggestions that he should disavow Mr. Farrakhan.

"In America, people have freedom of speech," Mr. Jackson told CBS News from Havana. "They can say what they want about what they want, about whom they want. Don't keep putting me in the middle of that. Let me talk about peace in Central America."

The furor over Mr. Farrakhan's latest remarks threatened to make a public relations disaster of Mr. Jackson's trip to Havana, and suggested that the swelling anger might now threaten the traditional Jewish support for the Democratic presidential nominee.

Other allegations were raised that Mr. Farrakhan's sect is in part financed by Libyan strongman Muammar Qaddafi, who has been accused of financing international terrorists.

The angry voice of Mr. Siegman was only one of several yesterday. "Farrakhan's latest outrage is in the tradition of the worst hatemongers we have known," said Howard Friedman, president of the American Jewish Committee. "It is perhaps no accident that he makes it after returning from a visit with . . . Qaddafi."

He scoffed at Mr. Jackson's characterization of Mr. Farrakhan—"someone he has characterized as a friend and a supporter"—as man who was only making a fair comment guaranteed by the nation's freedom of expression.

Rep. Howard Berman, D-Calif., called it a "moral imperative" for Mr. Jackson to speak out against Mr. Farrakhan and his remarks. "There has never been any excuse for Rev. Jackson's acquiescence to the anti-semitism associated with his campaign," he said.

On the House floor, Rep. Mel Levine, D-Calif., without mentioning Mr. Jackson's name, called Mr. Farrakhan's comments "the statements of a bigot" but insisted that they were "not examples of a black-Jewish rift."

Mr. Farrakhan had stirred controversy earlier when he threatened a black reporter for The Washington Post for having disclosed that Mr. Jackson referred to Jews as "Hymies" and to New York City as "Hymietown," and for his calling Hitler a "wickedly great" man in a previous Nation of Islam broadcast.

Early Warning, a Washington-based weekly newsletter edited by Arnaud de Borchgrave, who has written extensively on international terrorism, describes in its latest issue the connections its says Mr. Farrakhan has had with Mr. Qaddafi since 1972.

The newsletter said that Mr. Farrakhan has visited Libya several times in recent years, the latest on May 27—when a group of Palestinian terrorists were convened in the Libyan capital of Tripoli. Mr. Farrakhan has confirmed that he met the Libyan leader last month in Libya, but attempts to reach him for comment on the latest controversy were not successful.

Although the newsletter does not say that Mr. Farrakhan met with any of the Palestinians, it said the coincidence of timing and "intelligence reports" indicate that "Qaddafi is about to unleash a new wave of terrorist attacks on Western targets [primarily American, British and Israeli]."

It details what it says is Mr. Farrakhan's long relationship with Mr. Quaddafi, beginning in 1972 when Libya lent $3 million without interest to Mr. Farrakhan's Nation of Islam to pay for converting a Chicago church into a mosque.

Over the years, the newsletter said, Libya financed other projects for Mr. Farrakhan's group, and the Black Muslim leader had met at least three times with the Libyan leader over the past 18 months.

[From the Washington Post, June 28, 1984]

PARTY URGES JACKSON TO CUT FARRAKHAN TIE

(By Martin Schram)

A top Democratic National Party official said yesterday that presidential candidate Jesse L. Jackson may be refused permission to address the party's national convention next month if he does not repudiate the latest comments on Judaism and supporters of Israel made by Minister Louis Farrakhan of the Nation of Islam, a Jackson supporter and political associate.

Michael R. Steed, national director of the Democratic National Committee, said national party chairman Charles T. Manatt

will wait until Jackson has returned from his trip to Cuba and Central America and has had time to review Farrakhan's complete speech before making a further statement on the matter.

Asked whether Jackson will be allowed to address the convention if he does not repudiate Farrakhan's comments, Steed said: "I think it would have a very significant impact on whether or not he would be allowed to speak at the convention."

Jackson, who has been traveling in Cuba and Central America, has declined to repudiate Farrakhan's comments, which have been condemned by Walter F. Mondale and Sen. Gary Hart (D. Colo.).

Top advisors of Mondale, the likely Democratic presidential nominee, and party officials are concerned that the new controversy over Jackson's refusal to repudiate Farrakhan's latest attack on Jews and Israel could plunge the party's July convention into a televised clash between blacks and jews that could seriously damage that longstanding party coalition.

The Simon Wiesenthal Center for Holocaust Studies sent Manatt a telegram Tuesday urging that Jackson be denied permission to address the convention "until he repudiates his association with the notorious anti-Semite" Farrakhan. Rabbi Marvin Hier, of the Wiesenthal center, said his group will organize demonstrations at the convention if Jackson is allowed to address the convention without a repudiation.

Mondale campaign chairman James A. Johnson said he has "some optimism that we can avoid a really difficult situation," but he conceded that the problem is potentially serious. A top DNC official, communications director Eugene Russell, said: "It's a disaster. The only thing that's going to cool this is for Jesse Jackson to repudiate it."

Farrakhan said in a speech Sunday that Judaism is a "gutter religion" and that the nations that helped create Israel and now support Israel "are criminals in the sight of the Almighty God."

Mondale strongly condemned Farrakhan's statement and urged Jackson to follow suit. But Jackson, appearing on the CBS Morning News on Tuesday, said: "I don't understand what he said, I don't understand the context of it. I feel no obligation to respond to it."

Mondale officials are working to head off a serious disruption of the convention that could damage the potential Democratic presidential nominee, who trails President Reagan in public opinion polls.

Mondale said in answer to a question that he would not make Jackson's repudiation of Farrakhan's remarks a condition for a meeting with Jackson.

"But," Mondale added, "I would also place very heavy emphasis on what I think has now become a pattern by Mr. Farrakhan which is absolutely and utterly outrageous and unacceptable. The statements he made . . . about other religious faiths—you just can't tolerate this in our good country, and I repudiate them. I think we all should repudiate Mr. Farrakhan, including Rev. Jackson."

NAACP Executive Director Benjamin Hooks yesterday renounced Farrakhan's statements and advised him to stop such rhetoric.

"The NAACP deplores the inflammatory statements that are being made by . . . Farrakhan that hold the Jewish religion in disrepute and cast Israel as a criminal nation," Hooks said in a statement.

In his statement, Hooks noted that Ralph Bunche, a black American, served as the United Nations' negotiator in Palestine following World War II and helped bring about the establishment of Israel.

Farrakhan served as a warmup speaker at Jackson presidential campaign rallies and accompanied Jackson on his successful trip to Syria to persuade Syrian President Hafez Assad to free Lt. Robert O. Goodman Jr. He has not appeared with Jackson recently.

Jackson press secretary Preston Love declined to comment on the matter.

Mr. HATCH. Mr. President, I really believe, if I may say to the Senator, that as much as a rollcall vote seems to be a good thing, I think what the distinguished Senator from New Hampshire has proposed is a good proposal. If the distinguished Senator wants a rollcall vote, I think he can get one. But I would prefer, if it is all right with my colleague from Oklahoma, to follow the advice of the distinguished Senator from New Hampshire and have it be noted for the RECORD, if it is so.

There is no doubt that everyone on the Senate floor supports this resolution. I believe that would be just as effective and just as good as a rollcall vote.

Mr. NICKLES. Mr. President, I have no objection to that.

Mr. RUDMAN. Mr. President, I thank the Senator from Oklahoma and the Senator from Utah.

I join the sponsor and the cosponsor in the condemnation that this resolution contains.

I yield to my friend from South Carolina.

Mr. HOLLINGS. Mr. President, we on this side of the aisle join in that condemnation.

We will also note for the RECORD the unanimity of the vote to condemn this kind of conduct.

Mr. RUDMAN. Mr. President, it does not appear that there is further debate on this amendment. If that be the case, I move the amendment be adopted.

The PRESIDING OFFICER. Is there further debate?

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

The Senator from Minnesota has the floor.

Mr. BOSCHWITZ. Mr. President, I did not have notice of this particular amendment. Therefore, I asked the indulgence of the Senate during a quorum so I could read it.

I, too, join the Senator from Oklahoma and thank him for bringing this amendment to the floor.

Let me say that I note that it is the leadership of the Senate. I hope the leadership of the Senate means both sides of the aisle.

When the Senator from Oklahoma refers to the leadership of the Senate, does he refer to both the majority and the minority leadership?

Mr. NICKLES. The Senator is correct.

Mr. BOSCHWITZ. I am pleased to hear of both sides being referred to here. These kinds of comments by Farrakhan, if they are not roundly criticized by the Presidential candidates on the Democratic side, I think are absolutely outrageous. Very frankly, if these kinds of statements were made by anybody on this side of the aisle, we would have hours and hours of debate in this Chamber and much beating of breasts, and on and on in outrage and indignation.

I just want to express in a few words my outrage and indignation not only at Mr. Farrakhan because that probably would be wasted, but at a candidate for the Presidency who will not disassociate himself from these remarks when they are made, and when he has people around him who are supporters of this man who makes this kind of remark.

Mr. FORD. Mr. President, will the distinguished Senator yield for a question?

Mr. BOSCHWITZ. If the Senator from Kentucky will permit me, I will continue and complete my statement and then yield the floor. I am almost done.

However, we have seldom had in a Presidential contest this kind of taunt, this kind of blasphemy. It is my hope that my friends in the other party would all stand up and all seek to remove themselves from this kind of blasphemy, as I say, and that we would be able to remove this kind of talk from the annals of our political literature.

Mr. President, I yield the floor.

Mr. NICKLES. Mr. President, I ask unanimous consent that the senior Senator from Oklahoma be added as cosponsor.

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

Mr. METZENBAUM. Mr. President, will the Senator from Oklahoma be willing to yield for a question?

Mr. NICKLES. I am happy to yield.

Mr. METZENBAUM. I wonder if the Senator from Oklahoma would consider adding to his proposal some words of condemnation about Mr. D'Aubuisson, who, I understand visits us here, in the U.S. Senate, within the last couple of days.

Mr. NICKLES. The answer to the question is no.

Mr. METZENBAUM. Mr. President, if the Senator would permit me to finish my question, because I appreciate the thrust of the Senator's concern on the subject, I just wanted to share with him the thoughts expressed today in the Los Angeles Times, which reported Mr. D'Aubuisson saying to a German official: "You Germans are very intelligent. You realized that the Jews were responsible for the spread of Communism and you began to kill them."

It just seems to me that that kind of statement and that kind of comment on the part of Mr. D'Aubuisson might call for condemnation. I should be very happy to join with the junior Senator from Oklahoma in making a condemnation of Mr. D'Aubuisson and some of his activities along the same line. Would the Senator still hold the view he expressed?

Mr. NICKLES. The senior Senator is correct.

Mr. METZENBAUM. I thank the Senator from Oklahoma.

Mr. RUDMAN. Mr. President, does anybody else seek recognition to discuss this amendment?

Mr. BIDEN. Yes, Mr. President, I seek recognition.

Mr. President, I wish to be added as a cosponsor to the amendment and ask a question of the chief sponsor.

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

Mr. BIDEN. I ask if, in fact, the Los Angeles Times report is correct, turns out to be correct, will the Senator then join with the Senator from Delaware, the Senator from Ohio, and others, in a resolution of condemnation of Mr. D'Aubuisson, if, in fact, it is satisfactorily shown as I said?

Mr. NICKLES. Mr. President, my response to the Senator is I do not know anything of the Los Angeles Times report on Mr. D'Aubuisson. I saw Mr. D'Aubuisson yesterday and I do not want to entangle that with the subject of this resolution.

Mr. BIDEN. I understand that, Mr. President. I just want to ask, if Mr. D'Aubuisson did say:

> You Germans are very intelligent. You realized that the Jews were responsible for the spread of Communism and you began to kill them.

If in fact he did say that, would the Senator join with the Senator from Delaware in cosponsoring a resolution to condemn Mr. D'Aubuisson?

Mr. NICKLES. I would look at the resolution. I just do not think it needs to be on this resolution.

Mr. BIDEN. I just want to know if he would not do it. I think one racial slur is no better than another.

Mr. HATCH. Will the Senator from Delaware yield?

Mr. BIDEN. Yes; I am happy to yield.

Mr. HATCH. Mr. President, if the Los Angeles Times is correct and if Mr. D'Aubuisson said that, as principal cosponsor with the distinguished Senator from Oklahoma, I would certainly be willing to enter into the resolution.

Mr. BIDEN. I expected that, Mr. President. I know the Senator from Utah well. I just do not know the Senator from Oklahoma as well.

Mr. HATCH. Mr. President, I respect my colleague from Delaware but I think the Senator has to understand. I do not think Mr. D'Aubuisson knows everything that has occurred in America.

Let me tell you, Mr. President, I do not think I have seen that kind of bigotry in many, many years in this country. I think my colleague's resolution is right on point at this time in this country's existence and I think we all ought to vote for it.

Mr. BIDEN. I agree.

Mr. HATCH. We are willing to vote by voice vote with the recognition that everybody is voting for it. I also add that I do not know that anybody would not condemn that type of talk if it is true.

Mr. BIDEN. I agree with the Senator.

I thank the Senator. I yield the floor.

Mr. BOSCHWITZ. Mr. President, I do not know exactly what the Senator from Delaware is getting at. He knows very well that men of good will and women of of good will are going to join in condemnation of that statement. We are talking about a Presidential election in this country, not in El Salvador. I personally do not think it has any bearing.

Mr. BIDEN. Mr. President, will the Senator yield on that point?

Mr. BOSCHWITZ. No, the Senator does not yield, Mr. President.

Mr. BIDEN. Then I shall wait and seek the floor in my own right.

Mr. BOSCHWITZ. Mr. President, the Senator from Minnesota says that has little bearing on the resolution at hand. I understand that Reverend Jackson has withdrawn his support of the Reverend Farrakhan and it is about time. It has taken a good time.

One of the Senators showed me a statement that came over the wires. It has taken him many, many months. I do not see the appropriateness or relevance of what a foreign leader says.

Unfortunately, as the Senator well knows, a long list of foreign leaders have made those kinds of statements. None of those statements is relevant or has any bearing on what the amendment of the Senator from Oklahoma deals with.

Mr. BAKER and Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BAKER. I thank the Chair.

Mr. President, I urge my colleagues on both sides, if I can do that. I can name a dozen candidates I would like to condemn, but not at 10 o'clock at night. I think we ought to get on with the business at hand. I think we can do this without a rollcall vote and get on with passage.

I think we shall have plenty of time after passage to decide whom we approve of or do not approve of. But I urge that we get on with the matter at hand.

Mr. BIDEN. Mr. President, as much respect as I have for the majority leader, I want to make clear what my point was.

The Senator from Minnesota and I not only vote very similarly on a lot of issues and work very closely on the Foreign Relations Committee and are friends, but he asked me a question.

The point is, and I believe the Senator was unaware of the Freudian slip he made, he said, what does the D'Aubuisson statement have to do with a Presidential election? My point is and my suspicion, I might say, for those who found the overwhelming desire to condemn anti-Semitic statements, that it might be something beyond the condemnation of anti-Semitic statements.

There is no doubt that anyone in here condemns what Farrakhan said. I, for one, as many others have, have been on this floor and on television and out throughout this country, months ago, condemning Mr. Farrakhan.

Now, it seems strange to me that, late in the evening, all of a sudden, when there is, in fact, a Presidential overtone to this, that there may have been an indirect desire to embarrass a Presidential nominee with this particular amendment coming from the quarters and at the time that it did. I think the Senator from Minnesota reflected that. He said, what does this have to do with a Presidential election?

It does not have anything to do. I did not think that the Senator from Oklahoma and the major cosponsors had anything to do with the Presidential election. Where is "President" mentioned in this resolution? I did not know how Farrakhan was running for President, did not think he was part of the Presidential process, did not think he had anything to do with President Reagan or Vice President Mondale.

Now, Mr. President, if it is relevant to Presidential politics, as the Senator from Minnesota implied—not only implied, said—then D'Aubuisson would be relevant to Presidential politics, because if, in fact, he said this, even though he is a foreign leader, we should not be giving visas to people who are defeated foreign leaders to come to America, march them through this body, have them meet our colleagues as if they are civilized persons if, in fact, what the original amendment is about is Presidential politics.

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Now, I shall renew my request and, at the expense of being kidded by the Senator from Florida [Mr. CHILES], I shall ask a rhetorical question. If, in fact, D'Aubuisson said this, and we are convinced, I hope our indignation is as real and as deep and as swift and as timely. Does it not seem strange to all of you that this resolution of condemnation did not occur 2 weeks ago, a week ago, 3 weeks ago, a month ago, 2 months ago, did not occur when the Senator from Massachusetts made his eloquent condemnation of Mr. Farrakhan, carried by the national news, carried on every network, carried on every morning show? Does it not seem strange that the day Jesse Jackson is getting off the plane, that night my friends, who slip and say, "What does this have to do with Presidential politics?" rise on the floor to state the obvious, that all of us find Farrakhan reprehensible, that all of us find his actions deplorable, and that all of us condemn him? And so I say I am prepared to accept the assertion of the Senator from Oklahoma on its face. I asked to be a cosponsor. I am a cosponsor. And that is, let us condemn Farrakhan. And when it comes time, if this proves to be true, let us condemn D'Aubuisson. Let us not implicitly condemn Mondale. Let us not implicitly condemn Reagan. Let us not implicitly condemn Presidential candidates on our side. Let us not implicitly condemn Senators on your side. Let us just vote on we hate anti-Semites like Farrakhan. That is the vote. Let us just make sure we all know what we are voting about and the press knows what we are voting about.

I yield the floor.

Mr. BRADLEY. Mr. President, I ask unanimous consent that I be added as a cosponsor of this amendment.

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

(The names of Senators LAUTENBERG, DENTON, and CHAFEE were also added as cosponsors.)

Mr. RUDMAN and Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. I will yield the floor to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. FORD. Mr. President, I thank the distinguished Senator from New Hampshire. Since a Presidential prospect has been mentioned tonight, I ask unanimous consent that a press release which was carried over the wires, in the papers, and on television tonight be printed in the RECORD.

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

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

PRESS RELEASE

(By David Lawsky)

WASHINGTON (UPI).—Jesse Jackson repudiated Louis Farrakhan's anti-Semitic remarks Thursday, calling them "reprehensible and morally indefensible" and said the Nation of Islam leader is no longer "a part of our campaign."

In a statement released at Jackson's democratic headquarters, Jackson labeled the Nation of Islam leader's comments as "inflammatory" and "damaging for the prospect of peace" in the Middle East and called for the start of a process to "heal the wounds" between Christians, Moslems and Jews.

"I find such statements or comments to be reprehensible and morally indefensible," Jackson said.

Jackson said that reporters had failed to notice that Farrakhan has not participated in his campaign in recent months.

"I discouraged his participation," Jackson said. "He is not a part of our campaign."

Jackson said he would not allow Farrakhan's words to divide the Democratic Party. "Neither anti-Semitism nor anti-black statements have any place in our party," He said, apparently responding to urgings by political, religious and civil rights leaders to repudiate Farrakhan.

Jackson said that the problems raised "go to the very fabric of our national civility" and that "to heal the wounds" in the Christian, Islamic and Jewish Communities he wants to begin ecumenical meetings between the groups.

Arnold Pinkney, Jackson's campaign manager, said Jackson had not seen the finished copy of Farrakhan's recent statement denouncing Judaism as a "gutter religion" but knew about the general outlines and tone of it in discussions with Jackson by phone from Nicaragua. Jackson is on a Central American peace tour.

Earlier Thursday, Walter Mondale labeled Farrakhan's statements "poison" and Democratic Party head Charles Manatt said he assumed Jackson would repudiate them.

Farrakhan, a prominent backer of Jackson's bid for the Democratic Presidential nomination, referred to Judaism as a "gutter religion" during a speech broadcast Sunday in Chicago.

Mondale, speaking to reporters after a meeting with Philadelphia Mayor Wilson Goode, made his strongest statement yet about Farrakhan's remarks, saying, "I consider them to be poison and totally unacceptable to American attitudes and the public dialogue or the private dialogue." Goode agreed. Mondale earlier had repudiated Farrakhan and called on Jackson to follow suit.

Mondale's campaign officials were working on what to do if Jackson failed to repudiate Farrakhan or his remarks.

FARRAKHAN STATEMENTS MUST BE REPUDIATED

Mr. SASSER. Mr. President, today I rise to denounce the most recent round of statements made by Louis Farrakhan, minister of the nation of Islam. Clearly, the proclamations made by Mr. Farrakhan are contemptible and completely unnacceptable in the United States of America, and they should be repudiated.

My oath of office pledges me to "support and defend the Constitution of the United States against all enemies, foreign and domestic." And it is our Constitution that protects our most basic freedoms, especially our freedom of religious expression. Therefore, it is my duty and obligation to speak out against the bigoted comments uttered by Louis Farrakhan.

Let me, for the record, quote those statements made by Mr. Farrakhan. According to a Washington Post editorial in today's newspaper, Mr. Farrakhan made the following remarks during a sermon which he delivered to his congregation in Chicago on Sunday, June 24.

I say to the Jewish people and to the Government of the United States of America, the presence of a state called Israel is an outlaw act. It was not done with the backing of Almighty God nor was it done by the guidance of the Messiah. It's what you called naked scheming and plotting and planning against the lives of a people there in Palestine.

Mr. Farrahkan went on to say that the nations that helped found and now support Israel are "criminals in the sight of the Almighty God," and he added that Israel "will never have any peace, because there can be no peace structured on injustice, thievery, lying and deceit and using the name of God to shield your gutter religion under his holy and religious name."

Mr. President, the remarks made by Louis Farrakhan are offensive to the ideals and principles embodied in our Constitution and our system of democracy. His comments are outrightly anti-Semitic, and repugnant to the Jewish people, but, Mr, President, Mr. Farrakhan's pronouncements should be viewed with equal disgrace in the eyes of all Americans who cherish our pluralistic society and who wish to live by the principles of freedom, justice, and liberty. These comments should be denounced by all public leaders who are elected to protect the basic freedoms guaranteed to all citizens in the Constitution of the United States.

Mr. President, when Louis Farrakhan calls the formation of the State of Israel an "outlaw act," he simultaneously condemns the United States. When he calls nations which helped found and now support Israel "criminals in the sight of the Almighty God," Farrakhan deeply offends the people and Government of this country. And when Mr. Farrakhan refers to the Jewish religion as a "gutter religion," he insults all peoples of the Judeo-Christian heritage.

Mr. President, I am proud of the fact that the Government of the United States was instrumental in the creation of the State of Israel. I am proud that our Government has worked side by side in partnership with Israel since 1948 when she became a nation in her own right. And I am proud that today, we can clearly claim Israel as our single democratic ally in the Middle East.

I wish to make special notice, also, Mr. President, of the public state-

ments made by Benjamin Hooks, executive director of the National Association for the Advancement of Colored People (NAACP). Ben Hooks, a native Tennessean said: "The NAACP deplores the inflammatory statements that are being made by * * * Farrakhan that hold the Jewish religion in disrepute and cast Israel as a criminal nation." He also said that the NAACP "cannot and will not be a party to casting aspersions on Judaism" since the NAACP itself subscribes to the tenets of the Judeo-Christian heritage.

Benjamin Hooks recalled that "it was Ralph Bunche, a black American, who led efforts as a U.N. negotiator for Palestine that resulted in bringing peace to the Middle East" and the establishment of Israel. As Ben Hooks recognizes, the advancement of one group of people in our country cannot be achieved at the expense of another group. Both the black and Jewish communities have experienced a history of persecution and discrimination which is completely intolerable in America today. No segment of our society should endorse the racial hatred inherent in Mr. Farrakhan's statements.

Some may dismiss the comments voiced by Mr. Farrakhan as words only of a fanatic, to whom we need not pay much attention. I do not agree with such a simplistic analysis. Let us not forget that the Holocaust, which killed 12 million persons, of whom 6 million were Jewish, was the direct result of one man's work, one man's fanaticism. Mr. President, we cannot ignore the words uttered by Louis Farrakhan. We must publicly denounce the words of this man: A man who shakes the hand of Libyan Colonel Qadhafi; a man who threatens the life of a Washington Post reporter; a man who calls the Jewish religion a "gutter religion"; a man who calls Adolf Hitler a "great man"; and a man who condemns the State of Israel and all of its supporters as "naked schemers and plotters," and "criminals."

As Dr. Claire Randall, general secretary of the National Council of Churches said:

> There is no place in this Nation for the public articulation of the kind of bigotry apparent in Mr. Farrakhan's statement about the Jewish faith. * * * This unwarranted slur on an ancient and important religion is a threat to freedom of religion in this country.

Mr. President, we must never forget that America was founded on a basic respect for religious differences. It is up to all Americans, and especially those of us in public office, to ensure that freedom of religion is never, never diminished.

I reject the statements of Minister Farrakhan. I reject the insults he has made to our citizens of Jewish heritage. And I most deeply resent Mr. Farrakhan's insults to the United States of America and the democratic principles for which she stands.

Mr. HECHT. Mr. President, as a freshman member of this body I have kept my speeches on the floor of this Chamber to a minimum. However, as a Jewish member I feel compelled to publicly condemn the anti-Semitic poison that Black Muslim leader Louis Farrakhan is administering to the American people. Mr. Farrakhan launched his most bitter and distorted attack on the Jewish religion and the nation of Israel last Sunday, shortly after his return from Libya, where he conferred with Mu'ammar Qadhafi, one of the world's best known terrorists.

Louis Farrakhan described Judaism as a "gutter religion" and branded Israel as an "outlaw" country during a radio broadcast in Chicago. He called America, England and the nations that supported the creation of Israel, "criminals in the sight of the Almighty God."

Mr. President, religious tolerance has always been one of the strongest principles of our American tradition. It may not be a major concern to Colonel Qadhafi who, according to some intelligence reports, is about to launch a new wave of terrorism against Western targets, primarily American, British and Israeli.

It may be that most Americans will brush aside Mr. Farrakhan's strident anti-Semitic rhetoric as simply the venomous rantings of a loud-mouthed, publicity-seeking bigot. However, in this Senator's view, Louis Farrakhan has gone beyond merely offending Jews and the supporters of Israel. He is attempting to drive a wedge of hatred between blacks and Jews in this country. Our Constitution guarantees Louis Farrakhan's right of free speech. By the same token, I feel an obligation to issue a warning that his statements are filled with vicious lies and should be viewed as the ravings of an American demagogue who views Hitler as a "wickedly great" man. It should come as no surprise that Mr. Farrakhan has come under the influence of another anti-Semitic terrorist.

Mr. RUDMAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. I believe there is no further debate. The yeas and nays were not asked for. We are now prepared to have a voice vote, and I move the adoption of the amendment.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, what is this resolution doing here?

The PRESIDING OFFICER. The Senator from Alaska has the floor.

Mr. STEVENS. Everyone says it is late, but sometimes I think we ought to stop and think a little bit about what we are doing. This has no business in connection with the State-Justice-Commerce appropriations bill. Are we here to play politics? What is this Senate doing tonight?

I move to table that and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Is there a sufficient second?

Mr. STEVENS. We ought to table it. We really ought to table this and just get rid of it. It is not a good precedent for the Senate.

The PRESIDING OFFICER. There is not a sufficient second.

The question is on agreeing to the motion to table.

The motion to lay on the table was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Arizona [Mr. GOLDWATER] and the Senator from Idaho [Mr. MCCLURE] are necessarily absent.

Mr. BYRD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 187 Leg.]

YEAS—95

Abdnor	Dixon	Huddleston
Andrews	Dodd	Humphrey
Armstrong	Dole	Inouye
Baker	Domenici	Jepsen
Baucus	Durenberger	Johnston
Bentsen	Eagleton	Kassebaum
Biden	East	Kasten
Bingaman	Evans	Kennedy
Boren	Exon	Lautenberg
Boschwitz	Ford	Laxalt
Bradley	Garn	Leahy
Bumpers	Glenn	Levin
Burdick	Gorton	Long
Byrd	Grassley	Lugar
Chafee	Hatch	Mathias
Chiles	Hatfield	Matsunaga
Cochran	Hawkins	Mattingly
Cohen	Hecht	Melcher
D'Amato	Heflin	Metzenbaum
Danforth	Heinz	Mitchell
DeConcini	Helms	Moynihan
Denton	Hollings	Murkowski

Nickles	Riegle	Thurmond
Nunn	Roth	Tower
Packwood	Rudman	Trible
Pell	Sarbanes	Tsongas
Percy	Sasser	Wallop
Pressler	Simpson	Warner
Proxmire	Specter	Weicker
Pryor	Stafford	Wilson
Quayle	Stevens	Zorinsky
Randolph	Symms	

NOT VOTING—5

Cranston	Hart	Stennis
Goldwater	McClure	

So Mr. NICKLES' amendment (No. 3363) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SYMMS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. RUDMAN. Mr. President, first, I wish to very briefly apologize to my chairman and the majority leader who I assured yesterday we could handle this bill on the floor in no more than 4 or 5 hours. I obviously did not tell the truth. I apologize for that but there have been developments along the way that I might say were beyond my control.

Mr. President, I believe we only have three matters remaining to discuss. The only rollcall vote that I know will occur will be on final passage that has been requested, and I believe there are three discussions on behalf of three Members at this time who may not seek recognition.

AMENDMENT NO. 3364

Mrs. KASSEBAUM. Mr. President, I send forth an amendment on behalf of myself and Mr. MURKOWSKI.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Kansas (Mrs. KASSEBAUM), for herself and Mr. MURKOWSKI, proposes an amendment numbered 3364.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On Page 41, line 19 change the following: Change amount from $522,570,000 to $501,667,200.

Mrs. KASSEBAUM. Mr. President, last year the Senate voted overwhelmingly to reduce the authorized level of U.S. mandatory contributions to the United Nations and four of its specialized agencies by 20 percent. Our vote was, unfortunately, strongly opposed by the House conferees and a compromise freezing our contribution level was eventually accepted.

I am asking today that the Senate reaffirm its vote. The amendment that I have offered reduces the appropriation for international organizations by $21 million—from $522,570,000 to $501,667,200—a reduction of 4 percent and a downpayment on implementing the Senate's decision last year. The amount specified by my amendment is that sent over from House.

I would like to make clear that I am not an opponent of the United Nations and I am certainly not opposed to the good works of its specialized agencies. I am opposed, however, to the proliferating bureaucracies that have come to characterize the United Nations, and I am strongly opposed to the unconscionable levels of salaries and benefits that are being paid from taxpayer funds to U.S. employees.

Mr. President, a midlevel U.S. employee—and I emphasize this is a midlevel bureaucrat—has a take home pay including all allowances in New York of over $63,000 a year plus a housing allowance of undetermined amount. This is a higher real salary than we pay in the United States to the heads of departments who are responsible for managing multibillion dollar programs. There are literally thousands of U.S. employees who are earning more than anyone in the U.S. Government other than the President and Vice President—and even some who earn more than the Vice President.

I have been informed by the administration that an Under Secretary General—of whom there are some 50 to 60 in all the U.N. agencies earns a tax-free net salary of $94,000 a year plus a housing allowance of $20,000 to $30,000 a year. When an Under Secretary retires after 30 years with the United Nations, he is given a tax-free cash grant of $343,000 in addition to his $50,000 a year tax-free retirement income.

This retirement plan is more generous than could be imagined possible in the government service. After 30 years service, the midlevel professional at the United Nations will receive $217,000 as a cash, lump sum, tax-free retirement bonus on top of an annual retirement income of $32,000—also tax free.

I believe it is time for action. Over the past 12 years the United States has sought to negotiate budget restraint in the United Nations—and has failed. While we pay 25 percent of the U.N. budget, we have only 1 vote out of 150. Those who pay almost nothing control the votes for the U.N. budget, and they seem to have the attitude that they can tax the United States to pay whatever they want. In 12 years, Mr. President, the United States has voted against or abstained in protest against every single vote on the U.N. budget. It has not worked. Now it is time for Congress to act.

At this time of shared hardships, so soon after we have voted to increase taxes on our own citizens, we can not permit business as usual in New York, Geneva, and Paris.

Mr. President, I shall be very brief because I do not wish to belabor this amendment. I believe it is going to be accepted by the leaders.

I would only like to say that a year ago the Senate voted overwhelmingly for some fiscal restraint on the U.N. budget. This is an effort to make a downpayment on the implementation of that Senate vote.

What this would do would be a reduction of $21 million from the level in the appropriations bill. It will be the same funding level specified in the House bill.

So I think that I will only wish to say for the RECORD at this point one figure that I think is of interest when we are considering some of the problems with the U.N. funding. It is my understanding that when the Under Secretary General, for whom there are some 50 or 60 of the United Nations in all, but the U.N. agencies earn a tax-free net salary of $94,000 a year plus a housing allowance of $20,000 to $30,000 a year.

I think everyone will find these figures interesting.

When an Under Secretary retires after 30 years with the United Nations he is given a tax-free cash grant of $343,000 in addition to his $50,000 a year tax-free retirement income.

I just thought those figures might be of interest.

I appreciate the acceptance by the committee of this amendment.

Mr. RUDMAN. Mr. President, the distinguished Senator from South Carolina and I have discussed this matter, and this is identical to the language now contained in the House bill, and unless there is further discussion, I move adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HOLLINGS. Move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Kansas.

The amendment (No. 3364) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I rise to indicate that I may offer an amendment to the Department of Commerce bill which would leave open the question of where to locate the National Oceanic and Atmospheric Administration regional service center for the Great Lakes.

There is no question that we need a marine service center on the Great Lakes. Right now there are four local

Weather Service forecast offices scattered around the Great Lakes, in Cleveland, Chicago, Buffalo, and Ann Arbor. These offices do not coordinate their marine weather forecasting responsibilities. In fact, forecasting weather conditions for aircraft and agriculture take precedence over marine forecasting at these offices. And to the extent that marine forecasting is done at all, it is performed independently in each of the four offices.

The National Oceanic and Atmospheric Administration has recognized the need to establish a centralized marine weather forecasting center on the Great Lakes because of the enormous volume of recreational boating and commercial shipping on the lakes. NOAA has recognized the desirability of creating this center in Cleveland, OH.

Let me quote from NOAA's own internal study prepared in 1980 and entitled "The Great Lakes Marine Weather Services Report":

> Cleveland is recommended as the location for the Great Lakes service unit. Cleveland is known as the maritime hub for the Great Lakes region, and it is within the area having the highest concentration of recreational boating.

The report goes on to state:

> Other factors supporting the recommendation are as follows:
>
> Headquarters of the Coast Guard ninth district which encompasses the entire Great Lakes region.
>
> The major marine communications service for the lakes is located in nearby Lorain, OH. Broadcasts from 14 transmitters around the lakes are controlled from this point.
>
> Headquarters of the Lake Carriers' Association, representing all of the major shipping companies on the lakes.
>
> Ninety percent of all U.S. Great Lakes fleets are headquartered in Cleveland.
>
> Headquarters of the International Ship Masters Association; Great Lakes Pilot Association, International Association of Masters, Mates, and Pilots.
>
> Headquarters of the Interlake Yachting Association representing 110 yacht clubs.

Mr. President, this NOAA service center for the Great Lakes will perform other duties besides the crucial marine weather forecasting. It will perform important hydrological studies, help predict tidal currents, prepare marine maps, and assist in the development of marine management programs.

I firmly believe this facility should be located in Cleveland.

Let me tell you the status of where we are. Where we are at the moment is that the House considered this entire issue and they determined that the regional ocean service centers should be located at the Sand Point facility, Anchorage, AK; Honolulu, HI; Port Newark, NJ; and New Orleans. Then they had one other, just said the Great Lakes Association. When the matter came out of the Senate committee, no change was made in the legislation but, just as in the report language of the House, they had designated where the locations were to be, a change was made in the report indicating all of the same cities that I just mentioned, but instead of saying the Great Lakes location, they spelled out Rosemont, IL, and added Charleston, SC.

I think we have to understand the context in which the situation exists. The Senator from Ohio is considering offering an amendment unless we can get the matter clarified that there is no finality about the report language and the amendment would go to the issue itself, and whether or not it ought to be in Cleveland and whether it ought to be Rosemont, IL, or somewhere in Michigan, or somewhere in New York, or somewhere in Wisconsin, or in some other State bordering the Great Lakes.

I should point out that in the House report it is provided that it would provide $500,000 to establish a regional ocean service center for the Great Lakes location to be determined through the results of a study funded in the fiscal year 1984 supplemental.

So what we have is that the House has said there ought to be a Great Lakes location. I think it ought to be in Ohio, others think that it ought to be other places. The House has said in their report language that there should be a $500,000 study made as to where it should be located.

I would like to inquire of the manager of the bill as to whether it is not a fact that if there is to be this study made that the report language, which recites various communities in which the service is to be located, would not be the finally determinative fact but that, after the results of the study are in, it is at that point that a determination should and would be made.

It would seem to me it would logically flow from the fact, spending $500,000 to make a study, you would certainly think at the conclusion of that study that is the place where the facility would be located. I would like to get the Senator's view as to the impact in the report language vis-a-vis the results of this study that would be forthcoming from NOAA.

Mr. RUDMAN. I would say to my friend from Ohio that I am sure he knows, being an expert in Senate rules and legislation, that report language by a committee is commendatory, it is not mandatory or legally binding on an agency.

I would point out that the Senator states correctly what is contained in the House bill is money for a study which is not contained in the Senate bill. Of course, that would be met in conference. But the Senator's basic statement is correct.

Mr. METZENBAUM. I thank the Senator from New Hampshire.

I yield to the Senator from Ohio.

Mr. GLENN. Mr. President, I rise to associate myself with the comments of my distinguished colleague from Ohio. I think we should note that in the House language, the centers would be decided after a considerable study.

I do not quarrel with any of the open ocean reporting points or coordination points whatsoever. I think when suddenly in the Senate language then it shows up as being specified as Rosemont, IL—which I might add for my colleagues happens to be O'Hare Airport. We know how many ships pass through O'Hare Airport these days. That happens to be the center that we are talking about, and it suddenly turns up in report language.

And while I agree completely with the distinguished floor manager of the bill that report language is supposed to be advisory, we also are all very much aware that if it is in the bill that it is going to be Rosemont, IL, the odds are about 9 to 1 that it is going to be Rosemont, IL, and that is where they are going to put it if it is specified in the bill. That may not necessarily be the spot where this thing should go.

The purpose of this whole thing—and I will read this:

> The purpose of such centers is to enhance the quality, coordination and delivery of existing NOAA products and services such as marine weather warnings and forecasts, nautical and aeronautical charts and related products, ocean analysis and prediction services, fishery product trade and marketing information, and environmental satellite data. Clients of such centers will be those in the general marine community (i.e., the fishing industry, marine transportation and shipping interests, operators of offshore oil rigs.

And so on.

Now, I do not necessarily think that Rosemont, alias O'Hare Airport, is necessarily the spot where all those things should be coordinated out of. I am not positive that Cleveland, OH, is. I think it makes a lot more sense than O'Hare Airport. I would support Cleveland, OH, certainly. But the study was supposed to make a determination about shipping on the lakes, hydrological studies, data on fishing, on all sorts of things that apply to shipping and the fishing industry could be coordinated from.

I would submit that we should not be going forward without having the report language and with the Senate proposal listing this place automatically as Rosemont, IL.

So I support the comments of my distinguished colleague from Ohio very much and ask that we go back to the House version of it. It specified a study to determine where this could most efficiently be done and not specify a particular spot which will likely be taken out of the legislative history and the report language and made a fact, even though we know that that

report language is normally advisory only.

I yield the floor.

Mr. PERCY. Mr. President, I would just like to address three brief comments to the floor manager of the bill. I sympathize with his problem. It is now close to 11 p.m., and we ought to have final passage immediately on this bill.

First, I would just like to ask: How were other locations selected? They were not selected by a study, but rather by discretionary action taken by the Committee on Appropriations.

Second, the Senate report language dealing with ocean service centers differs from the House language in only two respects. It added Charleston, SC, and Rosemont, IL, as sites for a regional ocean service center.

Third, I have tremendous respect for the committee's judgment on these matters. If the Great Lakes site is to be chosen by study, then why should not all of the ocean service sites be chosen by study? We have not done that up to now, and I believe there is no need to do it in the present instance.

The ocean service center concept is designed to aid the shipping industry by providing comprehensive marine weather forecasting for shippers operating in our coastal waters. Perhaps the greatest need for one of these ocean service centers exists along the Nation's fourth coast—the Great Lakes.

The Great Lakes are like an ocean in many ways—except in its weather systems, which are violent and unpredictable. Weather in the Great Lakes can be severe and systems can change suddenly, sometimes in a matter of minutes. We need only remember the sinking of the iron ore ship, *Edmund Fitzgerald,* which went down in heavy seas in Lake Superior. The *Edmund Fitzgerald* was a very large ship. Be assured, then, that those waves were very large. Our goal in establishing an ocean service center in the Great Lakes is to prevent another tragedy like that of the *Edmund Fitzgerald.*

At present, there is no centralized marine weather forecast station in the Great Lakes. Forecasting is done at four Great Lakes forecast centers in Buffalo, Cleveland, Ann Arbor, and Rosemont, IL, near Chicago. While the National Weather Service personnel at these sites have done a great job, there is still a great need for one site with a dedicated force giving Great Lakes marine forecasting their primary attention.

The Senate Subcommittee on State, Justice, Commerce Appropriations has provided $6.5 million for the establishment of seven regional ocean service centers for the fiscal year 1985. The committee has directed that the ocean service center for the Great Lakes be located at the existing National Weather Service station at Rosemont, IL.

I strongly support the ocean service center concept and I ask my colleagues to endorse this item as marked up by the Senate Appropriations Subcommittee. As for the Great Lakes center, there is no doubt in my mind that Rosemont, IL, is the best place to put this station. I say this not because of my position as an Illinois Senator, but because of the realities of the situation in the Great Lakes.

Mr. President, the National Weather Service station at Rosemont currently handles all the forecasting for the State of Illinois. The fine staff there also maintain and operate the sophisticated weather forcasting systems at O'Hare International Airport in Chicago, which is the Nation's busiest airport.

The Rosemont center and staff are uniquely qualified to handle the duties of the Great Lakes Ocean Service Center for a number of reasons. First, when the Rosemont station was located in downtown Chicago, it was known as the Chicago District Forecast Station. That station did all the forecasting for all the Great Lakes before the present system of four stations was implemented in the 1970's. In fact, some of the same meteorological staff who were with the office then are still at the Rosemont station now, and could draw on their vast experience of lakes forecasting when the ocean service center is established.

Second, the Rosemont station already does the forecasting for the two largest Lakes—Michigan and Superior. Combined there were 89 gales and 23 storms on these two lakes alone during 1982. The Rosemont station has handled these and has proven itself under fire.

Third, the Port of Chicago moves more tonnage than any other port on the Great Lakes and more international shipping docks in Lake Michigan than any other lake. Rosemont would be perfectly located to provide timely, accurate, and comprehensive weather information for the masters and owners of these ships.

Fourth, pleasure boating is highly concentrated along the Lake Michigan coastline near Chicago and going up into Milwaukee. Most of the victims of sudden gales are pleasure boaters. The Rosemont station would ensure that pleasure boaters too get up-to-the-minute information on Lake Michigan weather.

Fifth, the shipping industry in the Great Lakes wants this ocean service center in Rosemont. Let me read to you from a letter from Daniel E. Shaughnessy, president of the Western Great Lakes Shipping Association which represents six major shipping companies in the western lakes. I ask unanimous consent that this letter from Mr. Shaughnessy be printed in the RECORD in full.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WESTERN GREAT LAKES
MARITIME ASSOCIATION, INC.,
Arlington, VA, June 27, 1984.

Hon. CHARLES H. PERCY,
U.S. Senate,
Washington, DC.

DEAR SENATOR PERCY: Our organization has followed closely the provisions of HR 5712, dealing with the establishment of seven Regional Ocean Service Centers. Obviously, we are particularly concerned about the plans for the Center which will serve the Great Lakes.

In this regard, we would like to urge that the current intent of the legislation to locate the Great Lakes Center in Rosemont, Illinois be confirmed and supported by the full Senate. A decision to locate this facility at Rosemont is technically sound and would be of special value to the diverse shipping interests in Lake Michigan. In particular, the sizable amount of international shipping servicing Lakes Michigan and Superior, and the volume of maritime traffic generally in the Western Great Lakes, more than justifies the location of the Center in Rosemont.

I hope that you will be able to assist on this matter. Rosemont's excellent location, ready capabilities, experience, and facilities make it an ideal location for the Great Lakes Ocean Service Center and in particular, its vital weather forecasting functions.

On behalf of our Association and its related maritime and trade interests, we urge that our Great Lakes Ocean Service Center be located in Rosemont, Illinois.

Sincerely,

DANIEL E. SHAUGHNESSY,
President.

Mr. PERCY. Mr. President, I believe that the facts show that Rosemont is the best location for the Great Lakes Regional Ocean Service Center which we are funding for next year. All the Great Lakes States will benefit from it. Shippers in those States will benefit more from a Rosemont station than from any other location.

Some have wanted the Regional Ocean Service Center to be located in Cleveland. The reasons given for Cleveland as a location are not particularly convincing. The arguments have been based on the fact that, since many commercial associations dealing with the Great Lakes are located in Cleveland, the Ocean Service Center for the Great Lakes ought to be there too.

Well, I don't buy that argument, Mr. President. Our first concern in locating this Center ought to be that of determining where it will be most effective in fulfilling its main function: Furthering safe shipping through accurate weather forecasting. I believe it is obvious that Rosemont is the best spot based on these merits.

The House committee has taken a different approach to this matter, marking up a supplemental appropriation bill which funds a study to deter-

mine the best location on the Great Lakes for the Center. However, a supplemental bill has not been considered by the Senate. I believe, given the urgency of the situation, that we should move ahead on establishing this Ocean Service Center as soon as possible. For all of these reason, I oppose the Glenn-Metzenbaum amendment.

Mr. DIXON. Mr. President, I am pleased to join the distinguished senior Senator from Illinois in his efforts to ensure that an important provision added to the bill by the Senate Subcommittee on State, Justice and Commerce Appropriations is maintained.

The committee's direction that the ocean service center for the Great Lakes be located at the existing National Weather Service station in Rosemont, IL, merits the full Senate's strong support.

Currently, the task of marine weather forecasting for the Great Lakes is handled at four separate centers. However, the Senate subcommittee decided that there is pressing need for one site in the region to consolidate the work of the four centers. The concept of one center whose primary goal is to focus entirely on Great Lakes marine forecasting is a good one, Mr. President.

My distinguished colleague from Illinois has already pointed out why the Rosemont Center is distinctly well qualified to handle the responsibilities for the Great Lakes region, so I will not belabor the point. But, Mr. President, I do wish to reiterate that the Rosemont Center, when previously headquartered in Chicago, performed essentially the same tasks it will be called upon to handle in the future. Also, the station currently forecasts the marine weather for the two largest lakes, and more tonnage moves through the port of Chicago than any other Great Lakes port.

Those who believe that the regional ocean service center should be located elsewhere, after further study, base their arguments, primarily, on the point that some commercial associations are located elsewhere. That might be important, Mr. President, if the central job of the center were to deal with commercial associations. But, that is not the case: The purpose of the regional ocean service center would be to forecast weather, and I submit that the Rosemont facility is best suited to do the job required.

Given these circumstances, I believe that we should adopt the position of the subcommittee.

Mr. GLENN. Mr. President, will the senior Senator from Illinois yield for a question?

Mr. PERCY. Yes.

Mr. GLENN. Could the Senator from Illinois indicate to us how Rosemont, IL, came to be in the report language?

Mr. PERCY. The committee put it in.

Mr. GLENN. Was this at the request of the Senator from Illinois?

Mr. PERCY. Mr. President, I would not say it was not without suggestion. Both Senator DIXON and I have always advocated Illinois. And Rosemont, IL, just happens to be right at O'Hare Airport, which is the center of the largest airport in the world, a very busy spot and a very convenient spot with large and diverse weather forecasting equipment.

But as to the question of how the committee came to their selection, I believe the Members went through the selection process, and made their determination.

Mr. GLENN. Was the report language voted by the committee or was it done simply at the request of the Senator from Illinois? Was the report language made at the Senator's request?

Mr. PERCY. I would say that both Senators from Illinois, in a bipartisan manner, always work together on these matters. As a matter of fact, we work together once a month with the Illinois delegation.

Mr. GLENN. Were there any hearings to determine Rosemont, IL?

Mr. PERCY. We suggest the outstanding values of Illinois, all parts of it, including Rosemont.

Mr. GLENN. The Senator is not answering the question. I want to know whether this was put in at the request of the Senator from Illinois without hearings on Rosemont, IL, by the committee; yes or no.

Mr. PERCY. Yes, I am very proud to say that I work for Illinois in all appropriations matters. I do not know how many others joined——

Mr. GLENN. So we do not know whether this would be the best place to do this; we do not know whether O'Hare is the best place to do it at all? It was done at the Senator's request. I do not blame the Senator for trying this, but the Senator cannot blame us for saying we should do what the House suggested to determine where the best spot around the Great Lakes is, and not do it directed from O'Hare Airport.

They have the plate full with their training, I submit.

Mr. PERCY. All I can say is that we feel very strongly that the Great Lakes—all of us from the Great Lakes—is one of the greatest seacoasts of the Nation, and one of our great marine resources.

I have no idea how the Sand Point facility in the Great Lakes was chosen, nor Anchorage, AK; or Honolulu, HI; Port Newark, NJ; New Orleans, LA; or Charleston, SC were chosen. I presume in the same way that the Rosemont, IL site was chosen—in the wisdom and judgment of the committee.

Mr. GLENN. Mr. President, all we really want out of this—and I believe my distinguished colleague from Ohio will back me up—is this to be honestly a study—not just the amendment, and have the report language showing or the conferees showing, that the study should truly be a study, and recede to the House. It is a Great Lakes study. We would be happy to do that, if the conferees will just agree to it.

I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I will be very brief.

I think the legislative history that we have here tonight is very critical to the Great Lakes States. I want to make two points.

No. 1, the Great Lakes Commission, which represents all the Great Lakes, picked a State for this site other than the one that is in this particular conference report.

Second, I think it is obvious that in the case of these other sites there must have been a consensus. That is why they were specified. In the case of the Great Lakes site, there was no consensus. There is no consensus. That is the reason for the study in the House bill, and I think the representation of the floor manager here that this lanuage is advisory only, and not binding on NOAA, is essential to the legislative history. Those of us in the Great Lakes States I know welcome those representations.

But I do not want to emphasize that the Great Lakes Commission itself, which represents all of the Great Lakes States, selected a site other than the one which was selected by the committee language.

I thank my friend from New Hampshire.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, would the manager of the bill and the ranking minority member be good enough to answer a simple question? Was the matter of putting Rosemont, IL in the report ever discussed in the committee?

Mr. RUDMAN. Neither Rosemont nor any of the other locations were ever discussed at the hearings.

Mr. METZENBAUM. And I assume that the ranking minority member would agree?

Mr. HOLLINGS. I found out about it when the Senator from Ohio called me on the phone.

Mr. METZENBAUM. I thank both Senators.

Mr. President, under the circumstances, since it is quite obvious this matter was not really discussed at the committee level, since it is quite obvi-

ous it was just something inserted into the report, since it's quite obvious also according to the manager of the bill that he does not feel that that is determinative of the NOAA group and making the final determination, and since the study will be made hopefully—I am correct in assuming that the managers of the bill would not object to the House study going forward as provided in the House part.

Mr. RUDMAN. I say to the Senator from Ohio that the committee will act in good faith understanding what happened here tonight.

I cannot speak for the entire committee. But I am sure the ranking member and myself will take into account what was said here tonight.

Mr. METZENBAUM. I thank the Senator.

Under the circumstances, I do not think it is necessary to put this matter to a vote, and we withdraw the amendment.

The PRESIDING OFFICER. An amendment has never been submitted.

AMENDMENT NO. 3365

(Purpose: To add provisions appropriating funds pursuant to the Central American Democracy, Peace and Development Initiative Act of 1984, and for other purposes)

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], proposes an amendment numbered 3365.

Mr. DOMENICI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the bottom of page 72, add the following new title:

TITLE VI—SUPPLEMENTAL, FOREIGN ASSISTANCE BILATERAL ECONOMIC ASSISTANCE FUNDS APPROPRIATED TO THE PRESIDENT

CENTRAL AMERICA INITIATIVE

For expenses necessary to enable the President to carry out the provisions of the Central America Democracy, Peace and Development Initiative Act of 1984, the Foreign Assistance Act of 1961, the Peace Corps Act, and the Migration and Refugee Assistance Act, for the fiscal year ending September 30, 1984, and for other purposes, for assistance for Central American countries, to remain available until December 31, 1984, in addition to amounts otherwise made available for such purposes:

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION

For an additional amount for "Agriculture, rural development, and nutrition, Development Assistance", $10,000,000.

POPULATION

For an additional amount for "Population, Development Assistance", $5,000,000.

HEALTH

For an additional amount for "Health Development Assistance", $18,000,000.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

For an additional amount for "Education and human resources development, Development Assistance", $10,000,000: *Provided*, That of this amount not less than $2,000,000 shall be available only for the International Student Exchange Program.

ENERGY AND SELECTED DEVELOPMENT ACTIVITIES

For an additional amount for "Energy and selected development activities, Development Assistance", $30,000,000.

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $290,500,000.

OPERATING EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for "Operating expenses of the Agency for International Development", $2,489,000: *Provided*, That not less than $727,000 shall be available only for the activities of the Inspector General's office.

INDEPENDENT AGENCY

PEACE CORPS

For an additional amount to carry out the provisions of the Peace Corps Act (75 Stat. 612), $2,000,000.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and refugee assistance", $10,000,000, to be used only for medical and health related assistance for refugees in Central America, to remain available until December 31, 1984.

GENERAL PROVISIONS

Funds may be made available for development assistance for fiscal year 1984 for Guatemala notwithstanding the provisions of Public Law 98-151.

Funds under this title are made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

None of the funds made available by this title shall be restricted for obligation or disbursement solely as a result of the policies of any multilateral institution.

SEC. 601. (a) Not later than thirty days after the date of entry into force of any memorandum of understanding or other international agreement between the United States Government and a Central American Government regarding the use of local currencies generated from assistance furnished to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 or generated from the sale of agricultural commodities under the Agricultural Trade Development and Assistance Act of 1954, the President shall prepare and transmit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a report setting forth for each such memorandum or agreement—

(1) the text of each such memorandum or agreement;

(2) the status and description of each such memorandum or agreement, including the period of time covered, the amount of funding involved, and the sources of funding involved;

(3) an explanation of the manner in which funds are to be used in a Central American country to—

(A) eliminate the climate of violence and civil strife, in the cases of Guatemala and El Salvador;

(B) develop democratic institutions and processes;

(C) develop strong and free economies with diversified production for both external and domestic markets;

(D) make sharp improvement in the social conditions of the poorest Central Americans; and

(E) improve substantially the distribution of income and wealth; and

(4) the degree of compliance by the Central American Government with the provisions of such memorandum or agreement.

(b) Not later than thirty days after the date of enactment of this Act, the President shall prepare and transmit to the committees referred to in subsection (a) a report providing the information described by paragraphs (1) through (4) of subsection (a) with respect to any memorandum of understanding or other international agreement described in subsection (a), and upon the date of termination of each such memorandum or agreement, the President shall prepare and transmit to the committees referred to in subsection (a) a report describing the progress achieved in carrying out the provisions of such memorandum or agreement, including the progress achieved in carrying out the provisions of clauses (A) through (E) of subsection (a)(3).

(c) Not later than six months after the date of entry into force of each memorandum of understanding or other international agreement described in subsection (a), and upon the date of termination of each such memorandum or agreement, the President shall prepare and transmit to the committees referred to in subsection (a) a report describing the progress achieved in carrying out the provisions of such memorandum or agreement, including the progress achieved in carrying out the provisions of clauses (A) through (E) of subsection (a)(3).

Mr. DOMENICI. Mr. President, I ask unanimous consent that a description of my amendment appear at this point in the RECORD.

There being no objection, the description was ordered to be printed in the RECORD, as follows:

DOMENICI AMENDMENT TO PROVIDE SUPPLEMENTAL HUMANITARIAN AND ECONOMIC FUNDING FOR CENTRAL AMERICA

Keeps faith with Central Americans by implementing the emergency economic recommendations of the Bipartisan Commission on Central America.

Does not preempt orderly Senate consideration of the long-term recommendations of the Bipartisan Commission and the authorizing and appropriating committees.

Responds to the immediate economic crisis in Central America that cannot wait until September, when the annual consolidated supplemental is likely to be enacted.

Does not include any military aid. Some military aid was provided in the urgent supplemental (H.J. Res. 492); the remainder can be considered later.

Provides $10 million for the urgent medical needs of the tens of thousands of refugees from Nicaragua, El Salvador, and Guatemala who have been given refuge by their neighbors in Honduras, Costa Rica, and Belize.

Incorporates the Central America dollar levels and policy provisions that were rec-

ommended to the Appropriations Subcommittee on Foreign Operations by Senators Kasten and Inouye and approved by the Subcommittee.

Includes the DeConcini Amendment to the FY 1984 supplemental that greatly increases accountability to the American people of the local currency counterpart funds generated by our dollar aid in Central America.

Expands coverage of the DeConcini accountability amendment to include all of the Central American countries, accepting the non-discrimination principle for aid to the region that was developed by Senator Mathias.

Total cost of amendment is $378 million, identical to the recommendations of the Appropriations Subcommittee, the Bipartisan Commission, and the President—except for the $10 million for medical aid to refugees.

Funds must be obligated before the end of calendar year 1984, as is appropriate for emergency requests; otherwise they revert to the Treasury.

Provides for control of funds solely by United States by precluding withholding of funds pending approval by a multilateral institution.

Earmarks additional AID operating expenses for the Inspector General's office, as recommended by the Foreign Operations Subcommittee to make sure these funds are used properly.

Mr. DOMENICI. Mr. President, I wish I could have spoken to the Senate a couple of hours ago when there was more time. But since I could not, I will only speak for about 5 minutes. Frankly, I first thought of this amendment the other night when about 10 or 15 Senators took to the floor of the Senate and spoke on the issue of Central America. We heard a great deal that evening about the Contras. We heard a great deal about communism. We heard a great deal about the United States and her allies in the region. We heard a great deal about the fact that, if we did not do something with reference to the Marxist leadership in Nicaragua, communism was going to spread all over that part of this hemisphere.

I rise tonight to tell the Senate that that may happen, not because of failure to aid the Contras, not because of any lack military assistance, but because we do not help our friends. We have not sent sufficient aid to those people.

To take one example, Honduras is a democracy with a magnificent leader, and they are in a desperate situation. We have not found a way to vote needed aid for education, for fighting epidemics, for health, or for combating hunger. We have said to them: We sure hope you can resist Communist efforts to seize control down there.

I heard a former President who knows a lot more about foreign policy than this Senator say we talk so much about communism, we forget to talk about our help in the struggle against poverty. I would hate to be an elected representative of the people in the democracy of Honduras, Costa Rica, or the new president of El Salvador and have an ally like the United States.

I would bet they are wondering when we are going to seriously help reduce their poverty, lack of education, and epidemics. Their international debt is drowning them. Almost every day we debate aid to Central America, yet these problems are largely ignored.

My intention tonight—I'm going to pull the amendment—was to amend this State, Commerce, and Justice bill in order to send the most urgently needed aid to the people of Central America. This would not be military aid, but civilian and humanitarian aid that we have told these neighbors we were going to send them. I have a hunch that, if I talked another 5 minutes, this amendment would pass.

My intuition tells me that not more than five or six Senators would vote against it. We better find a way to help the ordinary people of Central America. A new nation there that wants to experiment with democracy in an ocean of poverty requires some help.

That magnificent medical doctor who is the President of Honduras, Dr. Suazo, travels around that country telling his people that the United States of America is their ally. In recent months, all they see of us are ships out there in their oceans. They do not see much of our food aid. They do not see our help to their educators. They do not see any economic aid, but they do see us ganging up with the International Monetary Fund, holding back on them.

I tell you: If the rest of the world looks at this sad example, they are not going to be very desirous to be friends of our great democracy. We have had only one foreign assistance appropriation bill in 5 years. I do not know for certain whose fault that is, and I am not singling out for criticism any particular agency such as AID or the Treasury. However, if we are going to wait around until the proper bill comes over from the other body to help those poor people and those leaders, it may be 5 more years.

I remember following the remarks my good friend from Louisiana, Senator JOHNSTON, made Monday night on the Senate floor about the Contras. Most of us agree that we ought to help the Nicaraguans rescue their stolen revolution, but I would bet that if he stood up here tonight, he would say we better get on with the job at hand, and send Central America some civilian help at the same time. They do not have much of a chance the way we approach them. Within Central America some of the most poverty-stricken nations in the Western Hemisphere, right across the Mexican border. We stand here night after night talking about communism. I am against it. We all are.

We need to start talking about their poverty. We better send them enough help to give their ordinary people some hope.

This amendment would only send them the amount that we committed in the bipartisan study—not one ounce of military aid, but humanitarian and economic assistance. At this point, I do not know when we are going to get an appropriation bill to accomplish this. We don't have an authorization bill, yet, either.

I have promised the other Appropriations Committee members that I will not insist that we put this amendment on this bill tonight. Let me make this clear, though, I will look for an appropriation bill. Do not think I and Senators who believe as I do are going to wait around for the House to send us a consolidated supplemental or a foreign assistance appropriation bill while we neglect these leaders of freedom down there.

I met them, and learned of their problems. Costa Rica has enjoyed freedom for a long time. Now, they are accepting thousands of refugees. They are broke, yet we are not doing enough. We hold back some of what has already been appropriated.

Look at El Salvador. They have a new President. It could turn out to be a wonderful development. We Senators all met him and everybody said, "Isn't he great."

His people won't think President Duarte is great if we do not put an aid package in place and send them some food, some nurses, some vaccines against epidemics, medical equipment, some kind of tangible evidence that they have a friend in the United States. Otherwise, they are not going to make it.

But for the fact that I have a great respect for this bill and this committee, I would be delighted to let the Senate vote on this amendment tonight and send a little message that it is high time we live up to a few basic responsibilities around here. We ought to find some way to do it.

If we cannot help the Nicaraguans fighting to rescue their revolution, let us not consider that issue for a week, but let us vote without delay on some aid for the Central American leaders and ordinary people who are trying desperately to remain free.

I now withdraw my amendment and I beg the indulgence of the Senate for taking your time at this late hour.

The PRESIDING OFFICER [Mr. COCHRAN]. The amendment is withdrawn.

The Senator from Connecticut.

Mr. DODD. I commend my colleague from New Mexico for his remarks. There are several of us who for several years have been trying to make that case over and over again.

We saw recently the Dominican Republic going through economic difficulties, strikes in the streets, and we did nothing for them. We see it in Costa Rica, in Peru. The Senator is correct about Honduras in many ways, and other countries.

I would suggest or try to suggest, as some of us have, if we pay more attention to that, and the remarks of the Senator this evening, had we had that kind of sentiments in the last couple of years, we would not have the kind of problems we have in some of these countries.

I commend him and look forward to cosponsoring an amendment that might incorporate a number of these countries going through those kinds of difficulties.

Mr. TSONGAS. Will the Senator yield?

Mr. DODD. I will be glad to yield.

Mr. TSONGAS. I have visited a number of countries that have had starvation and economic problems. My suggestion has been simple to these countries, that they take their army or one-half of them and put them in the hills and say to the United States that the Communists are in the hills and they want us to give them aid. Under those circumstances, the United States will always respond through massive aid.

So if you want aid from the United States, get yourself a Communist insurgency in the hills and maybe we can get a consultant group put together to provide their service.

We always respond not to humanitarian gestures, but to the fear of communism.

We have said very little really on what we stand for in that respect. I commend the Senator.

Mr. RUDMAN. Mr. President, I thank the Senator from New Mexico for his thoughtful statement. I agree that in near time we might be able to proceed with what the Senator very wisely suggested we do.

AMENDMENT NO. 3366

(Purpose: To provide $150,000 for a study of the AM radio spectrum as it is impacted by clear channel radio stations)

Mr. RUDMAN. Mr. President, on behalf of Senators PRESSLER, GOLDWATER, PACKWOOD, and BOSCHWITZ, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], for Senators PRESSLER, GOLDWATER, PACKWOOD, and BOSCHWITZ, proposes an amendment numbered 3366.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 11, line 6, strike "13,944,000" and insert in lieu thereof "$14,094,000".

Mr. RUDMAN. Mr. President, this amendment has been agreed to.

Mr. President, I am offering this amendment on behalf of Senators PRESSLER, GOLDWATER, PACKWOOD, and GOLDWATER. The amendment provides $150,000 for the National Telecommunications and Information Administration for a one-time study of regulations affecting the AM radio spectrum. Together with $50,000 already in the committee's recommendation for NTIA, this will provide $200,000 in total funding for the study.

The Commerce Committee is interested in determining the effect of increasing the hours of operation for daytime AM radio stations. While the Appropriations Committee takes no position on this issue, we do believe it is important that Congress be given any relevant information on the impact of such a change. Therefore, I urge adoption of the amendment.

● Mr. BOSCHWITZ. Mr. President, I rise in support of this amendment to direct the National Telecommunications Information Administration to study the listener preferences and other related issues which, to date, have been used to prevent the extension of broadcast hours for daytime radio stations.

Over 1 year ago Senator PRESSLER and I introduced S. 880, a bill directing the Federal Communications Commission to extend the operating hours of AM daytime radio stations. This bill will provide increased local radio service to the communities served by the Nation's 2,300 daytime stations. The local communities will benefit by: receiving early morning and evening local weather and road reports; local high school sports coverage; school closing announcements and other local radio services.

Those of us from the North may have a clearer understanding of the need for this legislation. During the winter months in Minnesota, sunrise to sunset service can be a short day. Local reports of winter road conditions and school closings are often needed in a timely manner.

To date, S. 880 has been stalled over disputes on ground wave interference and listener preference. This study will allow us to resolve these disputes and provide the needed evidence to move this legislation to enactment. I urge my colleagues support of the amendment.●

● Mr. PRESSLER. Mr. President, I rise today to offer an amendment to the Commerce, State, Justice Appropriations bill which would appropriate $150,000 for a National Telecommunications and Information Administration study of the impact of the current regulation of daytime-only radio stations, in addition to $50,000 already in the NTIA budget recommendation.

On March 22, 1983, I introduced S. 880, a deregulation bill for the little guy. This legislation would expand daytimers' operations hours an additional 2 hours before sunrise and 2 hours after sunset if two conditions were met. The expansion could not cause objectionable interference to the groundwave signals of existing AM stations. Also, the expansion must be consistent with international agreements to which our Government is a party.

There are 2,300 daytime AM radio stations in this country. These stations are restricted to daytime-only broadcasting for reasons which are no longer valid. In the 1930's, as the radio industry was just beginning, the FCC determined the best way to encourage national radio service was to license a few large clear-channel stations to provide programming over large service areas. As more and more radio stations were licensed, the Commission authorized local daytime radio service on these clear-channel frequencies but prohibited nighttime service in order to protect the skywave signal of the clear-channel stations.

Today there are 59 clear-channel stations in a total of 4,708 commercial AM radio stations. The skywave signal protection for these big stations has inhibited the service and financial growth of hundreds of smaller, local radio stations. This protection—perhaps valid 50 years ago—is no longer justified.

It is for this reason that I introduced S. 880 which gained twelve cosponsors: Senators BOSCHWITZ, MELCHER, D'AMATO, BURDICK, ANDREWS, ABDNOR, DURENBERGER, DECONCINI, MCCLURE, HEFLIN, LUGAR, and GOLDWATER. The legislation was reported by the Commerce Committee on June 10, 1983, and placed on the Senate calendar.

Those trying to thwart our progress in gaining floor consideration said more hearings were needed. On April 3 and April 14, I chaired two more hearings of the Commerce Subcommittee on Communications. As a result of our action, the FCC gave substantial relief to the daytime broadcasters who have class III stations. Some of the class II stations also will be helped by the April 11 decision, but the power allocations will not be known until this summer.

With respect to the changes for daytimers operating postsunset on clear channels, it was hoped that the Commission would have adopted a preference for local service over distant skywave service for just the 2-hour transitional periods around sunrise and sunset to enable daytimers to better serve their local communities. The Commission instead reaffirmed the commitment it made previously in protecting the skywave service of the clear-channel stations.

Given the FCC's commitment to protect the clear-channel stations out to their 750-mile radius, it is clear the Commission wasn't able to do more to help the daytimers. Although protection for the skywave service of clear-channel stations was originally adopted as an FCC rule, it is now clear that any further change must be made by Congress. We must address the policy questions.

We need to consider the actual preferences of listeners. We must specifically compare the skywave service offered by the clear-channel AM radio broadcasters with other broadcast services. With the appropriations made available by this amendment, a NTIA listener preference survey could specifically ask whether AM listeners located in small rural areas—served at night by skywaves from clear-channel stations as well as by groundwaves from one or two local stations—prefer the local service.

Mr. President, I believe that this amendment is a small request for the proof we need to allow antiquated rules of the early 1930's to be withdrawn. With the information made available by this study, we may finally be able to provide the small radio stations of this country the relief they have long awaited.●

Mr. HOLLINGS. Mr. President, we accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3366) was agreed to.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3367

Mr. RUDMAN. Mr. President, I send a technical amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from new Hampshire [Mr. RUDMAN] proposes an amendment numbered 3367.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 38, line 9, beginning with ":", strike all through page 38, line 14 and insert in lieu thereof ".".

Mr. RUDMAN. Mr. President, this is a technical amendment. This amendment was a committee amendment deleting certain travel funds of Legal Services Corporation from the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3367) was agreed to.

AMENDMENT NO. 3368

(Purpose: Prohibiting direct or indirect United States funding for terrorists and governments supporting terrorists)

Mr. RUDMAN. Mr. President, I send an amendment to the desk on behalf of Mr. PRESSLER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. RUDMAN], for Mr. PRESSLER, proposes an amendment numbered 3368.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further reading of that amendment be dispensed with.

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

The amendment is as follows:

At the appropriate part in the bill add the following new section:

SEC. . Notwithstanding any other provision of law, none of the funds made available under this Act or any other Act for International Operations and Programs shall be available for the United States proportionate share for any program for the Palestine Liberation Organization, the Southwest Africa Peoples Organization, Cuba, Iran, or Libya.

Mr. RUDMAN. Mr. President, this amendment deals with international terrorism. It has been cleared on both sides. I move its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3368) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3369

Mr. RUDMAN. Mr. President, I send a technical amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire (Mr. RUDMAN) proposes an amendment numbered 3369.

Mr. RUDMAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 6, line 16, after the semicolon insert "and including" with the word "and" in italic type and the word "including" in roman type.

On page 8, line 14, after the comma insert the following: "and upon a determination by the Administrator that the NOAA-D spacecraft is not needed to replace a current NOAA polar orbiting satellite,"

On page 15, line 18, after the comma, insert the following: "and not to exceed $2,500 for offfical reception and representation expenses,"

On page 22, line 1 strike "$27,561,000" and insert: "27,050,000"

On page 28, line 13, after the word "Senate" strike the colon.

On page 28, line 13, before the word "*Provided*", insert a colon.

Mr. RUDMAN. Mr. President, there are purely technical amendments agreed to on both sides. I move their adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3369) was agreed to.

NOAA WEATHER RADIO

● Mr. PRESSLER. Mr. President, it is my understanding that the State, Justice, Commerce appropriations bill that we are currently considering contains $1.5 million for emergency power for NOAA weather radio. I would like to ask the acting subcommittee chairman, Senator RUDMAN, if it would be possible to earmark $50,000 of that money for an emergency power generator at the Aberdeen, SD, weather service forecasting office. The need for this emergency generator is demonstrated by strong public support and case examples. Let me explain.

Currently, the Aberdeen weather station has no emergency backup generator. Last year, a severe storm swept through northeastern South Dakota, leaving many homes and businesses—including the Aberdeen weather station—without electricity. Subsequently, a tornado developed undetected and swept through rural areas just outside of Aberdeen—narrowly missing this city of 26,000 and potential major catastrophe. Nobody in the area was alerted to the tornado because there was no electrical power at the weather station. Had the emergency generator been in place, we would not have had this problem.

This situation understandably causes great concern to the over 100,000 people served by the Aberdeen weather station. I have recently received numerous letters from my constituents and a resolution of support from the Aberdeen City Commission expressing their desire for a more reliable station. These clearly show the great need and public support for this relatively small expenditure.

Since electrical service is more apt to be lost during severe weather conditions, it is especially important that we get an emergency generator installed as soon as possible. Many of my colleagues may have heard of the severe flooding conditions in my home state of South Dakota. We have experienced especially unstable weather this year and are in the midst of the tornado season.

So I urge that—given the facts and the strongly demonstrated public support—$50,000 of this money could be spent for this much-needed emergency power generator. I might ask the acting subcommittee chairman if he would agree with this and encourage NOAA to install an emergency generator at Aberdeen as soon as possible.

● Mr. RUDMAN. Yes; I would say to the Senator from South Dakota, Mr. PRESSLER, that I do agree and we will go on record here today in support of that emergency generator and encourage NOAA to install it as soon as possible.

● Mr. PRESSLER. Finally, I might ask the distinguished Senator from New Hampshire that language to that effect be included in the conference committee report language.

● Mr. RUDMAN. I would tell the Senator that we will certainly try to do that, but cannot say for certain that it will happen. However, regardless of the outcome of the conference committee report language, the Senator from South Dakota can be assured of our support for his proposal.

● Mr. PRESSLER. I thank the Senator from New Hampshire for his cooperation in this effort. I also ask that the attached letters and resolution of public support for this generator be printed in the CONGRESSIONAL RECORD.

The material follows:

RESOLUTION NO. 1339

Whereas, during the early morning hours of August 19, 1983, the City of Aberdeen was the center of a severe rain and wind storm, which the winds were clocked at over 70 mph, which resulted in heavy tree loss and building damages;

Whereas, it was also during this storm that the United States Weather Bureau at the Aberdeen Regional Airport lost its electrical power for two hours;

Whereas, this loss of power, in the opinion of Thomas L. Hopper, Aberdeen City Commissioner, made Aberdeen solely dependent upon the weather station in Huron, SD, located 90 miles away. If this storm had continued at the same velocity for any length of time, there may have been greater damage incurred within the city and possibly, also to its residents;

Whereas, my major concern is in the event that power is cut-off before, during or even after a storm, Aberdeen, would be, for all practical purposes, without immediate weather information;

Now, therefore, the City of Aberdeen hereby resolves that it supports legislation to provide federal funds in order to purchase an Emergency Power Generator to be installed at the Weather Bureau Station at the Aberdeen Regional Airport. The Aberdeen City Commission goes on record that immediate and constant weather information is vitally important in this part of the country for the security and safety of the people living here.

OFFICE OF THE
SHERIFF OF BROWN COUNTY,
Aberdeen, SD, June 22, 1984.

Mr. LARRY PRESSLER,
U.S. Senator,
Washington, DC.

DEAR SENATOR PRESSLER: I am writing you with regard to the possibility of getting a standby emergency generator for the U.S. Weather Service Office here in Aberdeen, South Dakota.

I have been in law enforcement for thirty two years and believe that the people in this area need to have 24 hour a day operation regardless of the weather or conditions within our area. I was also around when we had a power failure last year, and the weather service here was without power as a tornado came through. They were unable to assist us in the location and the other things that they do to serve the public in our area.

I would very much strongly urge all the senators to pass this legislation to provide an emergency standby generator for the Aberdeen Weather Service Station in Aberdeen, South Dakota.

I thank you for whatever help you can provide in this matter. If I can be of further service, please do not hestitate to contact me.

Sincerely,

STEPHEN H. OAKES, *Sheriff.*

ABERDEEN, SD,
June 22, 1984.

Hon. LARRY PRESSLER,
U.S. Senate,
Washington, DC.

DEAR SENATOR PRESSLER: My name is Dean D. Kiefer, and I'm very concerned about the lack of an emergency weather station generator for the City of Aberdeen. I think it is important that we obtain a generator system for our city's safety. We need it very much.

Let's face it, we are in an area where storms and tornados are frequent occurrences. Just like any other city or state, we do need back up facilities.

Thank you for listening.

DEAN D. KIEFER.●

Mr. LAXALT. Mr. President, the committee has provided funds and specific bill language to open three new overseas offices of the U.S. Travel and Tourism Administration in Italy, the Netherlands, and Australia. We believe that of the top 12 tourism receipts-generating markets for the United States, these three have very strong potential.

The distinguished ranking minority members, the Senator from South Carolina, has been a strong supporter of the USTTA for many years. He and I worked together on this recommendation, and we both want to clarify the intent of Congress in approving the opening of three additional offices.

Does the Senator from South Carolina believe that the funding level will provide for five permanent positions in each of these offices?

Mr. HOLLINGS. Absolutely, Mr. President. I am confident that sufficient funds have been provided to staff each of these offices with five permanent positions, and I expect that the Office of Management and Budget will raise the personnel ceiling for the USTTA to allow this to occur.

Mr. LAXALT. Mr. President, I thank the distinguished Senator from South Carolina for clarifying this issue.

Mr. HATCH. Mr. President, I hope that during today's deliberation of H.R. 5712, the State, Justice, Commerce appropriations bill, that this body does not overlook the important action taken by the Senate Appropriations Committee to protect the Equal Employment Opportunity Commission. If this action had not been taken, the Federal Government's commitment to protecting the civil rights of minorities and women would have been significantly jeopardized.

When the House of Representatives considered this bill, it chose to reduce the President's budget request for the Commission. As I understand, the House Appropriations Committee cut the Commission's budget, in an apparent attempt to by some $900,000 and then, on the House floor, the Commission's budget was reduced by an additional $6,410,000.

As chairman of the Senate committee which has oversight responsibilities for the Commission, I have held over the last several years a series of hearings on the management practices of this agency. I decided to conduct these hearings after individuals around the United States wrote, called, or spoke directly to me, asking that the committee take action to correct the Commission's shortcomings.

The hearings made it clear that the EEOC was in trouble, and I subsequently asked the General Accounting Office to conduct an investigation. In its report, dated May 17, 1982, the GAO found that the Commission could not account for its funds. It couldn't balance its books. At a time when it claimed it needed more money, it was losing millions of dollars in its financial quagmire. A tremendous case backlog had developed, so large that at one point the Commission stopped counting, created a new category called front log and began the count again.

This was the sorry state that Clarence Thomas inherited when he became chairman of the Commission. Under his stewardship supported by the other Commissioners, the agency's pathetic record has been reversed. Its financial and administrative practices have been corrected and the backlog-frontlog has almost been eliminated. Chairman Thomas also has taken steps to implement all of the corrective recommendations made by the GAO. The Commission has even taken measures to ensure that Hispanics and other minorities are receiving adequate treatment. Because of this effort, the Commission can now do a better job of fighting discrimination because it can utilize all of the re-

sources made available to it by Congress.

Consequently, I was genuinely shocked when I learned that the House had chosen to cut the President's budgetary request for the Commission. Rarely a day goes by without accusations being flung at this administration's civil rights policies, and we repeatedly hear allegations that this adminstration lacks a commitment to civil rights. Yet when all is said and done, it is the other body that is attempting to cut the President's request for the EEOC.

I expressed my concerns to the distinguished Chairman of the Senate Appropriations Committee which was responsible for the Commission, and learned that my colleague from Nevada also shared my dismay at the other's body's action. He made sure in committee that the Commission's budget was restored to the level requested by the President. Although his efforts to protect the Commission's budget may go unnoticed in the media, or by the general public this body and the thousands upon thousands who look to the Commission for protection owe the distinguished Senator our gratitude.

Mr. LAXALT. I want to thank my good friend and colleague from Utah, whose leadership in this area has provided the Senate, for the first time, with a thorough record on the Commission's strengths and weaknesses. I couldn't agree with the distinguished Senator's observations more.

Unfortunately, the story gets even worse. The House Appropriations Committee also specifically earmarked amounts for a number of accounts for the U.S. Commission on Civil Rights. This action would seriously hamstring the agency and would deny the Commissioners the flexibility they need to efficiently run their agency. Then, as you mentioned on the House floor, the EEOC was further reduced by $6,410,000 and the U.S. Commission on Civil Rights was reduced by $509,880.

As you know, the administration has been heavily—and unjustly—criticized, particularly by House democratic members, for its lack of commitment to civil rights enforcement. Yet, when the administrations sends up reasonable budget requests for the EEOC and the USCCR, the House cuts them.

As you know, last year we heard a lot from certain House Members about preserving the independence of the U.S. Commission on Civil Rights. We reauthorized the Commission, dedicated to that principle. But now that the new Commission has taken actions that displease those same people, the House has hamstrung the agency budgetarily and for a time pushed to defund the Commission altogether. Apparently, the same House members do not truly want the Commission independent if it means independent from them.

The Senate will fully fund the administration's request for both the Equal Employment Opportunity Commission and the U.S. Commission on Civil Rights. We dropped the earmarks for the USCCR. I know you share the deep commitment both the President and I have to see that equal opportunity is the law of the land, and appreciate your support in preventing the attempt by the House to cut the Commission's budget.

THE STUTTGART FISH FARM EXPERIMENT STATION

Mr. PRYOR. Mr. President, I'm pleased to support the pending appropriations bill for fiscal year 1985 for the Departments of State, Justice, Commerce, the Judiciary, and related agencies. This bill provides the funds necessary to conduct our law enforcement operations, much of the State Department, the Federal judiciary, and many other organizations of the Federal Government. In addition, Mr. President, this bill contains money for the operations of the fish farming experiment station located in Stuttgart, AR.

This station provides a great deal of assistance to the commercial catfish industry in this country, Mr. President, and the research conducted at the facility has been very helpful to everyone concerned with aquaculture. Although research is conducted involving the breeding, eating habits, and diseases of the catfish, other types of research are conducted at the facility that is of assistance to virtually the entire commercial fishing industry. The assistance provided by the facility has been instrumental in increasing commercial aquaculture production in the United States, and I think the staff at the facility, headed by Dr. Harry Dupree, has done an excellent job.

I strongly support the research activities at this experiment station, and I'm very pleased that the efforts will continue. I also commend the efforts of my distinguished colleague, Mr. BUMPERS, who has devoted a considerable amount of time to this facility through his service on the Senate Appropriations Committee.

REGIONAL CALIBRATION LABORATORY AT THE UNIVERSITY OF ARKANSAS AT FAYETTEVILLE

Mr. President, I am pleased with the action of the Senate Appropriations Committee including in this appropriation bill funding for a regional calibration laboratory at the University of Arkansas, at Fayetteville. This $500,000 in funding will benefit the Nation by providing reliable radiation calibration information for use by the National Bureau of Standards as well as the university as it brings important technical study capability and expertise to northwest Arkansas.

I was pleased to learn that the National Bureau of Standards, the University of Arkansas, the State of Arkansas, and six of our neighboring States have recommended that this regional calibration laboratory for the Mid-South/Southwest be located at SEFOR, a decommissioned nuclear reactor near Fayetteville. It is clear that facilities of this kind are needed, and the choice of SECOR makes good financial sense for the Federal Government since security and maintenance is provided by the State and storage and shielding capacity are already in place which would otherwise cost taxpayers millions of dollars.

In addition, although Federal funding will be required for operation through fiscal year 1987, after that time, the National Bureau of Standards and the university estimate the center will be entirely self-supporting.

Mr. President, I applaud the efforts of my colleague Senator BUMPERS and the wisdom of the Senate Appropriations Committee in including funding for this important facility. I assure my colleagues that the funding will be paid back many times over in terms of the safety and security of the public as our Nation and the State of Arkansas continue to pursue advanced understanding and capability in the many areas of high technology.

UNDERCOVER OPERATIONS

Mr. MATHIAS. Mr. President, once again in the appropriations bill that is before us, the Congress grants to the Federal Bureau of Investigation and the Drug Enforcement Administration temporary exemptions from certain statutory strictures that impede the conduct of undercover operations. These exemptions are granted subject to conditions that echo, with minor modifications, those enacted in last year's appropriations bill. These conditions include reporting and financial audit requirements that should enable the appropriate committees of both Houses to maintain more effective oversight of undercover operations. I support these provisions, as I supported those included in the fiscal year 1984 appropriations bill, as a reasonable temporary solution to the difficult problems posed by the explosion in the use of undercover operations by Federal law enforcement agencies.

I believe, however, that we can all agree that these expedients cannot continue indefinitely. The challenges to effective oversight that are posed by the increasing use of undercover techniques will not go away. As we buy time through the enactment of temporary provisions in successive appropriations measures, we should redouble our efforts to enact realistic permanent legislation on Federal law enforcement undercover operations.

The undercover operation is a powerful weapon in the arsenal of modern

law enforcement. Techniques of deception allow the authorities to bring to light conspiracies that would otherwise escape revelation. For the detection of consensual crimes—trafficking in contraband or stolen goods, giving and taking bribes, perversions of public trust—the undercover weapon often appears to be uniquely well suited.

But the use of undercover techniques also brings with it serious risks. More frequently and more urgently than ever, the charge is heard that the undercover weapon has been misdirected or has misfired. The curtain that deceptive tactics can pierce may shield a conspiracy, or it may simply protect the privacy of an innocent citizen. The Government's unacknowledged presence may ultimately preserve public safety, but it may also intrude on precincts from which the State ought to be fenced out. The corrupt informant, always tempted to twist the project to his own ends, may betray his government as well as his erstwhile confederates. As more and more Federal law enforcement agents are called upon to play-act in the performance of their duties, the need for clear legislative standards for the directors and script writers becomes more and more compelling.

One proposal for permanent legislation is already pending before this body. S. 804, the Undercover Operations Act of 1983, is the work product of a select committee established by the Senate during the 97th Congress, and charged with the task of conducting a searching inquiry into Federal law enforcement undercover operations. It was my privilege to serve as chairman of this select committee. Our panel conducted its work in a dozen public hearings, in private interviews and depositions, and in the perusal of thousands of pages of FBI documents. We studied the directives and guidelines that had been promulgated by law enforcement agencies to govern the use of undercover techniques. We reviewed the record of successes and failures, and of the benefits and costs, that resulted from undercover operations. Our conclusions were unanimous, and our specific recommendations for legislation to increase the effectiveness of undercover operations, while strengthening safeguards for privacy rights and civil liberties, have been embodied in S. 804.

Some of the provisions of S. 804 have proven controversial; but the reaction to the bill has begun to delineate the boundaries of the common ground from which the legislative process can usefully proceed. The most salient point on which there appears to be general consensus is the concept of threshold standards for undercover operations. The detailed guidelines promulgated by the FBI already provide that an undercover criminal investigation may not be undertaken without a reasonable indication that a Federal crime has been, is being, or is likely to be committed. Representatives of the FBI and of the Justice Department have consistently stated, in several hearings before committees of both Houses of Congress, that law enforcement undercover investigations adhere to the reasonable indication standard, describing it as a fair criterion that also husbands the law enforcement resources of the Federal Government by discouraging fishing expeditions. Surely at least this basic, commonsense standard ought to be elevated from the netherworld of administrative regulations and written into the statute books. This threshold standard ought to be established as permanent law that may be changed, not with a stroke of a pen, but only by an act of Congress.

Mr. President, I am confident that there are other aspects of the legislative control of undercover operations about which there is substantial agreement in both Houses of Congress. In my view, the time has come to identify this common ground and enact these agreed-upon principles into law. In that way, we will place Federal law enforcement undercover operations on a more solid legal footing than they currently enjoy. We will also, by the enactment of permanent legislation, give Congress the tools to ensure that the powerful undercover weapon is used in a way that protects our fundamental liberties, as well as the safety of our people. The interests of both law enforcement and civil liberties will be better served when we move beyond stop-gaps to a resolution embodied in permanent law.

Mr. BRADLEY. Mr. President, I would like to take this opportunity to express my gratitude to my colleagues on the Committee on Appropriations for their willingness to include in the Commerce appropriations bill three projects which are extremely important to the State of New Jersey.

On March 29, a storm ravaged New Jersey, inflicting severe damage to New Jersey's shore. This area is particularly important to the economy of our State as literally millions of people flock to these beaches every summer. The four coastal counties designated as a Federal disaster area as a result of the storm are Monmouth, Ocean, Atlantic and Cape May. The Appropriations Committee has set aside $2 million to assist these counties in the restoration and preservation of their beaches under setion 306 of the Coastal Zone Management Act. Although Federal Emergency Management Agency funds have been helping many communities and individuals to overcome hardships brought on by the storm, without additional financial assistance, one of New Jersey's most valuable resources would receive insufficient care—the beaches. The State of New Jersey will provide matching funds for an emergency program that will finance the purchase, planting, and fertilization of dune grass and the purchase and construction of snow fence. These measures, prescribed in the New Jersey CZM program, will provide communities with the most cost effective method of preserving the public beaches of New Jersey.

A second provision of this appropriations bill derives from the recent decision by the National Oceanic and Atmospheric Administration to create a national network of Regional Ocean Service Centers. The Commerce appropriation bill provides $6.5 million to maintain operations at the Sand Point, Seattle model center and to establish six new centers around the U.S. coastline, including Newark, NJ. In keeping with the goals of the Department of Commerce, a regional network of centers will enhance the quality, coordination, and delivery of NOAA products and services. These "one stop" public information centers will provide marine related services to a diverse group of users in a centralized, coordinated manner. This will be of particular benefit to the important commercial and recreational fishing industry in New Jersey and along the eastern coast.

Finally, the appropriations bill before us provides $900,000 to fund an interagency program to analyze fish caught in Atlantic coastal waters. Earlier this year, I submitted legislation to mandate an interagency study of polychlorinated biphenyls [PCB] contamination of fish along the eastern coast and whether it constitutes a public health hazard. I also called for the development of a uniform standard for analysis of PCB levels so that the public could be assured accurate information. The appropriations bill will fund the study I have called for. We can finally develop the necessary data to let State officials determine the need for regulation of sport and commercial fishing to ensure that any regulation is rational and equitable.

These three projects are of vital importance to the well-being of the State of New Jersey. Yet in each case, the benefits derived from the program will go far beyond the citizens of the State.

NATIONAL ENDOWMENT FOR DEMOCRACY

Mr. PELL. Mr. President I would like to state my strong support for the Appropriations Committee amendment to restore funding for the National Endowment for Democracy.

Mr. President, the National Endowment for Democracy was enacted as part of the Foreign Relations Authorization Act (Public Law 98-164), signed into law on November 22, 1983. The Endowment grew out of President Reagan's June 1982 speech to the British Parliament and a bipartisan study,

funded by AID and conducted by the American Political Foundation. The concept was carefully considered by both the House Foreign Affairs Committee and Senate Foreign Relations Committee, and was the subject of spirited and intense debate in both Chambers.

Ultimately, the Congress concluded that an autonomous quasigovernmental entity, bringing together the resources and expertise of the American labor movement, the American business community and our two major political parties could make a major contribution to the spread of democratic institutions and American values overseas. The cost of this endeavor—$31,300,000 authorized for fiscal year 1985—is a significant investment. The sum, however, pales when compared with the proposed defense budget of more than $290 billion. The cost of the National Endowment for Democracy is less than two F-16 aircraft, and, if the program influences the development of democratic institutions in just one country, it will have made a significant contribution to our national security.

The National Endowment for Democracy is just getting underway; $18 million have already been appropriated to start up the NED and for first year expenses. Because of the newness of the program, there has not yet been an opportunity to review the results. However, many projects look promising. It would be folly, in my view, to scuttle this initiative before it has been given a fair chance. It would also be a waste of the $18 million already expended.

Finally, I would like to remind my colleagues of the fine work the Free Trade Union Institute of the AFL-CIO has been doing in the labor area for years. Whether it has been Poland or El Salvador, the institute has been helping local working men and women form and develop free unions. The right of working people to organize is fundamental to a free society and can lead to the establishment of democratic institutions elsewhere in the society. Eliminating NED would undermine this proven and effective tool to promote democracy and respect for human rights.

Again, I urge the Senate to support full funding for the National Endowment for Democracy for fiscal year 1985.

Mr. DOMENICI. Mr. President, I support the Commerce, Justice, State, and the Judiciary appropriation bill as reported by the Senate Appropriations Committee.

H.R. 5712 provides $11.5 billion in budget authority and $9.6 billion in outlays for the activities of the Departments of Commerce, Justice, and State, the Judiciary, and related agencies.

With outlays from prior-year budget authority and adjustments to conform mandatory programs to the Senate-passed budget resolution, fiscal year 1985 outlays associated with this bill would be $11.8 billion.

The Senate Appropriations Committee has not yet made its 302(b) allocations to subcommittees under a first budget resolution.

When Appropriations Committee subcommittee allocations are available, I will insert into the RECORD tables comparing the spending in this bill to this subcommittee's allocation.

Nondefense discretionary spending in this bill is consistent with the guidance given to the subcommittee by the full Senate Appropriations Committee on June 14, 1984. Mr. President, I ask unanimous consent that a table showing this relationship be inserted into the RECORD at the conclusion of my remarks.

Any amendments adding spending to the bill could force the subcommittee to exceed the guidance level given to it by the full Appropriations Committee for nondefense discretionary spending. Therefore, I urge my colleagues to support the bill as reported.

Commerce, Justice, State, and the Judiciary Subcommittee nondefense discretionary budget authority

[In billions of dollars]

Fiscal year 1985	*Nondefense discretionary*
Senate-reported bill (H.R. 5712)	11.3
Subcommittee total	11.3
Committee guidance [1]	11.3
House-passed	11.2
President's request [2]	10.6
Subcommittee total compared to:	
Committee guidance [1]	.....
House-passed	+.1
President's request [2]	+.7

[1] Non-defense discretionary cap guidance approved by the Appropriations Committee on June 14, 1984.

[2] No funding is included for the Legal Services Corporation or the Fisheries Loan Fund, as reflected in the President's January 1984 budget submission.

Mr. RUDMAN. Mr. President, I move adoption of the remaining committee amendments en bloc.

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

Mr. RUDMAN. Mr. President, I know no further amendments. I ask for third reading and ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, there will be no more record votes after this.

The Senate will convene tomorrow at 10 a.m.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? On this question, the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. STEVENS. I announce that the Senator from Tennessee [Mr. BAKER], the Senator from Arizona [Mr. GOLDWATER], and the Senator from Idaho [Mr. MCCLURE] are necessarily absent.

Mr. BYRD. I announce that the Senator from California [Mr. CRANSTON], the Senator from Colorado [Mr. HART] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 79, nays 15—as follows:

[Rollcall Vote No. 188 Leg.]

YEAS—79

Abdnor	Garn	Mitchell
Andrews	Glenn	Moynihan
Bentsen	Gorton	Murkowski
Biden	Grassley	Packwood
Bingaman	Hatch	Pell
Boschwitz	Hatfield	Percy
Bradley	Hawkins	Pressler
Bumpers	Hecht	Pryor
Burdick	Heinz	Quayle
Byrd	Hollings	Randolph
Chafee	Huddleston	Riegle
Chiles	Inouye	Rudman
Cochran	Jepsen	Sarbanes
Cohen	Johnston	Sasser
D'Amato	Kassebaum	Simpson
Danforth	Kasten	Specter
DeConcini	Kennedy	Stafford
Denton	Lautenberg	Stevens
Dixon	Laxalt	Thurmond
Dodd	Leahy	Tower
Dole	Levin	Trible
Domenici	Long	Tsongas
Durenberger	Lugar	Warner
Eagleton	Mathias	Weicker
East	Matsunaga	Wilson
Evans	Mattingly	
Ford	Metzenbaum	

NAYS—15

Armstrong	Helms	Proxmire
Baucus	Humphrey	Roth
Boren	Melcher	Symms
Exon	Nickles	Wallop
Heflin	Nunn	Zorinsky

NOT VOTING—6

Baker	Goldwater	McClure
Cranston	Hart	Stennis

So the bill (H.R. 5712), as amended was passed.

Mr. RUDMAN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. RUDMAN. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer [Mr. COCHRAN] ap-

pointed Mr. LAXALT, Mr. STEVENS, Mr. WEICKER, Mr. RUDMAN, Mr. HATFIELD, Mr. SPECTER, Mr. HOLLINGS, Mr. INOUYE, Mr. DECONCINI, Mr. BUMPERS, and Mr. EAGLETON conferees on the part of the Senate.

Mr. RUDMAN. Mr. President, I will be very brief. I thank the members of the majority and minority staffs for all of their assistance in this bill. I thank the chairman for his great assistance to me as the acting chairman, to the chairman of the subcommittee, Senator LAXALT, and in particular, to the Democratic ranking member, Senator HOLLINGS, who is really a pleasure and a joy to work with. I yield the floor.

Mr. HOLLINGS. Mr. President, I thank my distinguished colleague. It was really my privilege and pleasure. I commend Warren Kane, our staff director; Amy Bondurant; and Deborah Stirling. I also appreciate the help of the majority staff of Rick Spees, John Shank, Santal Manos and Kevin Berry.

Mr. HATFIELD. Mr. President, I should like to pay special tribute to the Senator from New Hampshire [Mr. RUDMAN]. In my view, Senator RUDMAN is a unique first-term Senator. He is unique in many ways, but particularly in the matter of the diligent work he has done in the committee framework of the Senate.

I know very few who have really put in such hours of work in the committee structure. I have a feeling at times that perhaps the character of the Senate has been changing, whereby people seem to feel that the work is really done on the floor, almost to the neglect of the responsibilities of the committee assignments.

I think Mr. RUDMAN is one of those very exceptional persons who recognize that the real heart of the Senate, in terms of labor and work, is in the committees. He has given that kind of service to the Appropriations Committee as a whole. He has attended the meetings. He has taken over the responsibilities as acting chairman of the subcommittee.

I think this is the first time he has handled a bill on the floor, and he has demonstrated his ability and devotion and his understanding of the operation of the Senate.

I want to pay him special tribute at this time and thank him for the stellar performance throughout the day, even though he misrepresented to us how long it would take—but it was not intentional.

Mr. RUDMAN. I thank the chairman for those most gracious comments.

Mr. BYRD. Mr. President, I rise to commend the distinguished Senators who handled the State-Justice-Commerce appropriations bill, Mr. RUDMAN and Mr. HOLLINGS.

Mr. RUDMAN has conducted himself in this matter in a very fine way, and I want to endorse the statement that has been made by Mr. HATFIELD, the chairman of the full committee, with respect to both managers.

Mr. HOLLINGS has demonstrated his usual skill and his knowledge, which reflects the fact that he does his homework well and prepares well and is articulate. I compliment him.

LEGISLATIVE APPROPRIATIONS ACT, 1985—CONFERENCE REPORT

Mr. HATFIELD. Mr. President, I submit a report of the committee of conference on H.R. 5753 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5753) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1985, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by all of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today, June 28, 1984.)

Mr. HATFIELD. Mr. President, the conference agreement on H.R. 5753 provides $1,551,015,038 for the legislative branch in fiscal year 1985. This is $46,410,962 below the President's request. It is $77,101,438 above the fiscal year 1984 amount enacted to date, a 5-percent increase. However, I want to emphasize to my colleagues that the Appropriations Committee is considering numerous fiscal year 1984 supplementals, and I expect that the eventual level for fiscal year 1984 will exceed the amounts provided in this bill for fiscal year 1985. And, I should point out to my colleagues that this bill has been reduced by $352,860 below the bill as passed by the Senate.

Mr. DOMENICI. Mr. President, I support the conference agreement on the fiscal year 1985 legislative branch appropriations bill.

The conference agreement provides $1.5 billion in budget authority and $1.4 billion in outlays for fiscal year 1985 for the operation of the Congress and its related agencies.

With outlays from prior-year budget authority and adjustments to conform mandatory programs to budget resolution assumptions, fiscal year 1985 outlays associated with this bill would be $1.6 billion.

The Senate Appropriations Committee has not yet made its 302(b) allocations to subcommittees under a first budget resolution.

When Appropriations Committee subcommittee allocations are available, I will insert into the RECORD tables comparing the spending in this conference agreement to this subcommittee's allocation.

Nondefense discretionary spending in this conference agreement is consistent with the guidance given to the subcommittee by the full Senate Appropriations Committee on June 14, 1984. Mr. President, I ask unanimous consent that a table showing this relationship be inserted into the RECORD at the conclusion of my remarks.

Mr. President, I commend the conferees for their work on this bill and I urge my colleagues to support this conference agreement.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Legislative Branch Subcommittee nondefense discretionary budget authority

[In billion of dollars]

Conference agreement (H.R. 5753)	0.7
Subcommittee total	0.7
Committee guidance[1]	0.7
Senate-passed	0.7
House-passed	0.6
President's request	0.7
Subcommittee total compared to:	
Committee guidance[1]	
Senate-passed	
House-passed	+(*)
President's request	−(*)

[1] Nondefense discretionary cap guidance approved by the Appropriations Committee on June 14, 1984.

Mr. HATFIELD. Mr. President, the Senator from Arkansas [Mr. BUMPERS] has cleared this, as the ranking minority member of the subcommittee. I am offering this on behalf of Senator D'AMATO, who is chairman of the subcommittee. On the floor at this time is the Senator from South Carolina [Mr. HOLLINGS] who is acting on behalf of the minority leader in this matter, and I yield to him for any comments he wishes to make.

Mr. HOLLINGS. Mr. President, I thank the distinguished chairman of our committee.

The conference report is practically the bill we passed in the Senate. As the distinguished chairman has emphasized, it is $46 million below the request of the President.

I think the committee has done an exceptional job.

On behalf of Mr. BUMPERS, who handled it for us on the minority side, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I compliment Mr. HATFIELD, who is the chairman of the full committee. He and Mr. HOLLINGS have squired the conference report through on the legislative appropriations bill, and he does preside over that committee with a high degree of efficiency and skill. He always demonstrates a great deal of patience and is very understanding with respect to the amendments that are offered by his colleagues on both sides.

Mr. HATFIELD. I thank the Senator.

ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business.

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

AURELIO PECCEI'S AGENDA FOR 6,000 DAYS

Mr. PELL. Mr. President, one of the great innovative thinkers of our age, Aurelio Peccei, distilled his thoughts into a notable paper which he completed less than 12 hours before he died last March 14 in Rome.

Aurelio Peccei had a very distinguished career and a very full life. He participated in the Italian resistance movement during World War II and was jailed by the Facist government. Subsequently, he became a successful business leader and executive with Fiat and other Italian companies.

More important, however, he was the founder of the Club of Rome, a group of 100 industrialists, scientists, economists, and civil servants from both sides of the Iron Curtain and from the Third World countries, who joined in a common concern for the depletion of world resources in the face of mounting population pressures. I am proud to be one of the American members of this unusual group.

The paper which Aurelio Peccei completed just before his death is in effect his testament to the Club of Rome and to the world. It is entitled "The Club of Rome: Agenda for the End of the Century." Characteristically, he measured out the challenge in terms of the 6,000 days that will pass between now and the year 2000.

I believe that Aurelio Peccei's ideas are so important and innovative that they should be shared with my colleagues. For that reason I ask unanimous consent that his agenda for the next 6,000 days be inserted in the RECORD.

There being no objection, the agenda was ordered to be printed in the RECORD, as follows:

THE CLUB OF ROME: AGENDA FOR THE END OF THE CENTURY

1. Less than 6,000 days separate us from the year 2000, which represents not only the end of a century that has seen extraordinary scientific, technological, economic, social, political and military developments, but also the end of a millennium during which humankind emerged from the Dark Ages, set its domain all over the world and its skies, and became the basic factor of change in this corner of the Universe.

What will happen in these 6,000 days will depend almost exclusively on what humans will do, and on how and when they will do it, and is likely to modify their condition more radically than anything which occurred at any previous time. Momentous events and decisions are in fact maturing which are bound to change the course of human history.

Although the future cannot be prophesied, it is logical to expect that during these 6,000 days:

A supplementary population, almost as large as that which had accumulated during all the preceding ages up to the beginning of this century, will be added to the present one and must be accommodated on Earth by the year 2000, while at the same time provisions must be made for settling many more people later on.

The already strained relations between our species and its natural environment will continue to deteriorate and the situation must be drastically redressed before it reaches irreversible breakdown.

Human society will grow increasingly in size, intricacy and internal connections, so that, although highly diversified, it will in reality become a tightly-woven, integrated and interdependent system spanning the entire world, requiring altogether new political philosophies, new institutions and new methods of global governance.

New high technologies will be developed in such fields as microelectronics, genetic engineering, space, ocean deeps and materials, giving humankind even more overweening power to be used for good or ill, and which will thus have a beneficial or a deleterious impact depending on whether or not human development manages to keep pace.

Fateful decisions will be made on whether to continue or to stop the arms race, and thus the build-up of nuclear warheads will either grow until these weapons will practically start firing by themselves or else they will be coccooned and dismantled and the presently rampant culture of violence will begin to give way to a new culture of nonviolence.

In the light of all these probable evolutions, it is perhaps not beyond reason to affirm that a whole era is now on the wane and a new one is dawning, confronting humankind with a new set of extreme alternatives. These can be cataclysmic if we who live at these hinges of history are unprepared for the change, or rewarding beyond imagination if we understand the mutating realities and face up to them as the responsible protagonists of this novel phase in the human venture.

2. To be true to its vocation of trying to perceive what it takes for our generations to respond adequately to the challenges and opportunities of this age of great transitions, The Club of Rome should, in my view, focus essentially on the crucial issues which are emerging and will affect the future of all peoples and nations.

To do this, we must attempt to envision the overall human condition in an epochal perspective. The fact that noboby else has essayed to do this till now should not deter us, nor should the realization of the immensity and complexity of the facets and problems to be considered, even if we are just to explore them superficially or analyze only some of their main aspects.

However empirical and tentative, an assessment of these issues has become indispensable if we want to prepare for a future which promises to be completely different from anything we have experienced, and try to make it worth living. This is why I am convinced that, even though the odds are great, The Club of Rome should do its best to bring these major issues dramatically to the attention of the public at large and, of course, of scholars, religious leaders and decision makers too. Only if all these sectors are sensitized to the obligation to devote all our capacities to confront the unprecedented perils and chances they embody, can our generations adequately play their role as worthy heirs of our forebears and responsible progenitors of future generations.

The Club of Rome and its regional or national associations have a number of other enquiries or projects under way or under consideration. Some of these touch upon these great issues only indirectly or are devoted entirely to other fields, such as global poverty, complexity, the enterprise in flux, micro-projects, bioengineering and society, and alternative futures (Forum Humanum—FH). All should of course be continued both for their own merits and because they may provide a valuable background for the study of the main global issues.

3. The analysis of these global issues should not be considered just as an exercise in theoretical speculation. It must have the positive connotation of a search and research on what humankind should accomplish during these 6,000 days to prepare and meet with reasonably good chances the extraordinary challenge of the new era. I would label as 'missions' that great enterprises of global scope our generations must set to themselves in order to survive the shocks, threats and constraints of the future and at the same time take advantage of the openings it presents for them to reach an unprecedented level of human fulfilment and quality of life.

Put in this way, the objectives of these missions should be recognized to be in everybody's interest, while no peoples or nations have enough power to attain them alone, or to make them unduly serve their specific goals to the detriment of the others'. All human groups therefore should be ready in principle to consider these missions and their objectives as matters for wide-based cooperation.

I will now briefly deal with five of the key missions which the human community should undertake before the end of the century, indicating also a few of the ideas which I feel are representative of the thinking which should guide them. Although it is a truism, let me affirm first that this new phase of human history is predicated on the assumption that it will not be preempted by a nuclear war. For this, the world must rely on the restraint and wisdom of the two superpowers, which may seem to be asking too much, since it is their power politics that have brought humankind to this extreme predicament, while a tragic human mistake or rash of folly, or an electronic circuit failure could well trigger off a holocaust. Such a drastic finish to our career looks anyway so unearthly that I propose that we discard it in our reasoning.

Let me recall that some 15 years ago the concept of 'limits to growth', unpopular as it was in that period of euphoria, was undauntedly advanced by The Club of Rome as a warning against the self-complacency of industrial society. Today, in a much more critical world situation, The Club of Rome should not waver over taking an equally determined stand, this time to shake society out of its inertia and resigned acceptance of things as they are. Under the present circumstances, the fundamental concept to be fostered is that it is fully within our powers to reverse the current negative trends and set humankind on the ascent again. To do this is indeed our bounden duty, and we must brace up to accomplish it, while not to do it would render us wholly guilty because it would be tantamount to giving free sway to the worst alternatives of our future.

Now, I would like to submit that the essential role. The Club of Rome should try to play in the crucial period ahead should be that of contributing in all possible ways to the renaissance of the human spirit and the redress of human fortunes in a sane society; and that it should focus on the five following great issues I consider among the most decisive for the human future.

Human Settlements.—To settle and provide a decent standard of living for the additional population expected on Earth without disrupting the environment irremediably is probably the largest real problem facing humankind during the next few decades. Here are some aspects of the problem:

From the dawn of time till the year 1900, human population grew slowly to reach a total of 1.6 billion. Then it quickly jumped to 4.7 billion by 1983. This unexpected exponential growth caught the world unprepared, so much so that almost one fourth of the total population has to live near or below the poverty line, which is morally and politically intolerable.

By the year 2000, a supplementary population of 1.5 billion is expected, while still another 1.5 billion will probably be added in the subsequent 20 years. Then the population will apparently continue to increase, but projections are not very reliable.

These new waves of people are not going to accept a life of destitution. Yet the problem is that they must be settled in practically the same areas as those already occupied by the present population, since lands fit for human permanent habitation are limited and represent probably the most finite of our finite natural resources. Altogether, what may be considered as the "human habitat" is only about one quarter of the Earth's ice-free land surface.

Moreover, these same areas also contain the bulk of the agricultural soils, which should never be sacrificed, no matter how pressing the demand for space for other uses. Soil is our crucial life-support system, and must be protected at all costs against any kind of erosion, because when soil is lost it is practically lost forever. Suffice it to recall that, even with the best protection of a well balanced plant cover, Nature takes from 100 to 400 years or more to generate 1 cm of topsoil.

The rest of the planet too is indispensable for our existence, of course. The outlying masses, the seas and the oceans, the atmosphere and some superficial layers of the Earth crust are essential as providers of life-support and resources. But they cannot be the permanent home of man.

The only possibility of accommodating in a fairly orderly way the six, seven or more billion who will soon have to share the Earth, and of doing this while maintaining in a passably good state the natural environment they and their successors will need for all the time to come, is to prepare in advance some kind of overall 'master plan' of global land occupancy.

It is true that, since rather less than 10% of the new population will be born in the present developed countries, the question more directly concerns the Third World and especially some of the high population growth countries. But it is no less true that the entire world system may be disrupted if a substantial part of it is thrown into chaos by unsettled overpopulation.

This is why I have proposed a broad-line feasibility study of integral land use, management and conservation, region by region, for the world as a whole. Of course in such a study land must be considered with all its natural characters and appurtenances, such as the nature of the soil, water, climate and biophysical resources, as well as the human population and its artifacts.

A land use plan, however, is not enough. Actually, to install these additional populations decently, what may be called a fully equipped 'second world' is needed. The physical infrastructure alone of this second world will require construction work comparable to that which humankind has carried out in the last 1000 years. Just up to the year 2000, housing and facilities must be built for 15,000 cities each with a population of 100,000 (or 1.5 million villages with 1000 people), to say nothing of the need to upgrade the wretched dwellings which today are the abode of the most destitute of our fellow humans.

An immense corollary problem is that all these people must then earn their living. it is estimated that before the end of the century upwards of a billion new jobs must be created or equivalent occupations found for a swelling workforce which will crowd the cities and the countryside, again mostly in the Third World.

These few observations are sufficient to outline the complexity and colossal dimensions of the tasks incumbent upon our generations; they may also suggest the amount of human suffering and the explosion of rebellion and pent-up violence which may be the consequence of not making timely provision for adequately accommodating the burgeoning human population. Though the problem is rooted essentially in the poor countries, it cannot be attacked adequately if policies, strategies and means are not prepared in advance with the long-term, planned financial and organization support of the whole world community. And in turn this will require an uncommon sense of brotherhood and entirely new measures of global solidarity and an enlighted vision of self-interest consonant with this day and age.

Conservation of Nature.—Strictly connected with the preceding problem is the greatest danger for humankind, namely that, growing in numbers, power and appetite, our species will tend to live beyond the means offered by the global context of this small Earth of ours. This is something that is already occurring in some sectors and regions even today. The danger does not lie so much in the field of inanimate resources, because the Earth's crust after all is so thick that it can satisfy increasing human demands one way or another; though some shortages may be experienced in certain resources, substitutive materials and new energy sources can probably provide alternative solutions. Quite different, however, is the situation in the more vital realm of the life-support capacity of the world's ecosystems considered in their totality, both inside and outside what I call the human habitat. The state of the planet under these aspects is very little known; and the time has come to assess it with the utmost care before it is too late.

The all-important place in the Universe is our biosphere, formed by the thin mantle of soil, air and water on the Earth's surface, because it is there where life, as we know it, exists. The human species is part and parcel of the pool of life which thrives there and so it should endeavour to keep it as healthy as possible.

The biosphere had evolved for several billion years before homo sapiens appeared in its midst about one millon years ago and then spread and imposed his presence and his mode of life over all other species.

Pursuing his ends, humankind has increasingly transformed the natural environment, making many parts of it well suited for its evolving living styles, but at the same time displacing or eliminating plants and animals often so recklessly as to lay waste other areas once prosperous and now no longer productive or inhabitable.

The result is that nowadays the texture of wildlife on the planet is seriously degraded, and this already affects our life too. We are confronted with a quite dismaying picture: wilderness, the treasure chest of Nature, disappearing; deserts advancing; tropical forests in rapid decimation; boreal forests poisoned by air pollution and acid rains; coastal zones and estuaries ruined; vast numbers of animal and plant species in course of extinction, with even more massive hecatombs in sight; waters, soils and the very air we breathe contaminated with the dust, litter and chemicals of our civilization which change their character; natural cycles, climate and the ozone layer tampered with often irreversibly.

Even the strategic biological systems on which humankind so heavily depends for its daily life are under stress; croplands are overharvested, pasturelands overgrazed and oceans overfished. Yet, the number of people who are hungry or malnourished is even larger than in the past; and human demands are steadily soaring. It is expected that the present generations will consume more natural resources during their lifetime than all past generations put together, and that henceforth consumption will increase even more quickly than population.

As an example, food, the primary commodity, is a matter of concern for all the foreseeable future. The existence of a much vaunted theoretical world food potential which is still certainly fairly high, can provide us with little solace in the face of these trends and the disorder of the world markets, not least because of the very serious phenomenon of topsoil erosion caused by our malpractices both where traditional farming prevails and where modern agriculture has been adopted. While no reliable world estimate of the total loss of food productivity due to soil erosion has been made, the figures available give rise to much concern.

Besides food, the production of foodstuffs, firewood, fiber and other plant and animal products also causes great worries since they are probably heading for an irreversible decline.

Food security and the availability of these other natural wherewithals for human life, so important in themselves, are doubly important because they are also indispensable

ingredients of peace. So, even if their deficit is rooted essentially in the less developed regions, the associated difficulties are bound to have an effect on the entire world system.

Man however is related with Nature in thousands of other ways. He is in fact even more intimately integrated in and more fundamentally dependent on the world of life than may be suggested by any single comparison with the economics of what we call 'resources'. His psycho-physical existence is the product of myriad interchanges and osmosis with the rest of life. He should therefore abstain from doing anything which may weaken or modify the world biomass and its habitat. He must be quite sure that any changes resulting from his action do not adversely affect the regenerative capacity of Nature or impair his own balance therewith. More than that, he should engage in a systematic campaign to mitigate at least part of the damage he has inflicted on his natural environment during the past.

Long-term Nature conservation plans and strategies are thus becoming imperative not only to let humankind obtain and retain the living resources it needs, but also to keep the planet healthy over the years as an obligation towards future generations. The objectives are many in number, for instance: the survival of nonhuman species and protection of ecosystems even when they are not of immediate interest; the safeguarding of marginal ecological processes and life-support systems; and the preservation of the genetic diversity of the biomass which is an expression of the Earth's evolutionary capacity that, among other things, has produced our species and which we may well need again tomorrow.

The establishment of harmony between man and Nature not only responds to considerations of immediate interest and those regarding the existence of humankind in the foreseeable future; it is also a profound cultural value because homo sapiens cannot consider himself as the absolute master of the planet or live here in splendid isolation, and he cannot disinterest himself in the world of life without losing part of his own humanity which throughout the centuries has been nurtured by imageries, fables, myths, poetry and songs inspired by the other forms of life.

Harmony is indispensable too, not least because of the great overhanging danger that, in a not so distant future, when humankind may have built its splendorous technological world and solved all its major economic, political, military and social problems, it will discover to its horror that in the process it has reduced the Earth to such a state that it is no longer capable biologically of supporting our formidable but improvident species. Therefore, the 'carrying capacity' studies started in various places should be stepped up, and must be expanded to embrace all regions and coordinated at the world level.

Governance of the System.—The greatest obstacle to embarking on the weighty missions humankind is called upon to perform in this period is the absolute ungovernability of society, as presently organized. In these circumstances, no great enterprise of global scope has the slightest chance of being carried out, or even designed, however essential it may be. Despite the system-like nature of humankind's global body, no political philosophy or institutions have been evolved to ensure its governance. Human development has indeed been bewildering in its accumulation of scientified knowledge, technological proficiency and industrial efficiency, even though these are matters that often proceed more or less anarchically, deepening the divisions among the different societies; but this 'progress' has not been matched by a parallel development in social and political inventiveness, creativity and performance. This mismatch and imbalance between man the inventor and man the administrator begin within the human being himself and spread to all levels of aggregation, creating societies which are thus incapable of effectively and rationally devising ways of controlling, harmonizing and directing to useful ends the immense means, knowledge and experience they collectively possess, with the result that the entire world remains in a state of disorder, instability and unruliness.

One of the major reasons why the human system remains utterly ungovernable is at present East-West rivalry and tensions and North-South assymetry and gaps.

The system is anyhow almost ungovernable because of the fragmentation of the human community into some 160 states—big and small, old and new, powerful and weak, but all 'sovereign', namely self-righteous and self-concerned.

Functionally, therefore, today's teeming and powerful human community limps ahead as an aggregation of disparate subsystems each trying to go its own way and each defending its own interests independently one from another, except when some of them form groups to oppose other groups.

Then there is the fact that the levels of development of all these states are so wide apart that, even if they wanted to find common ground for cooperation, they would have great difficulties in so doing.

Yet, as the global system becomes ever more inter-knit by cross-boundary trade and investment, by communication and transport networks, by tourism, by the worlds of sport, music and entertainment, and not least by atmospheric and oceanic pollution and by the threats deriving from the military build-ups, all its parts are inextricably drawn together willy-nilly into a heterogeneous but unified pool in which all of them are affected by what happens to the others, and so all will have a common destiny.

Therefore, for better or for worse, overall development of the total system, and hence of all its parts, must be a matter of concern for every human group, whatever its present condition; and in the same way, as democracy, participation and the civic virtues of mutual respect and solidarity make for the strength of individual societies, the corresponding attitudes must be evolved in the international scene if the whole of the world is not to collapse one day or another.

The time when each nation could try to afford to go it alone, heedless of the others, will soon be over. Even small or weak human groups will be able to destabilize the entire system and therefore they must be given a hearing and to an increasing extent be given satisfaction. Thus, in everybody's self-interest, the sphere of active solidarity must be expanded from the national to the regional and the global realm, and ways and means found to translate this new posture into institutions, policies and strategies.

The first move will probably have to be made by East and West. When they finally come to perceive that their armaments and scheming are cancelling each other out, they will be automatically induced to try to find ways of combining their power and capacity to steer the world in directions agreeable to them. This will be a great step foward, but only a step, because soon after they will discover also that the best way to fare ahead is not to try to impose their will, but to join with others too because only through the creative and responsible participation of all human groups can the state of both the planet and humankind really be improved.

For all this to happen, as I will explain in a moment, the triggering device cannot but be a profound cultural evolution that the COR should show the way in promoting. It will have to face all kinds of difficulties and pitfalls, but as this is the right way, it will be helped in this by the force of things characterizing the new age.

Human development.—The most valuable assets humankind can count on to ensure the cultural, political and spiritual evolution required to stop its decline and prepare for the future are to be found in the still untapped resources of comprehension, vision and creativity as well as in the moral energies which are inherent in every human being as a part of his or her genetic endowment.

These resources can and must be developed as an indispensable precondition to make tomorrow's world livable, and to ensure that there will in fact be a future for humankind. This is a new mission that humanity must set itself—a mission that will have no end. Its rationale is simple and complicated at the same time.

The extraordinarily great progress made by our techno-scientific and industrial capacity has given us the knowledge and means to change practically everything on Earth more or less beyond recognition, but it has not given us a clear vision of what we are doing, nor the wisdom to do it exclusively for the betterment of self and environment.

Not understanding the import and impact of the mutations we bring about, we are increasingly lagging behind and at odds with the fast-changing real world. Now, with the advent of even higher technologies and the spread of industrial, superindustrial and postindustrial civilization, there is the risk of incongruities growing still further. People at large will find it difficult to adapt to things ever more artificial, whose logic and even language are so alien to human tradition that only a small 'elite' is likely to find itself at ease with them.

Progress, as it is now understood, certainly cannot be stopped. Therefore, humankind's only recourse is to enhance the quality and qualities of its members all over the world so that, by learning how to ride the technological tigers they have unleashed, humans and not machines will be tomorrow's protagonists.

Fortunately, as now widely recognized, the normal human being, even when living in deprivation and obscurity, is endowed with an innate brain capacity and a learning ability that can be stimulated and enhanced far beyond the current relatively modest world average level of utilization.

A movement which is still incipient was started by a COR-sponsored project called 'Learning'. This shows that people at large have the capability of vastly improving their understanding of reality and their performance. Indeed, their potential is humankind's greatest resource—and one which is not only renewable but also expandable and ubiquitous.

Many more reasons than those emerging from what has already been said make this human development most urgent. One reason is the radical change likely to occur

in the relations between man and his work. As as consequence of rapidly progressing automation, robotization, informatics and telematics, there is the danger in the developed countries too of sudden, unchecked mass structural unemployment that will affect particularly the young. The social impact will be enormous, unfathomable. The work ethics, the lofty place traditionally attributed to work in man's life and even the Marxist concept of the class structure of society will all be revolutionized.

A few figures are sufficient to illustrate the situation a-building. The average life expectancy in developing countries is upwards of 70 years, or 600,000 hours, of which two-thirds may be supposed to be absorbed by physiological requirements (growing, sleeping, resting, eating, etc.). This leaves about 200,000 hours available for the 'cultural activities' which distinguish man from animal; and, as the average work hours during a lifetime will soon be reduced to 40/50,000 (or less), the nonwork hours available for other activities will greatly outnumber the work hours. This 'free' time may weigh on society as a curse, or become the magic key to its self-realization; but to pursue the second alternative, 'human development' is indispensable, while society itself must profoundly change some of its basic tenets, including probably profit as the mainstay of its system of reward.

Another reason why human development is so imperative is that, to get out of its predicament, humankind must realize where it is at present, where it is going and where it could go instead. The study of the options open to us for 'desirable' alternative futures, rather than the sombre one towards which we are rushing, is the objective of the Forum Humanum project, which represents just a first tentative step in this direction. In this time of accelerating events and extreme alternatives, however, a sense of direction and a high degree of concern for the long-term future must become standard features of a culture of survival and progress accepted by the majority of the world population.

Nonviolent Society.—As already mentioned, a premise of future-oriented thinking is quite evidently the absence of a nuclear holocaust. This is a necessary but not entirely sufficient condition to bridge this transition period. To ensure the long-term development of the mighty humankind which will live in the new era, it is necessary to banish altogether war and with it military and nonmilitary violence from the parameters of its evolution and culture.

The primary mutation needed in our traditional outlook and values is that of freeing ourselves and our societies from the 'complex of violence' we inherited from our ancestors. For them, recourse to violent means was natural because, weaker than other creatures and still scantily endowed with experience and tools, they had to be permanently on the alert and the defensive.

This is why violence is, though wrongly, considered part of the human nature still now, when the concept of nonviolence must instead become one of our basic cultural values. I submit that this reality is progressively recognized, and that violence, erstwhile means of the survival or ascent, is seen now as the main cause of our doom. Violence and its ideology of whatever sort are in fact remnants of a past which is no more, cultural derangements and social pathologies as incompatible with the new era as slavery or human sacrifices would be for today's society.

Peace is the primary factor in any question in which development, quality of life and self-realization are the objectives to be pursued. And peace is to be understood in its universal depth and breadth of nonviolence not only at all levels and sectors of human society, but also in the relationships between human society and Nature.

AURELIO PECCEI.

NOTE.—Aurelio Peccei dictated the last part of this 'Agenda' less than 12 hours before passing away on 14 March. The document is, unfortunately, unfinished, and he did not see this typed version.

ANNA PIGNOCCHI.

RETIREMENT OF DR. JOSEPH CANNON

Mr. PELL. Mr. President, I wish to take note of the end of a very special era in my home State of Rhode Island. On June 27, 1984, Dr. Joseph E. Cannon retired as director of the Rhode Island Department of Health, ending a truly remarkable 23-year tenure as the State's chief health officer.

During those 23 years, Dr. Cannon provided the innovative leadership and the administrative and political skills that produced a sweeping transformation and modernization of public health services in Rhode Island. He was responsible for transforming a fragmented system of town and city public health services into a cohesive and highly effective statewide public health system.

As a strong advocate of preventive health measures, Dr. Cannon was among the first in the Nation to recognize the promise of health maintenance organizations, and played a major role in the formal acceptance and establishment of highly successful health maintenance organizations in the State. He also played a major role in the establishment of the first medical school in the State of Rhode Island, at Brown University.

Through the years I have had the pleasure of working closely with Dr. Cannon on these projects and on many other health policy matters in which coordination of Federal policy and State programs was essential. Dr. Cannon is my friend, and I have both benefited from his wise counsel through the years, and enjoyed his charm and his quick wit.

And, most importantly, all Rhode Islanders today enjoy the benefits of a highly professional and effective public health system, and a much improved system for the delivery of health services because of leadership and his work.

I ask unanimous consent that an excellent article from the Providence Evening Bulletin of June 27, 1984, on the career and accomplishments of Dr. Cannon be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

STATE OF GOOD HEALTH—DR. JOSEPH CANNON CLOSES NOTED ERA OF PUBLIC SERVICE

(By Irene Wielawski)

PROVIDENCE.—In a state known for contentious politics and beleaguered department heads, Joe Cannon lasted 23 years.

Through five governors, Democrats and Republicans.

Through the mass immunizations of the 1960s. Through controversies surrounding the movement of the mentally handicapped from institutions to group homes. And through recent storms over controlling the cost of health care.

He took a department staffed by doctors interested in public health as a hobby and turned it into a multi-faceted professional operation known nationally for innovation.

And he did it with wit, empathy, intelligence, dazzling charm—and an iron fist.

Dr. Joseph Edward Cannon, 73, today formally relinquishes the directorship of the Rhode Island Department of Health to Dr. H. Denman Scott, a man he hand picked and groomed for the job.

"Change-of-command ceremonies" are planned this afternoon in front of the Health Department's Davis Street headquarters—a four-story, white concrete building whose construction in 1971 was half financed by the federal government, thanks to some classic Cannon legerdemain. The building, not surprisingly, bears his name.

I'm just so damned happy that Denny's succeeding me," the slim, dapper Cannon declared last week. "He's not going to be a cheap political appointment, and I never was either."

Cannon certainly wasn't.

He refused several attempts by Gov. Dennis J. Roberts to lure him from the Colorado Department of Public Health, where he was happily ensconced as deputy director.

"The salary was lousy and there was no tenure. Who's going to take the job without tenure?" Cannon said.

When he finally was convinced by Gov. John Notte in 1961, it was with the promise of a five-year contract, that governor after governor renewed though Cannon offered his resignation to every one.

Cannon brought to his home state a management style honed over nine years in the Army Medical Corps, and knowledge documented by degrees from Brown University, Tufts Medical School and the Harvard School of Public Health.

He was known to run a lean, hard-working department that was not friendly to patronage overtures, but he knew how and when to be flexible.

"Of course I got requests to put people in jobs," Cannon said. "We take them on occasion but with the understanding that they work and produce or they're out!"

He insisted on the final word in all matters pertaining to the public health, moving early in his tenure to abolish the state's unwieldy system of city and town health boards in order to consolidate and standardize their services under one statewide department.

The result was improved health care for people throughout the state and a department able to pinpoint and send help to needy areas—say a neighborhood with a high rate of infant mortality.

But Cannon's reluctance to share his authority did not always bring credit to the department.

He fought unsuccessfully in 1981 for budgetary authority over the medical exam-

iner's office. He also wanted the power to hire and fire the state medical examiner, a move bitterly opposed by an equally feisty Dr. William Q. Sturner, who insisted on autonomy for his office.

In a compromise that was reached quietly this year, Cannon won the budgetary control but Sturner's office otherwise remained independent. The lasting impression is of a power struggle that had less to do with public health than with bad blood between the two men.

However imperious he appeared to outsiders, many inside the Health Department saw Cannon as a general who gave his troops broad responsibilities and who would do battle to defend their projects and the department's overall quality.

During Cannon's stewardship, the Health Department became known for attracting and retaining some of the brightest minds in state government.

"The exciting thing about working in this department is that you can conceive of an idea and follow it through to seeing it work . . . unless you screwed up, of course," said John T. Tierney, who joined the department a year after Cannon took over and today is deputy director.

"People had a respect for the guy that bordered on awe," recalled Michael Stanton, an editor at the Detroit Free Press who observed Cannon during four years as press secretary to Gov. Philip Noel and again during a brief stint in 1976 as the Health Department's health education director.

Tenacity saw Cannon through many of the early battles. He also had an ability to get along with many kinds of people, something Cannon attributed to growing up in Province's ethnically diverse Mount Pleasant neighborhood.

Cannon was helped by his reputation as a determined and successful advocate.

An example involved the Health Department's mass innoculation programs in the 1960s.

Cannon wanted to vaccinate everyone in the state against polio. His goal was to prevent what occurred in Rhode Island during the summer of 1960, when more than 100 people were stricken with the crippling disease despite the availability of polio vaccine since 1955.

He sought the help of the state medical society, but was rebuffed by doctors who believed immunization was best accomplished through their private practices.

"We did it anyway, without their help," Cannon said. Rhode Island has never seen another case of polio.

And in similar immunization programs against measles in 1968 and rubella in 1969, Cannon had no trouble getting doctors to help.

Such efforts helped establish the Health Department's reputation as a national leader in preventive medicine.

Long before it was fashionable, Cannon was urging Rhode Islanders to use seatbelts and work on their cardio-vascular fitness.

One of his most famous quotations is framed in the lobby of the Cannon Building: "If Rhode Islanders quit smoking, reduced alcohol consumption, lost weight, watched their diet, wore seatbelts, relaxed and exercised, we would be a healthier state than if we doubled our annual health expenditure, added 500 new doctors, or 1,000 additional hospital beds," he said in a speech in 1976.

Which is not to say he always practiced what he preached.

Two journalists read the quotation one November day in 1979 on their way to interview Cannon for a newspaper article.

A few minutes later, they sat across from the doctor, astonished to see him chain smoking. When they reminded him of his public stance, he answered with just about every excuse smokers have used to avoid quitting. The speech was so persuasive that the journalists ended by bumming some of Cannon's cigarettes and puffing their way through the interview.

(Cannon finally quit smoking two years ago and Governor Garrahy takes some credit for nagging him into doing so).

Persuasiveness and a common touch stood him well at the Rhode Island General Assembly, where Cannon was successful in winning support for Health Department objectives.

He is said to have wheeled and dealed as well as anyone who ever occupied the speaker's chair. "He knew where the bodies were buried up there, so to speak," said one longtime Cannon-watcher.

Two of Cannon's bosses, former Governor Frank Licht and Governor Garrahy, put it more delicately.

"Dr. Cannon has a very finely honed political sense and knows how to be an advocate for the bills he wants and how to prevent those that he does not like from being passed," Licht said.

Said Garrahy: "He understood the political process very well. Just the fact that he has been here for 25 years can attest to that."

Cannon did not hesitate to challenge established ways of thinking or entrenched practices if it meant improving the access and quality of medical care for the average Rhode Islander.

He helped the Rhode Island Group Health Association get started in 1972, and was talking up the idea years before that.

"In those times, you had to meet under the Red Bridge behind a tree. Health maintenance organizations were considered a form of communism," said Deputy Director Tierney.

Cannon helped set up the Rhode Island Renal Institute, so that people with kidney disease would have an alternative to for-profit dialysis centers. He pushed for the Child Development Center at Rhode Island Hospital to improve the treatment of mentally and physically handicapped children. He was a driving force behind the establishment of the medical school at Brown University.

In his first year as director Cannon persuaded the national Centers for Disease Control to let Rhode Island borrow epidemiologists for two-year stints. The program, which continues today, brought several doctors who chose to stay in Rhode Island, among them Cannon's successor, Denny Scott.

Dr. Scott, 45, is among those Cannon proudly refers to as his "bright young kids." He credits them with the ideas that have enabled the department to plan for the state's long-term medical needs while keeping a lid on unnecessary spending.

"I have no brains, never had any," Cannon said with a grin. "But I've got kids with brains."

To create a supportive environment for those brains. Cannon put in long hours, even on weekends.

He habitually rose at 6 a.m. and rarely went to sleep before midnight. He was on call to his staff 24 hours a day. His wife of three years, Mary Ellen McCabe, might have felt left out were it not for the job she has held since 1978 as the Health Department's legal counsel.

Cannon's first wife, Mary Louise (Greenagle) Cannon, died on her birthday, April 29, 1977. He has two sons, David A. Cannon, a lawyer in Providence, and Joseph F. Cannon, a hospital administrator in New Haven.

His marriage to McCabe in 1981 was a source of much gossip because of a 30-year discrepancy in their ages, but these days all anyone talks about is how happy they look together.

"We are very happy, extremely happy," Cannon said, and looks forward to travelling when McCabe can take time away from her job. He also plans to read a lot.

Other than that, he is not sure what he'll do when he clears out his memorabilia-filled office in the Cannon building.

Cannon had a simple explanation for why he stayed long after the usual retirement age in a hotseat job that by national statistics wears out its occupants every three years, where the phone rings every time tap water runs brown or a schoolchild sports a weird rash or the price of a local hospital bed jumps $30.

"I think you do it because you want to see something done," said Cannon. "Now it's time for a different breed of guy."

RISD Museum Gets Grant

The Museum of Art at the Rhode Island School of Design has been granted $50,000 by the federal Institute of Museum Services to help out with basic operating costs and educational programs.

The grant was part of more than $117,000 in IMS grants to six Rhode Island museums announced simultaneously yesterday by Senators John H. Chafee and Claiborne Pell. Pell was the author of the legislation that established the IMS within the National Foundation on the Arts and Humanities in 1976.

The other grants went to the Slater Mill Historic Site in Pawtucket, $14,568; Haffenreffer Museum of Anthropology in Bristol, $14,124; Children's Museum of Rhode Island in Pawtucket, $13,527; Rhode Island Black Heritage Society in Providence, $13,029, and the Newport Historical Society, $12,500.

EDWIN C. BROWN

Mr. PELL. Mr. President, at the end of this month one of the preeminent leaders of organized labor in my State will step from center stage into retirement.

Edwin C. Brown, who for 33 years has served as secretary-treasurer of the Rhode Island American Federation of Labor and, more recently, of the merged Rhode Island AFL-CIO, will be sorely missed by the thousands of Rhode Islanders who knew him and who have benefitted from his tireless efforts on behalf of working men and women and their families.

Actually, retirement may be too strong a word. As his friend and admirer, I cannot imagine Ed Brown will ever be on the sidelines when there are issues to be debated or causes to be fought for.

My colleague, Gov. J. Joseph Garrahy, has said it best: "He's one of those people who you hope would never leave the scene."

Ed Brown has long been one of organized labor's most articulate, effective and thoughtful leaders in Rhode Island. He has been its chief strategist, its most committed and effective legislative lobbyist and its leading theoretician. He has been instrumental in the enactment of virtually every significant State law affecting working men and women. There has been no debate nor battle over issues of concern to workers in which Ed Brown has not been a central figure.

But his dedication to these causes has not been limited to union members or even to working men and women. His compassion and dedication extend to each and every citizen of the State.

One of his greatest achievements has been the success of the Rhode Island Group Health Association, an innovative health maintenance organization which since June 1971, has been providing high quality, prepaid health care to thousands of Rhode Islanders.

The Rhode Island Group Health Association, known as RIGHA, was conceived by Rhode Island AFL-CIO in the 1960's and Ed Brown, in partnership with the late Thomas Policastro, then president of the Rhode Island AFL-CIO, were truly the fathers of his hugely successful experiment.

I know from personal experience the time, the effort, the commitment that Ed Brown brought to RIGHA's creation and its subsequent management. There is no question that without the vision, the dedication and the hard work of Ed Brown and Tom Policastro, this vital health care service would not exist in Rhode Island.

I am proud to call Ed Brown a good friend. He is a giant in the modern history of Rhode Island and his compassion and concern for the health and welfare of her citizens has touched the lives of virtually every one of them. My wife and I extend our best wishes to Ed Brown and his beloved wife, Clara, on their well-earned retirement.

Mr. President, the Providence Journal recently published an article about Mr. Brown and his coming retirement. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

RHODE ISLAND'S MR. LABOR, EDWIN C. BROWN, WILL RETIRE IN JUNE

(By Russell Garland)

PROVIDENCE.—Edwin C. Brown will retire as secretary-treasurer of the state AFL-CIO this summer, ending a career in the labor movement that has spanned half a century.

"It's just that I've reached the point where I think I ought to get out," said Brown, 74. He wants to devote time to researching state labor history and to his golf game.

In 1951, Brown was named secretary-treasurer of the state branch of the American Federation of Labor, which became the state AFL-CIO in 1958 when the two labor organizations merged. He told union leaders in a letter last week that he will step down when accountants complete their annual audit of union books at the end of June.

Brown wrote that he would leave office "with the satisfaction and feeling of pride" that the accomplishments during his tenure "have been beneficial to the working population."

Governor Garrahy yesterday called Brown the "backbone of the labor movement in Rhode Island. He's one of those people who you hope would never leave the scene."

For years, Brown has been a familiar figure at the State House, lobbying for union legislation. This year, he relinquished to George Nee much of that task.

Nee, 34, previously an independent labor organizer in the state, was hired last year, becoming the third full-time employee of the state organization. The other besides Brown is veteran office manager Vilma Masciarelli.

The state AFL-CIO is an umbrella organization representing most unions in Rhode Island. It has between 65,000 and 75,000 members

Brown's wife, Clara, who has assisted him as a volunteer at AFL-CIO Headquarters on Jefferson Street, a block from the State House, said she is unsure whether she will continue.

"There's so much I want to do, too," she said yesterday at her desk next to her husband's.

Edward J. McElroy, AFL-CIO president, will fill in for Brown until a successor is chosen by the executive board. Brown's two-year term ends next year.

"Ed hasn't just been an officer of the AFL-CIO," said McElroy. "He's been much more than that. He's meant a lot to the community and to everyone who's come in contact with him.

"Everybody in the labor movement certainly owes him a great debt."

Active in state politics, Brown was secretary of U.S. Rep. John E. Fogarty's election campaigns and considered running for Congress himself when Fogarty died in 1976.

He was on the old state Board of Education, an appointee of four governors—two Democrats and two Republicans. He is one of three labor representatives on the Strategic Development Commission, which developed the Greenhouse Compact.

Concerned about health care for workers, the union leader was an architect of the Rhode Island Group Health Association (RIGHA), a pioneering prepaid group-practice plan developed in the late 1960's. That, he said, is his most significant accomplishment.

Brown joined organized labor in the mid-1930's, helping to form the Jewelry Toolmakers' Union, an affiliate of the International Association of Machinists. He was elected president of the union in 1936.

In 1940, he was elected secretary-treasurer of the Machinists' District 64. While continuing to work as a toolmaker. Brown held a variety of other union posts, including secretary of the Providence Central Labor Council, before joining the Navy as a chief machinist's mate in 1944.

After World War II, he embarked on a federal career in the Veterans Administration, but organized labor lured him back.

"Strange as it may seem," Brown said of the offer to become secretary-treasurer of the state AFL after the death of Bill Flanagan, "I welcomed the opportunity and challenge to undertake, on a full-time basis, the type of work that I believed in and I felt that I would enjoy performing."

He took a cut in pay and benefits when he left his government job to join the federation. He was the entire staff and there was little money to run the state office.

Finances have been one of Brown's big concerns during his tenure. Recently, again facing a declining treasury, he arranged repayment of a $57,000 loan the state labor organization made to RIGHA 15 years ago.

Born in Providence, he attended Commercial High School and in 1927 went to work for C.G. King Co. as a coloring-room assistant and toolmaker. He has received honorary degrees from Bryant College and the University of Rhode Island.

"The labor movement owes me nothing," said Brown in his letter to union leaders announcing his retirement. "I will not live long enough ever to repay the members for the values and honors that have been mine."

Organized labor, he added, is at a crossroads, but its future need not be dismal "if the leadership is sincere and dedicated to the cause.

"Given time," Brown wrote, "the tide will turn, justice will overcome greed and the common good will be served again."

VOTING ACCESSIBILITY FOR THE ELDERLY AND HANDICAPPED ACT

Mr. FORD. Mr. President, on June 25 the House of Representatives passed H.R. 1250, the "Voting Accessibility for the Elderly and Handicapped Act," which has been referred to the Committee on Rules and Administration.

This bill, as finally passed by the House, was worked out by representatives of a coalition of organizations supporting legislation to make all voting places accessible to handicapped and elderly persons, and by election administrators from 16 States. Those representatives who negotiated this substitute amendment are to be commended for their dedication and effort to achieve a workable compromise that goes a long way toward assuring that polling places throughout the country will be accessible to all voters while, at the same time, recognizing the legitimate, administrative concerns of State election officials and the practical difficulties such a worthwhile endeavor may encounter in some States.

As amended, the bill would require that all voting places be accessible to handicapped and elderly persons, except in case of an emergency or where the proper State election official determines that a voting place could not be made accessible and assures that any voter assigned to an inaccessible place will be permitted to vote in the nearest accessible one upon request.

During House debate, a question was raised about the availability of this ex-

ception to all States. It was noted that some States have constitutional requirements that a voter must be a resident of the precinct where he or she votes and that it is not procedurally possible to amend some State constitutions in less than 2 years.

I have been advised that when this compromise was worked out by the representatives of the coalition and the State election officials, it was assumed that the accessibility exception would be available to all States and that the question of State constitutional restrictions was not considered.

Since a State election official in any State having such a constitutional restriction could not assure a voter of transfer to an accessible voting place, this exception would not be available to that State and it would have to make all voting places accessible before the 1986 Federal elections.

It is clear from House debate on this bill that Members were aware of this situation and recognized the difficulty the bill would create, but left resolution of the problem to the Senate.

If passed in its present form a number of States may be required to make all voting places accessible by the 1986 elections. Since this exception is an essential part of the compromise struck on this legislation and was clearly intended to be available to any State where accessibility is not feasible, it will be necessary, now that the buck has been passed, for the Senate to fashion an amendment to accomplish that intent. I wish to assure Members and other supporters of this bill that every effort will be made during the bill markup of the Committee on Rules and Administration to resolve this situation so that a workable accessibility exception is made available to all States.

THE MATH SCIENCE BILL

Mr. PERCY. Mr. President, yesterday the Senate passed as amended with my support H.R. 1310, the Education for Economic Security Act, better known as the math and science bill. H.R. 1310 as amended is designed to increase the supply of trained teachers and to improve the quality of instruction in math, science, computer science, and foreign languages.

As evidenced by numerous studies, including the recent report of the National Commission on Excellence in Education entitled "A Nation at Risk, the Imperative for Educational Reform," our Nation faces a crisis in the quality of math and science education which jeopardizes our ability to compete effectively in the world's economy and technological innovations. Severe shortages of teachers qualified to teach math, science, computer instruction, and foreign languages, fewer skilled technicians and fewer students taking these courses substantiate the Nation's educational decline in these areas.

Numerous studies showing the decline in student participation and performance in quantitative proficiency courses are overwhelming. One of the most striking facts is the dramatic decline in scholastic aptitude test [SAT] scores over the last two decades of students attempting to pursue a postsecondary education. The mean SAT score in math dropped from 502 in 1963 to 466 in 1980, while the proportion of students scoring over 700 on the test dropped 15 percent between 1967 and 1975. Science achievement scores, as measured by three national assessments of educational progress, significantly declined in recent years with the average achievement by high school students being lower than that of 26 years ago.

The documented shortage of qualified teachers is a major cause of decreasing student participation and achievement in math, science, and technology. Most of our States have these shortages, and the shortage in some States is critical. According to a 1981 Howe and Gerlovich study, 43 States have a shortage of math teachers. Another survey by the Association for Schools, Colleges and Universities has found that 22 percent of all high school teaching posts in math and science are vacant nationwide. Some States, including Illinois, have reported critical shortages of chemistry, physics, and math teachers.

Our Nation also faces a steady decline in foreign language study over the last two decades. According to the Joint National Committee for Languages, only 15 percent of all high school students study foreign language, down 9 percent from 1965. At the postsecondary level, 34 percent of the number of colleges and universities surveyed required freshman students to have a foreign language background in 1965; now, only 8 percent of these institutions require a foreign language background. The shortage of teachers qualified to teach foreign languages continues to hinder the Nation's ability to participate in an international society.

The ability of our Nation to compete effectively and to trade with other countries depends on having a sufficient number of Americans who speak the languages of nations with whom we deal. In 1980, the President's Commission on Foreign Language and International Studies reported that Americans lose 100,000 jobs a year because too few of us speak a foreign language.

To address the alarming decline in the quality of math, science, and foreign language education, H.R. 1310 as amended by the Senate is designed to facilitate communication between scientists and educators, to provide incentives for cooperation and joint projects between the private sector and educational institutions, and, most importantly, to assist States and local educational agencies in providing teacher training and retraining in math and science. The bill authorizes $45 million for fiscal year 1984 and $80 million for fiscal year 1985 for teacher institutes, materials developments, graduate fellowships, undergraduate scholarships, and other discretionary projects to be conducted by the National Science Foundation; $350 million would be authorized for fiscal year 1984 and $400 million for fiscal year 1985 for teacher traineeships and retraining. H.R. 1310 also authorizes $30 million in fiscal year 1984 and $60 million in fiscal year 1985 for special projects involving partnerships between the private sector and educational institutions.

I am pleased that this bill also contains programs intended to increase the participation in math and science study of those people traditionally discouraged from technologically-related careers, including women and minorities. In engineering, which is one of the largest technical job markets, women account for only 3 percent and blacks only 2.4 percent of the Nation's engineers. I believe that women, minorities, and other underserved populations should not be ignored in our national effort to improve the status of math and science education.

A strong educational program in science and math is essential for our national well-being. Students who graduate from our educational system must contribute to our Nation's economic vitality with increased productivity and technical innovation. I believe the Federal Government has a proper role in assisting State and local education programs and believe that the kind of Federal assistance provided in H.R. 1310 as amended is appropriate and necessary.

WELL DONE FOR THE VA HEALTH CARE SYSTEM

Mr. EXON. Mr. President, as the Congress and the executive branch continue to evaluate the recommendations of the President's private sector survey on cost control, commonly known as the "Grace Commission," I want to share with the Senate the results of a head-to-head cost analysis of the Veterans' Administration health care system versus private sector hospitals.

As you will recall, one of the Grace Commission recommendations was to reduce reliance upon the VA's health care system and increase reliance upon private hospitals. Recently, in Denver, there was an opportunity to directly compare the costs of these two systems—something we in Government rarely have the opportunity to do in

this age of computer analysis and "paper" studies.

In December 1983, a water main break at the Denver VA Medical Center resulted in the emergency evacuation of 227 patients for a period of 5 days. These patients were dispersed to 15 civilian hospitals in Denver and the surrounding community and to the Fitzsimmons Army Medical Center. The VA Midwestern Region Office in Omaha subsequently compared the costs involved utilizing actual billings from the civilian hospitals, including physicians costs, compared to what these same type of patients would have cost at the Denver VA Hospital.

The results of this comparison were most interesting. These 227 patients resulted in 974 patient days. The cost for these patient days in the non-VA hospitals exceeded that of the VA hospital—projected out for 1 full year—by over $21 million. When the outpatient visits during this 5-day period are projected out for 1 full year, the non-VA hospital charges exceeded those of the VA by over $9 million. The total difference projected over a 1-year period for both types of care came out over $30 million in favor of the VA.

Mr. President, I find these figures to be most revealing and hope they will be helpful to all of us as we look to the future of the VA health care system and the increasing demands being placed on it. This study also shows that we must be very careful when discussing any possible changes to the system which has served this country so well. Our veterans deserve quality health care and we must protect their rights and continue to honor our national commitment to them.

I want to thank my good friend, Mr. Jim Morgan of the Nebraska Disabled American Veterans, for bringing this analysis to my attention. In order to ensure that this cost comparison study receives the widespread attention it deserves, Mr. President, I ask that the cost comparison study to which I have referred be entered into the CONGRESSIONAL RECORD.

The study follows:

EMERGENCY EVACUATION COST COMPARISON STUDY: DENVER VETERANS' ADMINISTRATION MEDICAL CENTER

In December, 1983, a water main break at the Denver Veterans Administration Medical Center (VAMC) resulted in the emergency evacuation of 227 patients for a period of 5 days. These patients were dispersed to 15 civilian hospitals in Denver and the surrounding community and to Fitzsimmons Army Medical Center (AMC) in Aurora, Colorado.

A comparison was made to the costs involved, utilizing actual billings from the civilian hospitals, including physician costs, and from Fitzsimmons AMC, compared to what these same type of patients would have cost at the Denver VAMC for the same period of time. The VA costs are based on the September 1983 Cost Distribution Report and include direct costs (Salaries and Supplies) and indirect costs (Administration, Housekeeping, Engineering, Depreciation of Buildings and Equipment).

The type of patients involved in the evacuation are indicative of the variety of patients which may be found at any time in the Denver VAMC. Since VAMC Denver is a facility which may be considered representative of some of our larger VA medical centers with affiliations, the difference in costs may be translated into system-wide comparisons.

The 227 patients resulted in 974 patients days. A patient-day equates to one patient in the hospital for one day and is the usual basis for accruing costs for billing purposes. The average cost per patient day in the Non-VA facilities was $610.85 compared to $355.64 at the Denver VAMC. The difference of $255.21 per patient day resulted in excess costs to the VA of $248,570 for this 5-day period. Based on this difference of $255.21 and applying it to 227 patients for a full year, 365 days, the excess cost to the VA would be $21,145,425.

During this same period of time there were 26 Outpatient visits referred to civilian hospitals at an average cost of $119.15 per visit. The average cost per visit at the Denver VAMC is $59.00. This difference of $60.15 per visit resulted in excess costs to the VA of $1,563.90. If this difference of $60.15 was multiplied times 161,000, the projected number of Outpatient visits at the Denver VAMC for FY 1984, the difference in cost would be $9,684,150. The total difference projected over a years period for inpatient and outpatient episodes of care would be $30,829,575.

It is recognized that this study is unsophisticated in that the VA costs do not include the cost of equipment and new construction, but all other costs involved in operating a Veterans Administration Medical Center, including routine maintenance and repair and small renovation and remodeling projects, have been included.

VAMC DENVER, CO, EMERGENCY EVACUATION COST COMPARISON

(Dec. 15-21, 1984)

1. A comparative analysis of costs associated with the emergency evacuation of the Denver VAMC during the month of December, 1983 was made. The Civilian Hospital amounts are actual costs reflected on billings received from the various hospitals. The VA hospital costs are based on per diem costs reflected on the September 1983 RCS: 14-4, Report of Medical Care Distribution Accounts. Direct and indirect costs have been included in the VA Hospital amounts.

2. The results of the analysis are as follows:

Inpatient costs	Patient days	Civilian hospitals	VA hospital	Difference
Medicine	526	$264,388.34	$230,966.60	$33,421.74
Surgery	122	220,679.09	[1] 34,080.70	186,598.39
Psychiatry	326	109,899.93	81,350.04	28,549.89
Total	974	594,967.36	346,397.34	248,570.02

[1] Utilizing the higher costs of ICU-surgical at $628.46 per diem, the VA costs would be $76,672.12 for surgery. This amount is still $144,006.97 less than the civilian hospital cost for surgery. Based on this amount, the total difference for inpatient costs would be $205,978.60 instead of $248,570.02.

Outpatient costs	Visits			
Medicine	20	$2,367.22	([1])	
Psychiatry	6	730.68	([1])	
Total	26	3,097.90	$1,534.00	$1,563.90

[1] Not applicable.

VAMC DENVER, CO, EMERGENCY EVACUATION COST COMPARISON, DECEMBER 1983

	Medicine			Surgery			Psychiatry			Totals		
	Pt. days	Average per diem	Total costs	Pt. days	Average per diem	Total costs	Pt. days	Average per diem	Total costs	Pt. days	Average per diem	Total costs
Inpatient costs:												
Facility:												
Aurora Pres.	21	353.31	7,419.42							21	353.31	7,419.42
Beth Israel	40	344.41	13,776.30							40	344.41	13,776.30
Colorado General	112	710.32	79,555.52	81	1,936.15	156,828.51	15	494.24	7,413.56	208	1,172.10	243,797.59
Denver General	25	348.30	8,707.60				2	721.69	1,443.37	27	375.96	10,150.97
Denver Pres.	20	704.09	14,081.84							20	704.09	14,081.84
Lutheran	11	643.20	7,075.24							11	643.20	7,075.24
Mercy	12	714.72	8,576.65	12	1,578.21	18,938.56				24	1,146.47	27,515.21
Porter	10	663.34	6,633.40							10	663.34	6,633.40
Rocky Mountain	6	666.13	3,996.76							6	666.13	3,996.76
Rose Med. Ctr.	26	599.02	15,574.45							26	599.02	15,574.45
St. Anthony	38	448.10	17,027.96							38	448.10	17,027.96
St. Joseph's	88	330.20	29,057.45							88	330.20	29,057.45
St. Lukes	68	387.35	26,339.61	29	1,548.69	44,912.02				97	734.55	71,251.63
Swedish	30	477.56	14,326.91							30	477.56	14,326.91
Valley View	19	644.17	12,239.23							19	644.17	12,239.23
Fitzsimmons AMC							309	327.00	101,043.00	309	327.00	101,043.00
Total inpatient	526	502.64	264,388.34	122	1,808.85	220,679.09	326	337.12	109,899.93	974	610.85	594,967.36
VA hospital	526	439.10	230,966.60	122	279.35	34,080.70	326	249.54	81,350.04	974	355.64	346,397.34
Difference		63.54	33,421.74		1,529.50	186,598.39		87.58	28,549.89		255.21	248,570.02

	Visits	Average cost	Total cost	Visits	Average cost	Total cost	Visits	Average cost	Total cost	Visits	Average cost	Total cost
Outpatient costs:												
Aurora Pres.	1	260.00	260.00							1	260.00	260.00
Beth Israel	1	365.45	365.45							1	365.45	365.45
Colorado General	13	50.85	661.10				6	121.78	730.68	19	73.25	1,391.78
Denver Pres.	1	438.56	438.56							1	438.56	438.56
St. Anthony	1	385.16	385.16							1	385.16	385.16
St. Joseph's	1	21.95	21.95							1	21.95	21.95
St. Luke's	1	15.00	15.00							1	15.00	15.00
Swedish	1	220.00	220.00							1	220.00	220.00
Total outpatient	20	118.36	2,367.22				6	121.78	730.68	26	119.15	3,097.90
VA hospital										26	59.00	1,534.00
Difference											60.15	1,563.90

FUNDING FOR U.S. TRAVEL AND TOURISM ADMINISTRATION

Mr. WARNER. Mr. President, American travel and tourism businesses earned about $200 billion in 1983, making travel and tourism the second largest retail industry in the United States.

Nearly 7 million Americans work directly or indirectly in travel and tourism, and the industry is of prime economic importance in most large cities and all but a handful of States.

In fact, the travel and tourism industry has contributed mightily to the economic recovery we have enjoyed for these past 2 years.

Despite this upbeat economic assessment, the United States continues to lose shares of the massive $110,000 billion international tourism market.

After 20 years of annual increases, the number of foreign tourists visiting the United States declined in 1982 and again last year when 21.6 million foreign travelers came to this country.

At the same time, the number of Americans traveling overseas in 1983 increased by 7 percent over 1982 to 24.5 million.

The United States drew 13.6 percent of the world's international tourists in 1976; in 1983 the U.S. share of the world tourism market fell to 10.1 percent.

Industry analysts say that each percent of the world tourism market equals about $1 billion in receipts, $165 million in Federal, State, and local tax revenues, and 28,500 jobs.

In addition to the strength of the U.S. dollar overseas, many leaders in the U.S. travel industry believe that the declining state of America's position in the world travel market is due to the Federal Government's failure to aggressively advertise the United States as a vacation spot for foreign tourists.

Overseas tourism promotion is the only way that governments compete against government, and the United States has not done a very good job.

Since the days I served as administrator of the Bicentennial, I have aggressively advocated greater involvement by the Federal Government in promoting travel to the United States.

In all candor, I have to admit that the collective efforts of many have not been very persuasive.

When I first came to the Senate I joined with Senator INOUYE, Senator Cannon, and others to forge the National Tourism Policy Act, which improved the status of the Commerce Department agency responsible for this activity.

As a part of that legislation we attempted to raise the appropriation for the agency to keep pace with the competition.

We were soundly defeated.

Then we organized the Senate Tourism Caucus, and again we attempted to raise the appropriation.

But again we were defeated.

Then, with the election of President Reagan, we obtained the nomination of individuals whom we thought would be more persuasive as heads of the U.S. Travel and Tourism Administration and who would aid us in our efforts.

Well, they lent their support, but the administration continued to resist—that is, until last year.

Then, last year, with the unified support of Democrats and Republicans, with the unified support of the Senate Tourism Caucus—which Senator SASSER and I cochair—the support of the Congressional Travel and Tourism Caucus—headed by Congressmen BADHAM and BONER—and the support of the entire travel and tourism industry, things began to change.

Last year we pushed through a 3-year authorization for $13, $14, and $15 million, and we obtained an appropriation of $10 million.

This year we pushed through a 1-year authorization of $14 million, and this bill contains an appropriation of $13 million.

Mr. President, we are making headway.

America is on the rebound.

The U.S. Travel and Tourism Administration, under the leadership of Under Secretary Donna Tuttle, is doing a superb job; and the U.S. share of the international travel market is on the rise.

The Senator from Virginia, who is also the cochairman of the Senate Tourism Caucus, is pleased to acknowledge his enthusiastic support for the appropriation for USTTA, and thanks the chairman of the Appropriations Committee, Mr. HATFIELD, and the chairman of the Commerce Subcommittee, Mr. LAXALT, for their support and willingness to support this level of appropriation for this very vital but very inexpensive Federal agency.

With these funds, this Senator is confident that USTTA can effectively implement the international marketing plan which the industry and USTTA have labored for more than a year to create.

With this plan, I am confident that the United States can regain the share of the international travel market which it lost over the past 8 years.

With these funds, USTTA can spread the message—around America and around the world—which our forefathers pervaded more that 200 years ago.

America—the land of freedom—is the best travel attraction in the world.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Saunders, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 3:33 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4997) to au-

thorize appropriations to carry out the Marine Mammal Protection Act of 1972, for fiscal years 1985 through 1988, and for other purposes.

The message also announced that the House agrees to the amendments of the Senate to the bill (H.R. 4616) to amend the surface Transportation Assistance Act of 1982 to require States to use at least 8 per centum of their highway safety apportionments for developing and implementing comprehensive programs concerning the use of child-restraint systems in motor vehicles, and for other purposes.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 5154) to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes.

The message also announced that the House has passed the bill (S. 2463) to authorize appropriations of funds for certain fisheries programs, and for other purposes, with an amendment, it insists upon its amendments to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. JONES of North Carolina, Mr. BREAUX, Mr. STUDDS, Mr. D'AMOURS, Mr. PRITCHARD, Mr. YOUNG of Alaska, and Mr. CARNEY as managers of the conference on the part of the House.

The message further announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5753) making appropriations for the legislative branch for the fiscal year ending September 30, 1985, and for other purposes, and that the House recedes from its disagreement to the amendments of the Senate numbered 1 and 12 to the bill, and concurs therein.

The message also announced that the House agrees to the amendment of the Senate to the bill (H.R. 5155) to establish a system to promote the use of land remote-sensing satellite data, and for other purposes, with an amendment, in which it requests the concurrence of the Senate.

The message further announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 5885. An act to authorize appropriations for Head Start, Follow Through, and Native American Programs, to establish a program to provide child care information and referral services, and for other purposes; and

H.J. Res. 566. Joint resolution to designate the week beginning on October 7, 1984, as "National Neighborhood Housing Services Week".

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 321. Concurrent resolution expressing the sense of the Congress with respect to the adverse impact of early projections of election results by the news media.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bills and joint resolutions:

S. 373. An act to provide for a comprehensive national policy with national research needs and objectives in the Arctic, for a National Critical Materials Council, for development of a continuing and comprehensive national materials policy, for programs necessary to carry out that policy, including Federal programs of advanced materials research and technology, and for innovation in basic materials industries, and for other purposes;

S. 2375. An act to amend the Small Business Act to improve the operation of the secondary market for loans guaranteed by the Small Business Administration;

S.J. Res. 59. Joint resolution to authorize and request the President to designate February 27, 1986, as "Hugo LaFayette Black Day";

S.J. Res. 150. Joint resolution to designate August 4, 1984, as "Coast Guard Day";

S.J. Res. 230. Joint resolution to designate the week of October 7, 1984, through October 13, 1984, as "National Birds of Prey Conservation Week";

S.J. Res. 238. Joint resolution to designate the week beginning November 19, 1984, as "National Adoption Week";

S.J. Res. 257. Joint resolution to designate the period July 1, 1984, through July 1, 1985, as the "Year of the Ocean";

S.J. Res. 270. Joint resolution designating the week of July 1 through July 8, 1984, as "National Duck Stamp Week" and 1984 as the "Golden Anniversary Year of the Duck Stamp";

S.J. Res. 278. Joint resolution to commemorate the one hundredth anniversary of the Bureau of Labor Statistics;

S.J. Res. 297. Joint resolution to designate the month of June 1984 as "Veterans' Preference Month";

S.J. Res. 298. Joint resolution to proclaim the month of July 1984 as "National Ice Cream Month" and July 15, 1984, as "National Ice Cream Day"; and

S.J. Res. 303. Joint resolution to designate the week of December 9, 1984, as "National Drunk and Drugged Driving Awareness Week".

H.J. Res. 548. Joint resolution authorizing the President's Commission on Organized Crime to compel the attendance and testimony of witnesses and the production of information, and for other purposes.

The enrolled bills were subsequently signed by the President pro tempore [Mr. THURMOND].

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 5885. An act to authorize appropriations for Head Start, Follow Through, and Native American Programs, to establish a program to provide child care information and referred services, and for other purposes; to the Committee on Labor and Human Resources.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 321. Concurrent resolution expressing the sense of the Congress with respect to the adverse impact of early projections of election results by the news media; to the Committee on Commerce, Science, and Transportation.

MEASURES HELD AT THE DESK

The following joint resolution was held at the desk pursuant to the order of June 27, 1984:

H.J. Res. 566. Joint resolution to designate the week beginning on October 7, 1984, as "National Neighborhood Housing Services Week".

MEASURES PLACED ON THE CALENDAR

The Committee on the Judiciary was discharged from the further consideration of the following joint resolutions, which were placed on the calendar:

S.J. Res. 293. Joint resolution to designate July 17, 1984, as "Spanish American War Veterans Day"; and

H.J. Res. 604. Joint resolution to designate July 9, 1984, as "African Refugee Relief Day".

ENROLLED BILLS AND JOINT RESOLUTIONS PRESENTED

The Secretary reported that on today, June 28, 1984, he had presented to the President of the United States the following enrolled bills and joint resolutions:

S. 2375. An act to amend the Small Business Act to improve the operation of the secondary market for loans guaranteed by the Small Business Administration;

S.J. Res. 59. Joint resolution to authorize and request the President to designate February 27, 1986, as "Hugo LaFayette Black Day";

S.J. Res. 150. Joint resolution to designate August 4, 1984, as "Coast Guard Day";

S.J. Res. 230. Joint resolution to designate the week of October 7, 1984 through October 13, 1984, as "National Birds of Prey Conservation Week";

S.J. Res. 238. Joint resolution to designate the week beginning November 19, 1984, as "National Adoption Week";

S.J. Res. 257. Joint resolution to designate the period July 1, 1984, through July 1, 1985, as the "Year of the Ocean";

S.J. Res. 270. Joint resolution designating the week of July 1 through July 8, 1984, as "National Duck Stamp Week" and 1984 as the "Golden Anniversary Year of the Duck Stamp";

S.J. Res. 278. Joint resolution to commemorate the one hundredth anniversary of the Bureau of Labor Statistics;

S.J. Res. 297. Joint resolution to designate the month of June 1984 as "Veterans' Preference Month";

S.J. Res. 298. Joint resolution to proclaim the month of July 1984 as "National Ice Cream Month" and July 15, 1984, as "National Ice Cream Day"; and

S.J. Res. 303. Joint resolution to designate the week of December 9, 1984, as "National Drunk and Drugged Driving Awareness Week".

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3452. A communication from the Assistant Secretary of Agriculture for Natural Resources and Environment, transmitting a draft of proposed legislation entitled the "National Forest Recreation Use Fee Act of 1984"; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3453. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on three violations of law involving apportionment of funds in excess of approved appropriations; to the Committee on Appropriations.

EC-3454. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on United States expenditures in support of NATO; to the Committee on Armed Services.

EC-3455. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Magnuson Fishery Conservation and Management Act, as amended, to authorize certain actions with regard to foreign fishing vessel permits for unsafe conditions, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EC-3456. A communication from the General Counsel of the Department of Energy, transmitting, pursuant to law, a notice of meetings related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-3457. A communication from the Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, a Presidential determination relative to deferred payment for purchase by El Salvador under section 21(d) of the Arms Export Control Act; to the Committee on Foreign Relations.

EC-3458. A Communication from the Special Counsel of the Merit Systems Protection Board, transmitting, pursuant to law, a report of the Administrator of Veterans' Affairs investigation of allegations of danger to public health and safety at the Veterans Administration Medical Center, Philadelphia, Pennsylvania; to the Committee on Governmental Affairs.

EC-3459. A Communication from the Director of the National Oceanic and Atmospheric Administration Corps, transmitting, pursuant to law, the annual report on the NOAA Corps Pension Plan for calendar year 1983; to the Committee on Governmental Affairs.

EC-3460. A Communication from the Secretary of Education, transmitting, pursuant to law, application notice and interpretations for the Emergency Immigrant Education Assistance Program; to the Committee on Labor and Human Resources.

EC-3461. A Communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Recruitment and Information Program; to the Committee on Labor and Human Resources.

EC-3462. A Communication from the Secretary of Education, transmitting, pursuant to law, final priorities for Special Projects and Demonstration for Providing Vocational Rehabilitative Services to Severely Disabled Persons program; to the Committee on Labor and Human Resources.

EC-3463. A Communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Regional Resource Centers Program; to the Committee on Labor and Human Resources.

EC-3464. A Communication from the Secretary of Education, transmitting, pursuant to law, final regulations for postsecondary education programs for handicapped persons; to the Committee on Labor and Human Resources.

EC-3465. A Communication from the Secretary of Education, transmitting, pursuant to law, final priorities for education media research production, distribution, and training program; to the Committee on Labor and Human Resources.

EC-3466. A communication from the Clerk of the U.S. Claims Court transmitting, pursuant to law, the Court's judgment order for the plaintiffs in the Shoshone-Bannock Tribes of the Fort Hall Reservation, Idaho v. The United States; to the Committee on Appropriations.

EC-3467. A communication from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a report on a foreign military assistance sale to Kuwait; to the Committee on Armed Services.

EC-3468. A communication from the Administrator of the Panama Canal Commission transmitting, pursuant to law, a report on and submission of claims for damage to a vessel in passage through the canal; to the Committee on Armed Services.

EC-3469. A communication from the Assistant Secretary of the Army for Manpower and Reserve Affairs transmitting a draft of proposed legislation to facilitate the transfer of personnel to and from the temporary disability retirement list; to the Committee on Armed Services.

EC-3470. A communication from the President and Chairman of the Export-Import Bank transmitting, pursuant to law, a report on transactions with Communist countries during May 1984; to the Committee on Banking, Housing, and Urban Affairs.

EC-3471. A communication from the Secretary of Transportation transmitting, pursuant to law, the annual report on the status of the public ports of the U.S. for calendar years 1982 and 1983; to the Committee on Commerce, Science, and Transportation.

EC-3472. A communication from the Secretary of Energy transmitting, pursuant to law, a report on progress by State authorities and nonregulated utilities in complying with the Public Utility Regulatory Policies Act of 1978; to the Committee on Energy and Natural Resources.

EC-3473. A communication from the Manager, Compensation and Benefits, Farm Credit Banks of St. Louis transmitting, pursuant to law, the annual report on their pension plan for 1983; to the Committee on Governmental Affairs.

EC-3474. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-3475. A communication from the Secretary of Education transmitting, pursuant to law, a report on the status of vocational education in fiscal year 1983; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-707. A resolution adopted by the General Court of the Commonwealth of Massachusetts; to the Committee on Armed Services.

"RESOLUTIONS

"Whereas, a reserve officers training corps (R.O.T.C.) for students in high schools, including district and regional high schools, would promote and foster good citizenship and assure the country of an adequate defense at all times; and

"Whereas, students, upon being commissioned to the rank of second lieutenant, ensign, or equal rank would be required after accepting said commission, to serve five consecutive years in the reserves, with a thirty to forty-five day tour of duty; and

"Whereas, if our Federal Government can afford to give away tens of billions of dollars in our national defense, then surely we can afford to pay with Federal funds for a Reserve Officers Training Corps (R.O.T.C.) for high school students; now therefore be it

Resolved, That the Massachusetts General Court respectfully urges the Congress of the United States to establish and pay for, with Federal funds, a Reserve Officer Training Corps (R.O.T.C.) for students in high schools; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Clerk of the Senate to the President of the United States, to the Presiding Officer of each branch of Congress, and to the Members thereof from the Commonwealth."

POM-708. A resolution adopted by the Baltic Nations Committee of Michigan, Inc. relating to the oppression by the Soviet Union of the Baltic people; to the Committee on Foreign Relations.

POM-709. A resolution adopted by the International Institute of Municipal Clerks calling for the separation of the National Archives from the General Service Administration; to the Committee on Governmental Affairs.

POM-710. Joint resolution adopted by the Legislature of the State of California; to the Committee on Governmental Affairs.

"RESOLUTION

"Whereas, The United States General Services Administration has notified the Corona-Norco Unified School District through the United States Department of Education that certain land at the Naval Weapons Station, China Lake, Corona Annex, Norco, California has been declared surplus property and available for disposition; and

"Whereas, Public schools in the State of California do not have an effective means of funding the acquisition and construction of public school facilities; and

"Whereas, The existing educational facilities of the Corona-Norco Unified School District are at or near capacity; and

"Whereas, The Corona-Norco Unified School District has on file tract maps for the construction of 19,287 new homes and is aware of local planning department expectations for massive additional individual construction; and

"Whereas, The Corona-Norco Unified School District is interested in the acquisition of the area designated as Parcel A, 79.75 acres, to be used for public school facilities; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the United States General Services Administration to redesignate Parcel A of the Naval Weapons Center surplus property as a public benefit conveyance; and be it further.

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States and to the Administrator of General Services."

POM-711. Joint resolution adopted by the Legislature of the State of California; to the Committee on Governmental Affairs.

"RESOLUTON

"Whereas, The Corona/Norco area will become a part of the Riverside Community College District beginning July 1, 1984; and

"Whereas, The United States General Services Administration has identified a portion of the Naval Weapons Station, China Lake, Corona Annex, also known as the Fleet Analysis Center, as surplus government property and available for disposal; and

"Whereas, Corona, Norco, Mira Loma, Lake Matthews, and Temescal Canyon are areas experiencing great residential growth and are projected to be one of the fastest growing areas in the entire nation in the next decade; and

"Whereas, The Riverside City College campus will be unable to accommodate the projected growth in the decades ahead; and

"Whereas, Additional campuses will enable the Riverside Community College District to broaden its curricular offerings and thereby benefit more students; and

"Whereas, Local residents use community college campuses for community services purposes and as cultural and recreational centers; and

"Whereas, Other community college districts have obtained federal land for their campuses as a public benefit conveyance; and

"Whereas, Large parcels of land suitable for community college campuses are becoming increasingly difficult to obtain; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California respectfully memorializes the United States General Services Administration to redesignate parcel C-Z of the Naval Weapons Center surplus property as a public benefit conveyance; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States and to the Administrator of General Services."

POM-712. A concurrent resolution adopted by the Legislature of the State of Mississippi; to the Committee on the Judiciary.

"SENATE CONCURRENT RESOLUTION No. 527

"Whereas, the delay between convictions and the carrying out of executions in death penalty cases is far too long; and

"Whereas, the Mississippi case involving the execution of Jimmy Lee Gray is an example of this delay; and

"Whereas, Jimmy Lee Gray was first convicted of the June, 1976, capital murder of three year old Deressa Jean Scales in December of 1976, and the death sentence was finally imposed on September 2, 1983, almost seven years after the date of his first conviction; and

"Whereas, Jimmy Lee Gray was tried twice and his convictions were reviewed 82 times by 26 state and federal judges; and

"Whereas, his case was acted upon by the United States Supreme Court at least five times; and

"Whereas, at the time of the execution of Jimmy Lee Gray, there were more than 1,050 inmates in the death rows of 38 states; and

"Whereas, the death penalty has been carried out only eight times since the United States Supreme Court has ruled that it is not in all cases unconstitutional; and

"Whereas, there is wide public support of the death penalty with one recent poll finding that 73.1% of those surveyed favor it; and

"Whereas, upon the rejection of Jimmy Lee Gray's last minute appeal to the United States Supreme Court to attempt to avoid execution, Chief Justice Burger wrote, "This case illustrates a recent pattern of calculated efforts to frustrate valid judgments after painstaking judicial review over a number of years; at some point there must be finality"; and

"Whereas, it is incumbent upon the Congress of the United States to pass legislation to accelerate federal post-conviction review of death penalty cases so that "calculated efforts to frustrate valid judgments" after fair judicial review may be stopped:

"Now, therefore,

Be it resolved by the Mississippi State Senate, the House of Representatives concurring therein, That we do hereby memorialize Congress to pass legislation that will accelerate federal post-conviction review of death penalty cases.

"Be it further resolved, That a copy of this Resolution be sent to the President of the United States and the Members of the Mississippi Congressional Delegation."

POM-713. A resolution adopted by the Los Angeles County Board of Supervisors proclaiming Friday, July 20, 1984 as "POW/MIA Recognition Day"; to the Committee on the Judiciary.

POM-714. A resolution adopted by the Borough of Kenai Peninsula, Alaska urging Congress to enact legislation that would extend to local governments and officials the same protection from antitrust liability as enjoyed by states; to the Committee on the Judiciary.

POM-715. A joint resolution adopted by the Legislature of the State of California; to the Committee on Labor and Human Resources.

"RESOLUTION

"Whereas, Computer education can play an integral role in revitalizing California education; and

"Whereas, California's economic competitiveness is dependent upon our students receiving a quality education; and

"Whereas, The ability to use computer related skills will be valuable in the future economy; and

"Whereas, California schools are able to use modern technology, especially computers, to better educate our students; and

"Whereas, Computers can be used by students in all disciplines and at all achievement levels; and

"Whereas, Computers can be used not only for drill and practice and programming, but for word processing, quantitative analysis, data base analysis, and graphics; and

"Whereas, The federal government is in the unique financial position of being able to provide substantial funding for computer education needs; and

"Whereas, There is a demonstrated need to target computer education resources to disadvantaged, or Title 1, schoolchildren; and

"Whereas, The California Legislature would like to express to the President and Congress the desire of the Legislature to encourage a federal and state partnership in the promotion of substantial, innovative, and accessible computer education; now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature of the State of California memorializes the President and Congress of the United States to support the efforts of United States Senator Frank Lautenberg to provide the framework for accessible and quality computer education; and be it further

"Resolved, That legislation is commendable which targets funds to where the need is the greatest; and be it further

"Resolved, That the Legislature supports legislation which provides federal seed funding to schools, and flexible guidelines for the use of those funds for planning, acquisition, and teacher training; and be it further

"Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States, and to United States Senator Frank Lautenberg."

POM-716. A resolution adopted by the Municipal Clerks of Illinois relating to H.R. 1250, registration and voting accessibility for the Handicapped and Elderly; to the Committee on Rules and Administration.

POM-717. A concurrent resolution adopted by the Legislature of the State of Kansas; to the Committee on the Judiciary.

"HOUSE CONCURRENT RESOLUTION No. 5059

"Whereas, In 1890, Congress enacted the Sherman Antitrust Act (15 U.S.C. § 1 et seq.) to prohibit conspiracies 'in restraint of trade or commerce among the several states or with foreign nations'; and

"Whereas, The United States Supreme Court has consistently held that among the practices prohibited by the act is that of 'vertical price fixing' or 'resale price maintenance,' wherein manufacturers dictate the price that wholesalers or retailers must charge for their product; and

"Whereas, In 1975, Congress enacted the Consumer Goods Pricing Act of 1975, Public Law 94-145, revoking the states' authority to allow resale price maintenance under

'fair trade laws,' further indicating its support for the prohibition against vertical price fixing developed by the courts under the Sherman Antitrust Act; and

"Whereas, Despite these indications that enforcement against vertical price fixing should be a priority, the Federal Trade Commission and the Justice Department have reduced enforcement in this area based upon a policy of minimal government interference in the marketplace; and

"Whereas, Vertical price fixing, however, infringes upon the retailer's right to free trade and competition and the consumer's expectation of the best benefits of that competition; and

"Whereas, Congress and the President should renew their support of and belief in the principles of free trade by specifically prohibiting the practice of vertical price fixing: Now, therefore,

"Be it resolved by the House of Representatives of the State of Kansas, the Senate concurring therein: That the United States Congress and the President of the United States are respectfully memorialized to address the issue of vertical price fixing by calling upon the Attorney General of the United States and all other appropriate federal agencies to vigorously enforce the federal antitrust laws, including the prohibition against vertical price fixing.

"Be it further resolved: That the Secretary of State be directed to send enrolled copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and to each member of the Kansas Congressional Delegation."

POM-718. A concurrent resolution adopted by the Legislature of the State of Kansas; to the Committee on the Judiciary.

"SENATE CONCURRENT RESOLUTION No. 1672

"Whereas, Bills in the United States Congress contain several items of appropriation of money in distinct and divisible areas of national concern; and

"Whereas, The President of the United States does not possess the necessary constitutional authority to veto certain appropriation of money while at the same time giving approval to other appropriation of money if contained in the same appropriation bill; and

"Whereas, The President of the United States needs this line item veto power to effectively carry out the duties and responsibilities of his office; and

"Whereas, The absence of this constitutional authority leads to great inequity and unnecessary gamesmanship that only serves to impede governmental activity: Now, therefore,

"Be it resolved by the Senate of the State of Kansas, the House of Representatives concurring therein: That we urge Congress to adopt a constitutional amendment empowering the President of the United States to use line item vetoes on appropriation bills; and

"Be it further resolved: That the Secretary of State be directed to send enrolled copies of this resolution to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate and each member of the Kansas Congressional Delegation."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PERCY, from the Committee on Foreign Relations, with amendments:

S. 1910: A bill to adapt principles of the Administrative Procedures Act to assure public participation in the development of certain positions to be taken by the United States in international organizations, and for other purposes (Rept. No. 98-535).

By Mr. PERCY, from the Committee on Foreign Relations, without amendment:

S. 1177: A bill to amend title 4 of the United States Code to complete the official seal of the United States (Rept. No. 98-536).

By Mr. THURMOND, from the Committee on the Judiciary, with amendments:

S. 1876: A bill to allow advertising of any State sponsored lottery, gift enterprise, or similar scheme (Rept. No. 98-537).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, without amendment and an amended preamble:

S. Con. Res. 109: Concurrent resolution expressing the sense of the Congress that the Federal Government take immediate steps to support a national STORM program (Rept. No. 98-538).

By Mr. PACKWOOD, from the Committee on Commerce, Science, and Transportation, with amendments:

H.R. 5051: A bill to give permanent effect to the provisions of the Fishermen's Protective Act of 1967 relating to the reimbursement of United States commercial fishermen for certain losses incurred incident to the seizure of their vessels by foreign nations (Rept. No. 98-539).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with amendments:

S. 1770: A bill to extend the lease terms of Federal oil and gas lease numbered U-39711 (Rept. No. 98-540).

By Mr. McCLURE, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2157: A bill to clarify the treatment of mineral materials on public lands (Rept. No. 98-541).

By Mr. DOMENICI, from the Committee on the Budget, without amendment:

S. Res. 408: An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 2527.

S. Res. 409: An original resolution waiving section 303(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 2527.

By Mr. PERCY, from the Committee on Foreign Relations without amendment:

S. Res. 418: An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1177.

By Mr. GARN, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2819: An original bill to make essential technical corrections to the Housing and Urban Rural Recovery Act of 1983.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. TOWER, from the Committee on Armed Services:

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. Earl T. O'Loughlin, 382-26-5822FR, U.S. Air Force.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2807. A bill to designate the bridge on Highway 72 over the Richard B. Russell Reservoir between South Carolina and Georgia as the "Olin D. Johnston Bridge"; to the Committee on Environment and Public Works.

By Mr. COCHRAN:

S. 2808. A bill to designate certain national forest system lands in the State of Mississippi as wilderness, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DURENBERGER:

S. 2809. A bill to amend the Tariff Schedules of the United States to decrease the tariff on certain Canadian egg yolks; to the Committee on Finance.

By Mr. BOSCHWITZ:

S. 2810. A bill to provide that interest earned on certain passbook savings accounts shall be excluded from gross income of the taxpayer as an incentive to taxpayers to increase savings in local banks and savings institutions; to the Committee on Finance.

By Mr. TSONGAS (for himself, Mr. KENNEDY, Mr. BOSCHWITZ, and Mr. GORTON):

S. 2811. A bill to stimulate the development of State programs for skills training and education, consistent with the employment needs of the State and involving the active participation of business concerns in the State, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. HELMS:

S. 2812. A bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to article V of the Constitution; to the Committee on the Judiciary.

By Mr. HEINZ:

S. 2813. A bill for the relief of Dr. Mario Rubin and Adriana Rubin; to the Committee on the Judiciary.

By Mr. CHAFEE:

S. 2814. A bill to amend the Internal Revenue Code of 1954 to deny an employer a deduction for group health plan expenses unless such plan includes coverage for pediatric preventive health care; to the Committee on Finance.

By Mr. SYMMS (for himself, Mr. DIXON, Mr. McCLURE, Mr. BOREN, and Mr. HELMS):

S. 2815. A bill to repeal the changes made to section 483 of the Internal Revenue Code of 1954 by the Tax Reform Act of 1984; to the Committee on Finance.

By Mr. D'AMATO:

S. 2816. A bill to stem the tide of anti-semitism; to the Committee on Judiciary.

S. 2817. A bill to require the Secretary of Agriculture to conduct a pilot project involving the redemption of food stamp coupons through uninsured financial institutions; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. NICKLES:

S. 2818. A bill to provide a separate appropriation for all Congressional foreign travel, and for other purposes; to the Committee on Rules and Administration.

By Mr. GARN from the Committee on Banking, Housing, and Urban Affairs:

S. 2819. An original bill to make essential technical corrections to the Housing and Urban Rural Recovery Act of 1983; placed on the calander.

By Mr. BOREN (for himself and Mr. NICKLES):

S. 2820. A bill to name the Federal Building in McAlester, Oklahoma, the "Carl Albert Federal Building"; to the Committee on Environment and Public Works.

By Mr. MATHIAS (for himself and Mr. STEVENS):

S. 2821. A bill to amend title 5, United States Code, to improve protections for former spouses of Government officers and employees under the Civil Service retirement system and the Federal employees health benefits program, and for other purposes; to the Committee on Governmental Affairs.

By Mr. ABDNOR:

S. 2822. A bill to amend section 483 of the Internal Revenue Code of 1954 to provide that such section shall not apply to certain sales and exchanges of real property located in the United States used as a farm or in a closely held business; to the Committee on Finance.

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 2823. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in Dockets Numbered 59 and 13E before the Indian Claims Commission and docket numbered 13F before the United States Claims Court, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. NICKLES:

S. 2824. A bill to provide for the use and distribution of certain funds awarded the Wyandotte Tribe; to the Select Committee on Indian Affairs.

By Mr. BOSCHWITZ:

S. 2825. A bill for the relief of Gloria E. O'Connell; to the Committee on Armed Services

S. 2826. A bill for the relief of Arlene Mix; to the Committee on Armed Services

By Mr. MOYNIHAN:

S. 2827. A bill relating to the tariff classifications of certain silicone resins and materials; to the Committee on Finance.

S. 2828. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require the provision of automatic safety airbags in all automobiles beginning on or after September 1, 1986; to the Committee on Commerce, Science, and Transportation.

By Mr. BOSCHWITZ:

S. 2829. A bill for the relief of Allen Gam; to the Committee on the Judiciary.

By Mr. PRYOR (for himself, Mr. GRASSLEY, and Mr. SASSER):

S. 2830. A bill to limit the employment by Government contractors of certain former Government personnel; to the Committee on Governmental Affairs.

By Mr. TSONGAS:

S. 2831. A bill the relief of Fung-Ming Wong; to the Committee on the Judiciary.

By Mr. HATCH (for himself, Mr. D'AMATO, and Mrs. HAWKINS):

S. 2832. A bill to amend the Saccharin Study and Labeling Act; placed on the Calendar.

By Mr. NUNN (for himself and Mr. MATTINGLY):

S.J. Res. 325. Joint resolution to designate October 7, 1984, through October 13, 1984, as "National Children's Week"; to the Committee on the Judiciary.

By Mr. TSONGAS:

S.J. Res. 326. Joint resolution to readmit Georgia Tavoularis Moser to status and privileges of a citizen of the United States; to the Committee on the Judiciary.

By Mr. KASTEN:

S.J. Res. 327. Joint resolution to designate the week beginning September 2, 1984 as "Youth of America Week"; to the Committee on the Judiciary.

By Mr. D'AMATO:

S.J. Res. 328. Joint resolution to designate the week of October 7, 1984 as "National Drug Enforcement Officers Week"; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. GRASSLEY, Mr. NICKLES, Mr. RANDOLPH, Mr. KENNEDY, Mr. MITCHELL, Mr. RIEGLE, Mr. DOLE, Mr. MELCHER, Mr. BUMPERS, Mr. INOUYE, Mr. BURDICK, Mr. SYMMS, Mr. JEPSEN, Mr. GLENN, Mr. CHILES, Mr. DIXON, Mr. MOYNIHAN, Mr. PELL, Mr. EAST, Mr. THURMOND, Mr. TSONGAS, Mr. CHAFEE, Mr. LAUTENBERG, Mr. HATCH, Mr. ANDREWS, Mr. TRIBLE, Mr. LAXALT, Mr. MCCLURE, Mr. DURENBERGER, Mrs. HAWKINS, Mr. LUGAR, and Mr. QUAYLE):

S.J. Res. 329. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month"; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. GRASSLEY, Mr. NICKLES, Mr. RANDOLPH, Mr. KENNEDY, Mr. MITCHELL, Mr. RIEGLE, Mr. DOLE, Mr. MELCHER, Mr. BUMPERS, Mr. INOUYE, Mr. BURDICK, Mr. SYMMS, Mr. JEPSEN, Mr. GLENN, Mr. CHILES, Mr. DIXON, Mr. MOYNIHAN, Mr. PELL, Mr. EAST, Mr. THURMOND, Mr. TSONGAS, Mr. CHAFEE, Mr. LAUTENBERG, Mr. HATCH, Mr. ANDREWS, Mr. TRIBLE, Mr. LAXALT, Mr. MCCLURE, Mr. DURENBERGER, Mrs. HAWKINS, Mr. LUGAR, and Mr. QUAYLE):

S.J. Res. 330. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PERCY, from the Committee on Foreign Relations:

S. Res. 418. An original resolution waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 1177; to the Committee on the Budget.

By Mr. TSONGAS (for himself and Mr. PERCY):

S. Con. Res. 128. Concurrent resolution expressing the sense of the Congress that the Union of Soviet Socialist Republics should provide the United States Government with specific information as to the whereabouts, health, and legal status of Andrei Sakharov and Yelena Bonner, and for other purposes; to the Committee on Foreign Relations.

By Mr. MATSUNAGA (for himself, Mr. GORTON, Mr. HEFLIN, Mr. HOLLINGS, Mr. INOUYE, Mr. PACKWOOD, Mr. GARN, and Mr. RIEGLE):

S. Con. Res. 129. Concurrent resolution relating to space rescue; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HOLLINGS (for himself and Mr. THURMOND):

S. 2807. A bill to designate the bridge on Highway 72 over the Richard B. Russell Reservoir between South Carolina and Georgia as the "Olin D. Johnston Bridge"; to the Committee on Environment and Public Works.

OLIN D. JOHNSTON BRIDGE

Mr. HOLLINGS. Mr. President, across the illustrious and crowded spectrum of South Carolina history, few figures stand out as prominently as the late Senator Olin D. Johnston.

Olin Johnston was born near Hoena Patch, SC, in 1896, the child of a poor farming family. His teenage years were largely spent in the textile mill where he worked his way through high school. In 1917, Olin volunteered for duty in World War I and was assigned to the 42d Rainbow Division under Gen. Douglas A. MacArthur, where he served with honor and received a citation for bravery in action.

After the war, Olin returned to Wofford College in Spartanburg, SC, receiving his A.B. degree in 1921. One year later, at the age of 26, he was elected to represent his new home town of Spartanburg in the legislature. After a successful career in the statehouse, Olin Johnston was elected Governor of South Carolina in 1934 where he would change the State's history by becoming the first man to serve two 4-year terms.

Governor Johnston's career moved on to the national level when he defeated "Cotton Ed" Smith for the U.S. Senate in 1944. Senator Johnston would hold this office for 21 years where he served as the chairman of the Post Office and Civil Service Committee and was ranking Democrat on both the Agriculture and Judiciary Committees.

Olin D. Johnston's career was characterized by courage, energy, and innovation. His unwavering dedication to the people—especially the common working man—remains an example to us all. Respectfully known as Mr. Democrat in South Carolina, Olin was a devoted leader in the national party. As an ardent New Dealer, Johnston supported programs which still affect

millions of Americans—programs which remain as a testimony to his compassion and concern for the less fortunate.

Above all, Olin Johnston was a noble gentleman. His honest and pure character contained, according to former Majority Leader Mike Mansfield, "the qualities of homespun decency * * * human warmth * * * and friendly wisdom."

Mr. President, on a personal note, I challenged Olin Johnston in the Democratic primary in 1962. He beat me, in the only South Carolina election that I've ever lost, and earned my everlasting respect. Olin did not finish that term as he passed away April 18, 1965. On November 8, 1966, I was elected to finish his term and am privileged to continue to serve in the seat he distinguished for 21 years.

It is noteworthy that Olin's charming and talented daughter, Hon. Elizabeth Patterson, has continued in the Johnston tradition by representing the Spartanburg District in the South Carolina Senate today.

Senator Johnston was a prime mover of the dam now under construction at Trotters Shoals on the Savannah River that now bears the name of the late, great Senator from Georgia, Richard B. Russell. Senator Johnston worked equally as hard for the realization of this project which will bring major energy and recreational benefits to the surrounding areas of both States. It was long the understanding that the dam would be named for Senator Russell and the bridge for Senator Johnston as memorials to the outstanding efforts of two outstanding southern Senators to assist the citizens of their respective States.

Today, I am proud, on behalf of all the citizens of South Carolina, to introduce a bill to rename the bridge that carries Highway 72 over the Richard B. Russell Reservoir, between South Carolina and Georgia as the "Olin D. Johnston Bridge."

By Mr. DURENBERGER:

S. 2809. A bill to amend the Tariff Schedules of the United States to decrease the tariff on certain Canadian egg yolks; to the Committee on Finance.

TARIFF TREATMENT OF CANADIAN EGG YOLKS

● Mr. DURENBERGER. Mr. President, at the request of my colleague, Congressman FRENZEL, I introduce the following bill and ask that it be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2809

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

SECTION 1. CERTAIN CANADIAN EGG YOLKS.

Subpart E of part 4 of schedule 1 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by striking out items 119.65 and 119.70 and inserting in lieu thereof the following items with superior headings having the same indentation as "Poultry" in item 119.50:

"

	Egg yolks, if a product of Canada and processed from eggs that were produced in the United States and exported in the shell to Canada, and used for the extraction of lysozyme in Canada:		
119.64	Dried	5.5¢ per lb.	
119.66	Other	2.2¢ per lb.	
	Other:		
119.68	Dried	27¢ per lb.	27¢ per lb.
119.72	Other	5.5¢ per lb.	11¢ per lb. "

SEC. 2. EFFECTIVE DATE.

(a) IN GENERAL.—The amendment made by section 1 of this Act shall apply to articles entered, or withdrawn from warehouse, for consumption after the date which is 15 days after the date of enactment of this Act.

(b) REFUNDS.—The entry, or withdrawal from warehouse, for consumption of any article—

(A) which was made—

(i) after December 31, 1983, and

(ii) before the date which is 16 days after the date of enactment of this Act, and

(B) with respect to which a lesser duty would have been imposed if the amendment made by section 1 of this Act applied to such entry,

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930, or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the date which is 16 days after the date of enactment of this Act if the importer of such article or the consignee or agent thereof files with the appropriate customs officer on or before the date which is 90 days after the date of enactment of this Act a request for such liquidation or reliquidation.●

By Mr. BOSCHWITZ:

S. 2810. A bill to provide that interest earned on certain passbook savings accounts shall be excluded from gross income of the taxpayer as an incentive to taxpayers to increase savings in local banks and savings institutions; to the Committee on Finance.

PASSBOOK SAVINGS INCENTIVE ACT

● Mr. BOSCHWITZ. Mr. President, today I am introducing legislation which will encourage savings by our country's small savers, and provide a stable source of deposits for banks, credit unions, and savings and loan associations. I believe that linking these two goals together will increase the pool of savings available for investment and help decrease the wide fluctuations in interest rates.

In recent years, the rate of savings in this country has declined. Indeed, the United States has had the lowest per capita rate of personal savings among the world's industrial nations and the lowest rate of personal savings since 1949. A comparison of the savings rates of the United States, France, Germany, Great Britain, and Japan clearly shows that we are lagging behind in savings. From 1976 to 1982, the average savings rate in the United States was 6.1 percent. Great Britain's savings rate was 12.3 percent—more than twice ours. Both France and Germany saved about 2½ times as much as we did. And, Japan's average savings rate was a remarkable 19.9 percent—over three times more than our savings rate. This large discrepancy is further compounded by a steep drop in our savings rate from 5.8 percent in 1982 to 4.8 percent in 1983.

It is vital that we increase our personal savings rates because increased savings provide increased capital for investment. And investment is necessary for the economy to grow and prosper. Increasing personal savings also provides individuals with financial security in the event of major catastrophes, planning for the education of children, and providing for retirement.

Increased savings that are deposited in banks, credit unions, and S&L's can also help stabilize, and hopefully reduce, interest rates. As we are all too painfully aware, interest rates have fluctuated widely in the past few years. From a record-setting high of over 21 percent, interest rates have come down 11 to 12 percent—but clearly these rates are still too high and we must work hard to get them even lower.

Part of the reason interest rates remain high is because the Federal Government has to borrow to finance the budget deficits. The more the Government borrows, less money remains available for individual and business uses—money becomes scarce. And when money gets scarce, it costs more—which means that interest rates rise.

Another part of the problem is that banks, credit unions, and S&L's have been paying higher rates of interest on consumer deposits. These rates certainly benefit the depositors, but that's only one side of the coin. The interest rate paid to depositors is the financial institution's cost of money. To make a profit, an institution must earn more from the money it lends to its customers than what it pays to its depositors. So, when a financial institution pays high rates to its depositors, it has to charge higher rates on its loans.

I believe that my legislation will increase savings and help stabilize interest rates. Very simply, my legislation will allow an individual saver to earn up to $5,000 of interest tax-free each year. Couples that file jointly could earn up to $10,000 tax-free interest each year. There is only one condition—the interest must be earned on a savings account in a bank, credit union, or S&L that pays no more than 6 percent interest. Because savers won't have to pay tax on the interest, the actual after-tax earnings will be

equivalent to higher rates of interst—from 8 to 10 percent or more—if the interest income were taxable. At the same time, financial institutions will only have to pay depositors 6 percent, so they will not have to charge very high rates on some of their loans.

Mr. President, there is a clear need for this legislation. I am pleased to note that similar legislation—H.R. 5678—has been introduced in the House of Representatives. I urge my colleagues to carefully consider this legislation and join me in this effort to stimulate increased savings by America's savers.●

By Mr. TSONGAS (for himself, Mr. KENNEDY, Mr. BOSCHWITZ, and Mr. GORTON):

S. 2811. A bill to stimulate the development of State programs for skills training and education, consistent with the employment needs of the State and involving the active participation of business concerns in the State, and for other purposes; to the Committee on Labor and Human Resources.

U.S. SKILLS CORPORATION ACT

● Mr. TSONGAS. Mr. President, I am pleased to introduce today the U.S. Skills Corporation Act. Senators KENNEDY, BOSCHWITZ, and GORTON join me in sponsoring this important piece of legislation which continues the tradition of public-private partnerships by involving private business concerns, educational institutions, and the States in an effort to provide industry responsive education and training programs.

When companies innovate or move into new fields they often experience difficulties in finding appropriately trained workers or upgrading their own employees. The problems arise when a firm does not have the appropriate training program or cannot find it in the local community. For example, company X, a growing high technology firm, decides it wants to expand its product line by producing a new satellite communications product. In order to do so, it must hire five microwave engineers. Company X determines that it does not have the capacity to train them internally nor can it afford to develop one considering the costs involved for the small number of slots created. Next, local educational institutions are surveyed for microwave programs. None exist. It will now take much longer to hire the necessary personnel away from other companies. Innovation is delayed. The company may lose a business opportunity. Potential jobs are lost. The local and national economy suffer. As a result, the U.S. ability to compete in satellite communications internationally is diminished.

However, there can be a happier ending to this scenario. In Massachusetts, the Bay State Skills Corporation [BSSC], a quasi-public agency, has developed a program to encourage and facilitate the formation of new job training programs. Participating industries match State funds in a joint effort with educational institutions to provide these training programs. In its 2 years of existence, BSSC has entered into matching partnerships with over 400 Massachusetts companies. Training grants have been awarded to 70 educational institutions and 86 percent of the graduates in BSSC's matching grants programs have been placed successfully in jobs. As these figures suggest, this effort has been remarkably successful and contributed to the ability of Massachusetts to attract and keep growing companies.

The Bay State Skills Corporation model can be applied nationally. In fact, the States of Washington, Minnesota, and Kentucky have already established programs.

A U.S. Skills Corporation [USSC] will provide matching funds and Federal assistance to facilitate and encourage all States in establishing and operating skills corporations. To ensure that training is responisve to clearly defined industry needs, grant awards will be made for the development of new training projects jointly sponsored by industry and educational institutions at the State level, and requiring a 50 percent matching industry contribution. A brief summary of the bill follows.

A USSC is established to stimulate the development and assist the operating of State skills corporation through the provision of matching funds. In turn, the purpose of State skills corporations is to promote job training in high demand and high growth industries in response to clearly defined needs.

The structure of a State skills corporation will be determined by the Governor of each participating State. He or she will designate a quasi-public corporation, public nonprofit corporation, or State agency as its State skills corporation. These skills corporations will work with business and educational institutions to develop new job training programs at all levels—entry, intermediate, and advanced, after conducting needs analyses to determine what type of programs are actually needed but currently unavailable. The source of funding for these new education and training programs will be broken down as follows: 50 percent from business, 25 percent from the State, and 25 percent from the Federal Government. Federal funds will be distributed through three types of grants.

For States without currently operating skills corporations, currently 46 in number, a pool of funds will be distributed on a formula basis. These States will be eligible to receive funds according to the size of their civilian labor force. All States will have 2 years to apply for a formula grant and $10 million will be available for each of the first 2 years of the program.

For the four States that have skills corporations currently in operation, Massachusetts, Minnesota, Washington, and Kentucky, plus those States that establish corporations after enactment of the USSC, a separate pool of funds will be established. These moneys will be available for 5 years and increase from $5 million the first year, to $40 million the second year, and plateau at $75 million for each of the 3 remaining years. Applications for these funds will be judged through competition on the basis of merit. It is expected that by the end of the fifth year, all States skills corporations will be completely business and State supported.

Finally, a third category of funds will be available for discretionary funding by the USSC Director. One million dollars of each year's competitive funds pool will be available for innovative and experimental programs which can be supported with less than a 50-percent industry contribution.

The USSC will be established as a small independent agency, headed by a Director who is appointed by the President and confirmed by the Senate, and with an Advisory Board of 15 members from all relevant sectors, including business, labor, educational institutions, and the States. Finally, the USSC will serve not only to fund State programs, but to provide a clearinghouse function for information regarding skills corporations and the organization and sponsorship of relevant educational activities, such as conferences, studies, and reports.

In closing, I stress the partnership nature of this proposal. I believe it will join the creative energies of business, the States, and educational institutions in a productive effort to assist economic development and create and upgrade jobs. It provides a role for the Federal Government in assisting economic growth, but allows the major thrust to come from the business community in cooperation with the States. Additionally, and very importantly, it retains a State focus; all individual projects are screened and evaluated on the State level. Thus responsiveness is assured and further bureaucracy avoided. I encourage my colleagues to review this piece of legislation and ask that hearings be held in the near future.

Many people had an important role in crafting this legislation. Susan K. Moulton, Eric Fenn Elbot, and Steve Shestakofsky of the Bay State Skills Corp., were invaluable in providing assistance, suggestions, and resources in the development of this proposal. Massachusetts Secretary of Economic Affairs Evelyn Murphy and Bill McDer-

mott of her staff should also be thanked for their support and assistance. I would also like to thank Senator KENNEDY and Kitty Higgins, minority staff director of the Labor and Human Resources Committee, for working closely with me and my staff on the proposal. Congressman JOE EARLY and Jon Oliver of his staff should also be thanked for their involvement and valuable assistance.

Mr. President, I ask unanimous consent that the text of the legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2811

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "United States Skills Corporation Act".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) the need for adequate and appropriate industry responsive job training and education programs, at all levels of training, is crucial for the economic growth of our Nation;

(2) a national partnership that includes Federal and State governments and business and industry can most effectively address the Nation's need for job training and education programs and provide skilled workers;

(3) skilled workers trained for positions of high demand and high growth will increase productivity and strengthen the competitive position of the United States in the world market and will permit industries to operate at improved levels of productivity;

(4) the cooperation between the job training system, educational institutions, and the private sector needs to be increased in order to meet the needs of business and industry for skilled employees; and

(5) Federal financial assistance is most effective when used to leverage additional funds and commitment from the private sector.

(b) It is the purpose of this Act—

(1) to stimulate the development of State programs of skills training and education consistent with employment needs and thereby promote economic growth;

(2) to promote increased cooperation among the employment and training system, educational institutions, and the private sector to better meet the needs of business and industry for skilled employees at both entry and advanced levels of employment;

(3) to promote the training, retraining, and advanced training of American workers for current positions and for occupations with future growth potential;

(4) to collect and disseminate information on employment needs as well as the availability of skills training and education; and

(5) to conduct conferences and studies which will increase communication and information on employment needs in the United States.

PROGRAM AUTHORIZED

SEC. 3. (a) The Director is authorized, in accordance with the provisions of this Act, to make grants to State skills corporations.

(b)(1) Subject to the provisions of paragraph (2), there are authorized to be appropriated $10,000,000 for formula grants and $5,000,000 for competitive grants in fiscal year 1985, $10,000,000 for formula grants and $40,000,000 for competitive grants in fiscal year 1986, and $75,000,000 for competitive grants for each of the fiscal years 1987, 1988, and 1989.

(2) From amounts appropriated for competitive grants in each fiscal year, the Director shall reserve an amount not to exceed $1,000,000 in each fiscal year for the purpose of carrying out section 8, relating to innovative grants.

(c) There are authorized to be appropriated such sums as may be necessary for the fiscal year 1985 and for each succeeding fiscal year ending prior to October 1, 1989, for administrative expenses relating to carrying out the provisions of this Act.

ELIGIBILITY OF STATE SKILLS CORPORATIONS

SEC. 4. (a) In order for the State to receive funds under this Act, the Governor of each State shall designate or establish a quasi-public corporation, a public nonprofit corporation, or a State agency, as the State skills corporation for the purpose of the Act.

(b) In order for the State to receive funds under this Act, the State skills corporation meeting the requirements of subsection (a) shall—

(1) have as one of its principal corporate purposes the provision of a program of skill training and education consistent with the employment needs of the State;

(2) receive matching funds from direct State appropriation; and

(3) receive financial support from business and industry in the State, together with information, technical assistance, and financial support from business concerns within the State.

(c) The State shall certify—

(1) that the Governor has designated a State skills corporation pursuant to subsection (a);

(2) that the requirements of subsection (b) are met; and

(3) that assistance from the Federal Government is essential to the success of the training and education programs conducted by the State skills corporation.

DISTRIBUTION OF ASSISTANCE; FORMULA GRANTS AND COMPETITIVE GRANTS

SEC. 5. (a) From amounts appropriated pursuant to section 3(b)(1) for each fiscal year for formula grants, the Director shall allot to each State which does not have a State skills corporation which meets the requirements of section 4(b) an amount which bears the same ratio to the civilian labor force of such State as the amount available for formula grants under section 3(b)(1) bears to the civilian labor force of all such States, except that no such State shall receive less than one-half of 1 percent of the amount being allotted for each fiscal year and no such State shall receive more than 10 percent of the amount being allotted for such fiscal year.

(b)(1) From the amounts appropriated pursuant to section 3 (b) (1) for each fiscal year for competitive grants, the Director shall make grants to States which have State skills corporations which meet the requirements of section 4 (b) and have applications approved under section 6.

(2) To the extent practicable, the Director shall distribute competitive grants among States having applications approved under section 6 on the basis of—

(A) the merits of the programs described in the application; and

(B) the need for training and education programs in the State making the application.

(c) Any portion of a State's allotment under subsection (a) for a fiscal year, which the Director determines will not be required for the period such allotment is available for carrying out the purposes of this Act, shall be available for reallotment from time to time, on such dates during such period as the Director may fix, to other States based on need and ability to expend the funds and taking into account the proportion of the original allotments made available to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Secretary estimates such State needs and will be able to use for such period for carrying out such portion of its State application approved under this Act, and the total reduction shall be similarly reallotted among the States whose proportionate amounts are not so reduced. The reallotment required by this subsection shall be made without regard to the maximum allotment percentage limitation specified in subsection (a) of this section. In carrying out the requirement of this subsection, the Director shall establish procedures for prompt reallotment of funds under this Act so as to assure the use of assistance whenever any State fails to submit an application. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

APPLICATIONS

SEC. 6. (a) Each State desiring to receive assistance under this Act shall submit an annual application to the Director at such time, in such manner, and containing or accompanied by such information as the Director may require.

(b) Each such application shall—

(1) describe the program for which assistance is sought, a proposed estimate of the costs of the program, and criteria to be used in selecting projects;

(2) provide assurances that at least 50 percent of the funds for the program described in the application will be furnished by business concerns within the State, except that 10 percent of the total funds contributed by State and Federal sources may be used for projects matched at less than 50 percent by business concerns within the State;

(3) provide assurances that the State, from State sources, will furnish 25 percent of the cost of such programs as specified in section 4(b)(2);

(4) in the case of a State which has not certified that the designee meets the requirements of section 4(b), provide assurances that the State will meet the requirements of section 4(b) during the period for which the application is made;

(5) provide an analysis of State training needs based on a realistic assessment of current job training programs, projected job growth within the State, and the ability of the project for which assistance is sought to improve the match between anticipated job openings and the training and education program described in the application;

(6) provide a description of how the State skills corporation activities supplement and are coordinated with programs assisted under the Job Training Partnership Act and the Vocational Education Act of 1963 as set forth in State plans developed for such programs;

(7) provide a description of any programs to be jointly administered by the State skills corporation and agencies or service delivery

areas funded under the Job Training Partnership Act;

(8) provide assurances that the State will, in conducting training under the programs assisted under this Act, not use proprietary institutions;

(9) provide assurances that the Senate will not use more than 5 percent of the amount paid to the State under this Act for administrative expenses;

(10) set forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this Act; and

(11) such other assurances as the Director determines are necessary to carry out the provisions of this Act.

(c)(1) In providing assurances under clause (5) of subsection (b) of this section, each State skills corporation shall furnish evidence that the analysis required was prepared with the cooperation of business concerns within the State, including private industry councils.

(2) In providing assurances under clause (6) of subsection (b) of this section, each State skills corporation shall furnish evidence that the State Job Training Coordinating council (SJTCC) established under section 122 of the Job Training Partnership Act has reviewed the application. If the SJTCC does not concur, the views and comments of the council will be forwarded with the application.

(d) An application may be filed, jointly, by one or more states under the provision of subsection (b) of this section.

(e) The Director may approve applications which meet the requirements of subsection (b) in the manner prescribed by section 5(b).

UNITED STATES SKILLS CORPORATION ESTABLISHED

SEC. 7. (a) There is established a United States Skills Corporation as an independent agency of the executive branch of the United States Government.

(b)(1) The Corporation shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) Section 5315 of title 5, United States Code, is amended by adding at the end thereof:

"Director, United States Skills Corporation.".

(c)(1) There is established in the United States Skills Corporation an advisory board on skills which shall consist of—

(A) the Secretary of Labor;

(B) the Secretary of Education;

(C) the Secretary of Commerce;

(D) the Director of the National Science Foundation;

(E) two State Governors;

(F) two chief executive officers of business concerns;

(G) two Presidents of labor organizations;

(H) two Presidents of institutions of higher education;

(I) one President of a professional society; and

(J) two Members of Congress.

(2)(A) Members of the advisory board described in clauses (E), (F), (G), (H), and (I) of paragraph (1) shall be appointed by the President.

(B)(i) One member of the advisory board described in clause (J) of paragraph (1) shall be appointed by the Speaker of the House of Representatives from among members of the House of Representatives.

(ii) One member of the advisory board described in clause (J) of paragraph (1) shall be appointed by the Majority Leader of the Senate from among members of the Senate.

(3) The advisory board appointed pursuant to paragraph (1) of this subsection shall assist the Director in approving applications submitted and approved under section 5(b) and section 6.

INNOVATIVE GRANTS

SEC. 8. (a) The Director from funds reserved pursuant to section 3(b)(2), may make grants to support skills corporation programs of an experimental nature.

(b) No grant may be made under this section unless the State skills corporation meets the requirements of section 6(b), except the requirement contained in clause (2) of section 6(b).

(c) The Director shall apply, to the extent practicable, the same approval procedures for application made for grants under this section as the Director applies to applications made under section 6.

INFORMATION ACTIVITIES

SEC. 9. (a) The Director is authorized to operate a clearinghouse on information with respect to State skills corporations and the programs and activities of such State skills corporations.

(b) In carrying out the functions of this section, the Director shall collect, analyze, and disseminate to the public information pertaining to the skills corporation and to such programs and activities.

(c) The Director is authorized to organize, sponsor, conduct, and encourage the conduct of special institutes, conferences, demonstration projects and studies which increase communication and cooperation among Federal, State, and local public agencies, business concerns, public and private institutions and organizations, particularly institutions involved in economic development, employment opportunities, and skills training and education.

ADMINISTRATIVE PROVISIONS

SEC. 10. (a) In order to carry out the provisions of this Act, the Corporation is authorized to—

(1) appoint and fix the compensation of such personnel as may be necessary to carry out the provisions of this Act, except that in no case shall employees be compensated at a rate to exceed the rate provided for employees in grade GS-18 of the General Schedule set forth in section 5332 of title 5, United States Code;

(2) procure temporary and intermittent services of experts and consultants as are necessary to the extent authorized by section 3109 of title 5, United States Code;

(3) prescribe such regulations as it deems necessary governing the manner in which its functions shall be carried out;

(4) receive money and other property donated, bequeathed, or devised, without condition or restriction other than it be used for the purposes of this Act; and to use, sell, or otherwise dispose of such property for the purpose of carrying out the functions of the Corporation under this Act;

(5) accept and utilize the services of voluntary and noncompensated personnel and reimburse them for travel expenses, including per diem, as authorized by section 5703 of title 5, United States Code;

(6) enter into contracts, grants, or other arrangements, or modifications thereof, to carry out the provisions of this Act, and such contracts or modifications thereof, with the concurrence of two-thirds of the members of the Advisory Board, be entered into without performance or other bonds, and without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5);

(7) make advances, progress, and other payments which the Board deems necessary under this Act without regard to the provisions of section 3324 of title 31, United States Code; and

(8) make other necessary expenditures.

(b) The Corporation shall submit to the President and to the Congress an annual report of its operations under this Act.

AUDITS AND REPORTS

SEC. 11. (a) The Comptroller General of the United States, and any of his authorized representatives shall have access, for the purpose of audit and examination to any books, documents, papers, and records, of any State skills corporation receiving assistance under this Act and to any recipient of any such corporation that are pertinent to the sums received and disbursed under this Act.

(b) The Director shall make a report to the President and to the Congress annually on the activities conducted with assistance under this Act, together with recommendations, including recommendations for legislation, for improvements and the program authorized by this Act.

PAYMENTS

SEC. 12. (a)(1) The Director shall pay, in the case of formula grants from the State's allotment, to each State having an application approved under section 6, the Federal share of the cost of carrying out programs described in the application.

(2) The Director shall pay, in the case of competitive grants to each State skills corporation having an application approved under section 6, the Federal share of the cost of developing and carrying out the approved application.

(b) (1) For each fiscal year, the Federal share shall be 25 percent.

(2) The contribution of business concerns may be in cash or in kind, fairly evaluated, including but not limited to planning expenses, plant, equipment, and services.

(c) Payments made under this Act may be made in installments and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments.

DEFINITIONS

SEC. 13. As used in this Act—

(1) the term "Corporation" means the United States Skills Corporation established by section 7;

(2) the term "Director" means the Director of the United States Skills Corporation; and

(3) the term "State" means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.●

● Mr. BOSCHWITZ. Mr. President, I am proud to join my Massachusetts colleagues in introducing the United States Skills Corporation Act.

The U.S. Skills Corporation (USSC) will provide grants to States to enable them to set up and run their own State jobs skills program. Its startup funding is $15 million, rising to $75 million after States have had a chance to get their programs underway.

The USSC, and the State Jobs Skills Programs that come out of it, is designed to get local businesses involved in the training of workers for needed, high-demand jobs, This involvement is

ensured by making business a full partner in any proposal—they must match the financial contribution of the Government. This match can be either funds or inkind: that is, equipment, services, personnel, or curriculum development. The business then has its share matched by grants from the State's skills corporation. The Skills Corporation funds would be made up of one-half State, one-half Federal. Overall, the funding ratio is 50 percent business, 25 percent State, and 25 percent Federal.

My State of Minnesota recently began its own Job Skill Partnership Program, modeling its efforts after the Bay State Skills Corporation begun in Massachusetts.

In its first round of grants, completed this April, three grants totaling $250,000 were made. In each case local businesses teamed up with local education/training organizations to develop and fund their proposal; 335 workers will receive training through these three grants. Several other projects will be funded later this year as Minnesota's budget for the program is $1.5 million.

The USSC itself is really no more than a Federal clearinghouse for the various State-run programs. We believe the States are in the best position to assess their employment needs, and feel a USSC program would give them an excellent tool to work with. The Federal USSC would only handle information flow and the sending of the Federal share back to participating States. The States themselves would make the decisions on which projects to award grants to.

One of the concerns often voiced about Federal job training programs is that we end up training people for the wrong jobs in the wrong region at the wrong time. One of the excellent aspects of this legislation is that it gets the training organizations working with those who will be doing the hiring. This way a match of job market demand and training programs is made—benefiting business, workers, and the State's economic picture.

It is for this basic reason I am supporting national USSC legislation. My State is seeing it work—and we wouldn't mind sharing it with the rest of the country.

I urge my colleagues to support this legislation, and to encourage their Governors to look at the Massachusetts and Minnesota programs.●

● Mr. KENNEDY. Mr. President, I am pleased to join with my distinguished colleague, Senator TSONGAS, in cosponsoring the United States Skills Corporation Act, to stimulate the development of State programs for skills training and education, consistent with the employment needs of the State. This legislation will also require active participation of business concerns in the State.

The United States Skills Corporation Act is modeled after a highly successful program in Massachusetts, the Bay State Skills Corporation, a quasi-public agency, that has developed a program to encourage and facilitate the formation of new job training programs. This program that was started in 1982 has been so successful that it has been copied by Illinois, Minnesota, and Washington State.

This concept pioneered in Massachusetts builds on the public-private partnerships launched under the Job Training Partnership Act. It genuinely addresses the needs of industry by involving industry; it speaks to labor by promoting the industries where the jobs of the future will be; it revitalizes the mission of American education, and serves government's need to stimulate economic growth.

This legislation would make $15 million in Federal money available to start corporations that would target training for high-growth, high-demand industries. The basic concept is to simply find out from business what skills it needs and then set up job training programs to fill the void, with business and the State providing the funding.

The training program is worked out between schools and businesses together and then brought to the skills corporation. Depending on the skill, the training runs from 6 to 18 months and serves all employment levels—entry, intermediate, and advanced. In my own State of Massachusetts, 300 companies have worked with 60 universities and community colleges throughout the State training more than 4,000 people in such areas as computer programming, robotics, genetic engineering, medical technology, the machine trades, and clerical work; 87 percent of the trainees found work immediately in their skill area. The key ingredient is that companies participate in every phase of the training program from curriculum design to intern evaluation.

These skilled workers, trained for positions of high demand and high growth, will increase productivity and strengthen the competitive position of the United States in the world market and will permit industries to operate at improved levels of productivity. A U.S. Skills Corporation is what we need where we need it.

Mr. President, I urge my colleagues to support this very important piece of legislation.●

By Mr. HELMS:

S. 2812. A bill to provide procedures for calling constitutional conventions for proposing amendments to the Constitution of the United States, on application of the legislatures of two-thirds of the States, pursuant to article V of the Constitution; to the Committee on the Judiciary.

FEDERAL CONSTITUTIONAL CONVENTION PROCEDURES ACT

Mr. HELMS. Mr. President, Senator Sam J. Ervin, Jr., a great American and a distinguished former Member of this body from North Carolina, has devoted his life and remarkable career to preserving the U.S. Constitution. He, as much as any other living American, has embodied in word and deed the same commitment to the principles of limited Government and individual liberty that our forefathers displayed when they drafted and ratified the Constitution. Indeed, he has been called the last of the Founding Fathers.

When Sam Ervin was serving in this body, he introduced legislation to govern the procedures at a constitutional convention called by the State legislatures under article V of the Constitution. It was my privilege, Mr. President, to offer substantially the same legislation in both the 95th and 96th Congresses. It is sound legislation, drafted with care by Senator Ervin, and would serve us well in the event a constitutional convention was called by the States. I offer it again today in light of the continuing interest of the State legislatures in this method of amending the Constitution.

As of this month, Mr. President, 32 of the necessary 34 State legislatures have asked for a convention to propose an amendment limiting deficit spending by Congress, and 19 have sought an amendment to prohibit abortion. Thus, it is a real possibility that we could face our first constitutional convention since the original one in 1787 in the near future.

Mr. President, when, by the terms of article V, the legislatures of two-thirds of the States petition Congress to call a convention for proposing amendments, Congress is obligated to provide for such a convention. This procedure does not involve State memorials to Congress which give rise to no more than a moral obligation on the part of Congress and have no legal effect. The legislation which I am introducing implements article V by establishing procedures for a constitutional convention.

One of the most significant questions in this issue is whether once two-thirds of the States have acted, can Congress call a convention limited solely to the consideration of a single, specified amendment or can the convention, once brought into existence, revise the entire Constitution?

Of course, there is nothing to prevent State legislatures from submitting petitions calling for a general or so-called wide-open convention. In fact, several States have done so. But to transform every petition, asking for a specific amendment, into a call for a convention of general jurisdiction constitutes a strained and simplistic inter-

pretation of article V at odds with the drafting of article V and the constitutional powers of the States.

Article V would be reduced to a nullity and absurdity if Congress is forced to call a general convention to rewrite the entire Constitution after receiving, for example, calls from 12 States seeking a balanced budget, 10 States wanting a limitation on overall taxation, and 12 more States seeking to limit Presidential tenure. The fact that Congress has received more than 400 different convention calls, and has not yet acted to call a general convention, suggests that a specific convention call mandates a limited convention.

In 1971, the Senate Judiciary Committee reported that it was the responsibility of Congress "to enact legislation which makes article V meaningful" and not to make the constructional convention a dead letter.

In 1973, a special study committee of the American Bar Association concluded that it is important and proper for Congress to establish procedures for implementation of an article V convention and "improper to place unnecessary and unintended obstacles in the way of its use." I believe that distorting the intention of the framers of the Constitution to require that any convention called under article V must be a general convention is just such an unnecessary obstacle.

As James Madison explained in Federalist No. 43, article V "guards equally against that extreme facility which would render the Constitution too mutable; and that extreme difficulty which might perpetuate its discovered faults. It moreover equally enables the general and the State governments to originate the amendment of errors as they may be pointed out by experience." The Founding Fathers clearly intended the convention method to be a workable, although not easy, method of balancing inaction in Congress.

On January 15, 1979, I introduced S. 3, which was identical to the bill I introduce today and which bore the same title. Substantially similar legislation passed the Senate in 1971 and 1973.

Writing in the 1968 Michigan Law Review on this subject, Senator Ervin said:

> The contention that any constitutional convention must be a wide open one is neither a practicable nor a desirable one. If the subject matter of amendments were to be left entirely to the convention, it would be hard to expect the States to call for a convention in the absence of a general discontent with the existing constitutional system. This construction would effectively destroy the power of the States to originate the amendment of errors pointed out by experience, as Madison expected them to do.

My legislation specifically provides that upon receipt of valid applications from two-thirds of the States requesting a convention on the same subject, Congress is required to call a convention by concurrent resolution, specifying in the resolution the nature of the amendment for which the convention is being called. My bill further provides that the convention may not propose amendments on other subjects, that the delegates to the convention must take an oath to that effect, and that if it does propose amendments in violation of the act, Congress may refuse to submit them to the States for ratification.

I believe that when a significant number of States call on Congress to propose a convention limited to a specific subject, that Congress will either limit the jurisdiction of such a convention or act favorably on the proposed amendment.

This legislation provides an evenhanded, nonpartisan, and fair resolution of the problems inherent in calling a convention under article V. It provides these procedures now, in the absence of a constitutional crisis in which a dispassionate resolution of the problems may not be possible.

The procedures which this legislation establishes do not favor or assist any particular call for a constitutional convention. Support of this proposal should not be viewed as support or opposition to any presently proposed constitutional amendment or convention call.

Mr. President, perhaps the best analysis of the problems involved in proposing amendments through a constitutional convention was written by Senator Ervin for the March 1968 issue of the Michigan Law Review. That article, entitled "The Convention Method of Amending the Constitution," was reprinted in the spring 1977 issue of the Human Life Review.

Mr. President, I ask unanimous consent that the following excerpts from former Senator Ervin's article and the text of the bill be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2812

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Constitutional Convention Procedures Act."

APPLICATIONS FOR CONSTITUTIONAL CONVENTION

SEC. 2. The legislature of a State, in making application to the Congress for a constitutional convention under article V of the Constitution of the United States, shall adopt a resolution pursuant to this Act stating, in substance, that the legislature requests the calling of a convention for the purpose of proposing one or more amendments to the Constitution of the United States and stating the nature of the amendment or amendments to be proposed.

APPLICATION PROCEDURE

SEC. 3. (a) For the purpose of adopting or rescinding a resolution pursuant to section 2 or section 5 of this Act, the State legislature shall follow the rules of procedure that govern the enactment of a statute by that legislature, but without the need of approval of the legislature's action by the Governor of the State.

(b) Questions concerning the adoption of a State resolution cognizable under this Act shall be determinable by the Congress of the United States and its decisions thereon shall be binding on all others, including State and Federal courts.

TRANSMITTAL OF APPLICATIONS

SEC. 4. (a) Within thirty days after the adoption by the legislature of a State of a resolution to apply for the calling of a constitutional convention, the secretary of state of the State, or, if there be no such officer, the person who is charged by the State law with such function, shall transmit to the Congress of the United States two copies of the application, one addressed to the President of the Senate and one to the Speaker of the House of Representatives.

(b) Each copy of the application so made by any State shall contain—

(1) the title of the resolution;

(2) the exact text of the resolution signed by the presiding officer of each house of the State legislature; and

(3) the date on which the legislature adopted the resolution; and shall be accompanied by a certificate of the secretary of state of the State, or such other person as is charged by the State law with such function, certifying that the application accurately sets forth the text of the resolution.

(c) Within ten days after receipt of a copy of any such application, the President of the Senate and Speaker of the House of Representatives shall report to the House of which he is presiding officer, identifying the State making application, the subject of the application, and the number of States then having made application on such subject. The President of the Senate and Speaker of the House of Representatives shall jointly cause copies of such application to be sent to the presiding officer of each house of the legislature of every other State and to each Member of the Senate and House of Representatives of the Congress of the United States.

EFFECTIVE PERIOD OF APPLICATION

SEC. 5. (a) An application submitted to the Congress by a State, unless sooner rescinded by the State legislature, shall remain effective for seven calendar years after the date it is received by the Congress, except that whenever within a period of seven calendar years two-thirds or more of the several States have each submitted an application calling for a constitutional convention on the same subject all such applications shall remain in effect until the Congress has taken action on a concurrent resolution, pursuant to section 6 of this Act, calling for a constitutional convention.

(b) A State may rescind its application calling for a constitutional covention by adopting and transmitting to the Congress a resolution of rescission in conformity with the procedure specified in sections 3 and 4 of this Act, except that no such rescission shall be effective as to any valid application made for a constitutional convention upon any subject after the date on which two-thirds or more of the State legislatures have valid applications pending before the Congress seeking amendments on the same subject.

(c) Questions concerning the rescission of a State's application shall be determined solely by the Congress of the United States

and its decisions shall be binding on all others, including State and Federal courts.

CALLING OF A CONSTITUTIONAL CONVENTION

SEC. 6. (a) It shall be the duty of the Secretary of the Senate and the Clerk of the House of Representatives to maintain a record of all applications received by the President of the Senate and Speaker of the House of Representatives from States for the calling of a constitutional convention upon each subject. Whenever applications made by two-thirds or more of the States with respect to the same subject have been received, the Secretary and the Clerk shall so report in writing to the officer to whom those applications were transmitted, and such officer thereupon shall announce on the floor of the House of which he is an officer the substance of such report. It shall be the duty of such House to determine that there are in effect valid applications made by two-thirds of the States with respect to the same subject. If either House of the Congress determines, upon a consideration of any such report or of a concurrent resolution agreed to by the other House of the Congress, that there are in effect valid applications made by two-thirds or more of the States for the calling of a constitutional convention upon the same subject, it shall be the duty of that House to agree to a concurrent resolution calling for the convening of a Federal constitutional convention upon that subject. Each such concurrent resolution shall (1) designate the place and time of meeting of the convention, and (2) set forth the nature of the amendment or amendments for the consideration of which the convention is called. A copy of each such concurrent resolution agreed to by both Houses of the Congress shall be transmitted forthwith to the Governor and to the presiding officer of each house of the legislature of each State.

(b) The convention shall be convened not later than one year after adoption of the resolution.

DELEGATES

SEC. 7. (a) A convention called under this Act shall be composed of as many delegates from each State as it is entitled to Senators and Representatives in Congress. In each State two delegates shall be elected at large and one delegate shall be elected from each congressional district in the manner provided by law. Any vacancy occurring in a State delegation shall be filled by appointment of the Governor of that State.

(b) The secretary of state of each State, or, if there be no such officer, the person charged by State law to perform such function shall certify to the Vice President of the United States the name of each delegate elected or appointed by the Governor pursuant to this section.

(c) Delegates shall in all cases, except treason, felony, and breach of the peace, be privileged from arrest during their attendance at a session of the convention, and in going to and returning from the same; and for any speech or debate in the convention they shall not be questioned in any other place.

(d) Each delegate shall receive compensation for each day of service and shall be compensated for traveling and related expenses. Provision shall be made therefor in the concurrent resolution calling the convention. The convention shall fix the compensation of employees of the convention.

CONVENING THE CONVENTION

SEC. 8. (a) The Vice President of the United States shall convene the constitutional convention. He shall administer the oath of office of the delegates to the convention and shall preside until the delegates elect a presiding officer who shall preside thereafter. Before taking his seat each delegate shall subscribe to an oath by which he shall be committed during the conduct of the convention to refrain from proposing or casting his vote in favor of any proposed amendment to the Constitution of the United States relating to any subject which is not named or described in the concurrent resolution of the Congress by which the convention was called. Upon the election of permanent officers of the convention, the names of such officers shall be transmitted to the President of the Senate and the Speaker of the House of Representatives by the elected presiding officer of the convention. Further proceedings of the convention shall be conducted in accordance with such rules, not inconsistent with this Act, as the convention may adopt.

(b) There are hereby authorized to be appropriated such sums as may be necessary for the payment of the expenses of the convention.

(c) The Administrator of the General Services shall provide such facilities, and the Congress and each executive department, agency, or authority of the United States, including the legislative branch and the judicial branch, except that no declaratory judgment may be required, shall provide such information and assistance as the convention may require, upon written request made by the elected presiding officer of the convention.

PROCEDURES OF THE CONVENTION

SEC. 9. (a) In voting on any question before the convention, including the proposal of amendments, each delegate shall have one vote.

(b) The convention shall keep a daily verbatim record of its proceedings and publish the same. The vote of the delegates on any question shall be entered on the record.

(c) The convention shall terminate its proceedings within one year after the date of its first meeting unless the period is extended by the Congress by concurrent resolution.

(d) Within thirty days after the termination of the proceedings of the convention, the presiding officer shall transmit to the Archivist of the United States all records of official proceedings of the convention.

PROPOSAL OF AMENDMENTS

SEC. 10. (a) Except as provided in subsection (b) of this section, a convention called under this Act may propose amendments to the Constitution by a vote of a majority of the total number of delegates to the convention.

(b) No convention called under this Act may propose any amendment or amendments of a nature different from that stated in the concurrent resolution calling the convention. Questions arising under this subsection shall be determined solely by the Congress of the United States and its decisions shall be binding on all others, including State and Federal courts.

APPROVAL BY THE CONGRESS AND TRANSMITTAL TO THE STATES FOR RATIFICATION

SEC. 11. (a) The presiding officer of the convention shall, within thirty days after the termination of its proceedings, submit to the Congress the exact text of any amendment or amendments agreed upon by the convention.

(b)(1) Whenever a constitutional convention called under this Act has transmitted to the Congress a proposed amendment to the Constitution, the President of the Senate and the Speaker of the House of Representatives, acting jointly, shall transmit such amendment to the Administrator of General Services upon the expiration of the first period of ninety days of continuous session of the Congress following the date of receipt of such amendment unless within that period both Houses of the Congress have agreed to (A) a concurrent resolution directing the earlier transmission of such amendment to the Administrator of General Services and specifying in accordance with article V of the Constitution the manner in which such amendment shall be ratified, or (B) a concurrent resolution stating that the Congress disapproves the submission of such proposed amendment to the States because such proposed amendment relates to or includes a subject which differs from or was not included among the subjects named or described in the concurrent resolution of the Congress by which the convention was called, or because the procedures followed by the convention in proposing the amendment were not in substantial conformity with the provisions of this Act. No measure agreed to by the Congress which expresses disapproval of any such proposed amendment for any other reason, or without a statement of any reason, shall relieve the President of the Senate and the Speaker of the House of Representatives of the obligation imposed upon them by the first sentence of this paragraph.

(2) For the purposes of paragraph (1) of this subsection, (A) the continuity of a session of the Congress shall be broken only by an adjournment of the Congress sine die, and (B) the days on which either House is not in session because of an adjournment of more than three days to a day certain shall be excluded in the computation of the period of ninety days.

(c) Upon receipt of any such proposed amendment to the Constitution, the Administrator shall transmit forthwith to each of the several States a duly certified copy thereof, a copy of any concurrent resolution agreed to by both Houses of the Congress which prescribes the time within which and the manner in which such amendment shall be ratified, and a copy of this Act.

RATIFICATION OF PROPOSED AMENDMENTS

SEC. 12. (a) Any amendment proposed by the convention and submitted to the States in accordance with the provisions of this Act shall be valid for all intents and purposes as part of the Constitution of the United States when duly ratified by three-fourths of the States in the manner and within the time specified.

(b) Acts of ratification shall be by convention or by State legislative action as the Congress may direct or as specified in subsection (c) of this section. For the purpose of ratifying proposed amendments transmitted to the States pursuant to this Act the State legislatures shall adopt their own rules of procedure. Any State action ratifying a proposed amendment to the Constitution shall be valid without the assent of the Governor of the State.

(c) Except as otherwise prescribed by concurrent resolution of the Congress, any proposed amendment to the Constitution shall become valid when ratified by the legislatures of three-fourths of the several States within seven years from the date of the submission thereof to the States, or within such other period of time as may be prescribed by such proposed amendment.

(d) The secretary of state of the State, or if there be no such officer, the person who is charged by State law with such function, shall transmit a certified copy of the State action ratifying any proposed amendment to the Administrator of General Services.

RESCISSION OF RATIFICATIONS

SEC. 13. (a) Any State may rescind its ratification of a proposed amendment by the same processes by which it ratified the proposed amendment, except that no State may rescind when there are existing valid ratification of such amendment by three-fourths of the States.

(b) Any State may ratify a proposed amendment even though it previously may have rejected the same proposal.

(c) Questions concerning State ratification or rejection of amendments proposed to the Constitution of the United States, shall be determined solely by the Congress of the United States, and its decisions shall be binding on all others, including State and Federal courts.

PROCLAMATION OF CONSTITUTIONAL AMENDMENTS

SEC. 14. The Administration of General Services, when three-fourths of the several States have ratified a proposed amendment to the Constitution of the United States, shall issue a proclamation that the amendment is part of the Constitution of the United States.

EFFECTIVE DATE OF AMENDMENTS

SEC. 15. An amendment proposed to the Constitution of the United States shall be effective from the date specified therein or, if no date is specified, then on the date on which the last State necessary to constitute three-fourths of the States of the United States, as provided for in article V, has ratified the same.

THE CONVENTION METHODS OF AMENDING THE CONSTITUTION

(By Sam J. Ervin, Jr.)

Article V of the Constitution of the United States [1] provides that constitutional amendments may be proposed in either of two ways—by two-thirds of both houses of the Congress or by a convention called by the Congress in response to the applications of two-thirds of the state legislatures. Although the framers of the Constitution evidently contemplated that the two methods of initiating amendments would operate as parallel procedures, neither superior to the other, this has not been the case historically. Each of the twenty-five constitutional amendments ratified to date was proposed by the Congress under the first alternative. As a result, although the mechanics and limitations of congressional power under the first alternative are generally understood, very little exists in the way of precedent or learning relating to the unused alternative method in article V. This became distressingly clear recently following the disclosure that thirty-two state legislatures had, in one form or another, petitioned the Congress to call a convention to propose a constitutional amendment permitting states to apportion their legislatures on the basis of some standard other than the Supreme Court's "one man-one vote" requirement. The scant information and considerable misinformation and even outright ignorance displayed on the subject of constitutional amendment, both within the Congress and outside of it—and particularly the dangerous precedents threatened by acceptance of some of the constitutional misconceptions put forth—prompted me to introduce in the Senate a legislative proposal designed to implement the convention amendment provision in article V . . .

III. QUESTIONS RAISED BY THE BILL

Before going to specific issues and matters of detail, it seems appropriate to discuss briefly two threshold problems posed by the bill: whether the Congress has the power to enact such legislation, and, if it does, what policy considerations should guide it in exercising such power.

I have no doubt that the Congress has the power to legislate about the process of amendment by convention. The Congress is made the agency for calling the convention, and it is hard to see why the Congress should have been involved in this alternative method of proposal at all unless it was expected to determine such questions as when sufficient appropriate applications had been received and to provide for the membership and procedures of the convention and for review and ratification of its proposals. Obviously the fifty state legislatures cannot themselves legislate on this subject. The constitutional convention cannot do so for it must first be brought into being. All that is left, therefore, is the Congress, which, in respect to this and other issues not specifically settled by the Constitution, has the residual power to legislate on matters that require uniform settlement. Add to this the weight of such decisions as *Coleman* v. *Miller*,[9] to the effect that questions arising in the amending process are nonjusticiable political questions exclusively in the congressional domain, and the conclusion seems inescapable that the Congress has plenary power to legislate on the subject by amendment by convention and to settle every point not actually settled by article V of the Constitution itself.

With respect to the second problem, within what general policy limitations that power should be exercised, I think the Congress should be extremely careful to close as few doors as possible. Any legislation on this subject will be what might be called "quasi-organic" legislation; in England it would be recognized as a constitutional statute. When dealing with such a measure, it is wise to bear in mind Marshall's well-worn aphorism that it is a Constitution we are expounding and not get involved in "an unwise attempt to provide, by immutable rules, for exigencies which, if foreseen at all, must [be] seen dimly, and which can best be provided for as they occur." [10] This approach is reflected at several points in the bill, notably in its failure to try to anticipate and enumerate the various grounds on which Congress might justifiably rule a state petition invalid, and its failure to prescribe rigid rules of procedure for the convention. In addition, I think the Congress, in exercising its power under article V, should bear in mind that the Framers meant the convention method of amendment to be an attainable means of constitutional change. This legislation can be drawn so as to place as many hurdles as possible in the way of effective use of the process; or it can be drawn in a manner that will make such a process a possible, however improbable, method of amendment. The first alternative would be a flagrant disavowal of the clear language and intended function of article V. I have assumed that the Congress will wish to take the second road, and the bill is drawn with that principle in mind.

OPEN OR LIMITED CONVENTION

Perhaps the most important issue raised by the bill is the question of the power of the Congress to limit the scope and authority of a convention convened under article V in accordance with the desires of the states as set forth in their applications. This was, as I have noted, one of issues that most troubled me when I first heard of the efforts by the states to call a convention.

It has been argued that the subject matter of a convention convened under article V cannot be limited, since a constitutional convention is a premier assembly of the people, exercising all the power that the people themselves possess, and therefore supreme to all other governmental branches or agencies. Certainly, according to this argument, the states may not themselves, in their applications, dictate limitations on the convention's deliberations. They may not require the Congress to submit to the convention a given text of an amendment, nor even a single subject or idea. For the convention must be free to "propose" amendments, which suggests the freedom to canvass matters afresh and to weigh all possibilities and alternatives rather than ratify a single text or idea. The states may in their applications specify the amendment or amendments they would hope the convention would propose. But once the Congress calls the convention, those specifications would not control its deliberations. The convention could not be restricted to the consideration of certain topics and forbidden to consider certain other topics nor could it be forbidden to write a new constitution if it should choose to do so.

I will concede that such an interpretation can be wrenched from article V—but only through a mechanical and literal reading of the words of the article, totally removed from the context of their promulgation and history. My reading of the debates on article V at the Philadelphia Convention and the other historical materials bearing on the intended function of the amendment process [11] leads me to the opposite conclusion. As I understand the debates, the Founders were concerned, first, that they not place the new government in the same straightjacket that inhibited the Conferation, unable to change fundamental law without the consent of every state.

The amendment process, rather a novelty for the time, was therefore included in the Constitution itself. Second, the final form or article V was dictated by a major compromise between those delegates who would utilize the state legislatures as the sole means of initiating amendments and those who would lodge that power exclusively in the national legislature. The forces at the convention that sought to limit the power of originating amendments to the states were at first dominant. The original Virginia Plan, first approved by the convention, excluded the national legislature from participation in the amendment process. On reconsideration, the forces that would limit the power of origination of amendments to the national legislature became prevalent. The arguments on both sides were persuasive: the improprieties or excess of power in the national government would not likely be corrected except by state initiative, while improprieties by the state governments or deficiencies in national initiative. In the spirit that typified power would not likely be corrected except by the 1787 Convention, the result was acceptance of a Madison compromise proposal which read, as the final

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Footnotes at end of article.

article was to read, in terms of alternative methods.

It is clear that neither of the two methods of amendment was expected by the Framers to be superior to the other or easier of accomplishment. There is certainly no indication that the national legislature was intended to promote individual amendments while the state legislatures were to be concerned with more extensive revisions. On the contrary, there is strong evidence that what the members of the convention were concerned with in both cases was the power to make specific amendments. They did not appear to anticipate a need for a general revision of the Constitution. And certainly this was understandable, in light of the difficulties that they had in finding the compromises to satisfy the divergent interests needed for ratification of their efforts.

Provision in article V for two exceptions to the amendment power underlines the notion that the convention anticipated specific amendment or amendments rather than general revision. For it is doubtful that these exceptions could have been expected to control a later general revision.

This construction is supported by references to the amendment process in the *Federalist Papers.* In *Federalist No. 43,* James Madison explained the need and function of article V as follows:

That useful alterations will be suggested by experience, could not but be foreseen. It was requisite therefore that a mode for introducing them should be provided. The mode preferred by the Convention seems to be stamped with every mark of propriety. It guards equally against that extreme facility which would render the Constitution too mutable; and that extreme difficulty which might perpetuate its discovered faults. It moreover equally enables the general and the state governments to originate the amendment of errors as they may be pointed out by the experience on one side or on the other. . . .

Apart from being inconsistent with the language and history of article V, the contention that any constitutional convention must be a wide open one is neither a practicable nor a desirable one. If the subject matter of amendments were to be left entirely to the convention, it would be hard to expect the states to call for a convention in the absence of a general discontent with the existing constitutional system. This construction would effectively destroy the power of the states to originate the amendment of errors pointed out by experience as Madison expected them to do. Alternatively under that construction, applications for a limited convention deriving in some states from a dissatisfaction with the school desegregation cases, in others because of the school prayer cases, and in still others by reason of objection to the *Miranda* rule, could all be combined to make up the requisite two-thirds of the states needed to meet the requirements of article V. I find it hard to believe that this is the type of consensus that was thought to be appropriate to calling for a convention.

The bill provides that state petitions to the Congress which request the calling of a convention under article V shall state the nature of the amendment or amendments to be proposed by such convention. Upon receipt of valid applications from two-thirds or more of the states requesting a convention on the same subject or subjects, the Congress is required to call a convention by concurrent resolution, specifying in the resolution the nature of the amendment or amendments for the consideration of which the convention is being called. The convention may not propose amendments on other subjects and if it does, the Congress may refuse to submit them to the states for ratifications. . . .

MAY CONGRESS REFUSE TO CALL A CONVENTION?

Perhaps the next most important question raised by the bill is whether the Congress has any discretion to refuse to call a convention in the face of appropriate applications from a sufficient number of states.

Article V states that Congress "shall" call a convention upon the applications of the legislatures of two-thirds of the states. I have absolutely no doubt that the article is peremptory and that the duty is mandatory, leaving no discretion to the Congress to review the wisdom of the state applications. Certainly this is the more desirable construction, consonant with the intended arrangement of article V as described in the preceding section of this article. The founders included the convention alternative in the amending article to enable the states to initiate constitutional reform in the event the national legislature refused to do so. To conceded to the Congress any discretition to consider the wisdom and necessity of a particular convention call would in effect destroy the role of the states.

The comments of both Madison and Hamilton, subsequent to the 1787 Convention, sustain its construction. In a letter on the subject, Madison observed that the question concerning the calling of a convention "will not belong to the Federal Legislature. If two-thirds of the states apply for one. Congress cannot refuse to call it: if not, the other mode of amendments must be pursued." [13] Hamilton, in the Federalist No. 85, stated:

By the fifth article of the plan the congress will be obliged, "on the application of the legislatures of two-thirds of the states, (which at present amounts to nine) to call a convention for proposing amendments, which shall be valid to all intents and purposes, as part of the constitution, when ratified by the legislatures of three-fourths of the states, or by conventions in three-fourths thereof. The words of this article are peremptory. The congress "shall call a convention." Nothing in this particular is left to the discretion. . . .

SUFFICIENCY OF STATE APPLICATIONS

Assuming the Congress may not weigh the wisdom and necessity of state applications requesting the calling of a constitutional convention, does it have the power to judge the validity of state applications and state legislative procedures adopting such applications? Clearly the Congress has some such power. The fact alone that Congress is made the agency for convening the convention upon the receipt of the requisite number of state applications suggests that it must exercise some power to judge the validity of those applications. The impotence or withdrawal of the courts underlines the necessity for lodging some such power in the Congress. The revelant question, then, concerns the extent of that power.

It has been contended that Congress must have broad powers to judge the validity of state applications and that such power must include the authority to look beyond the content of an application, and its formal compliance with article V, to the legislative procedures followed in adopting the application. The counterargument is that to grant Congress the power to reject applications particularly if that power is not carefully circumscribed would be to supply it with a means of avoiding altogether the obligation to call a convention. The result would be that the Congress could arbitrarily reject all applications on subjects it did not consider appropriate for amendment, leaving us in effect with only one amendment process. . . .

One further important point should be mentioned. Most of the states obviously do not now understand their role in designating subjects or problems for resolution by amendment, and many of them do not even know where to send their applications. By setting forth the formal requirements with respect to content of state applications and designating the congressional officers to whom they must be transmitted, the bill furnishes guidance to the states on these questions and promises to avert in the future some of the problems that have arisen in the current effort to convene a convention. The bill also requires that all applications received by the Congress be printed in the Congressional Record and that copies be sent to all members of Congress and to the legislature of each of the other states. In this way, the element of congressional surprise can be eliminated, and each state can be given prompt and full opportunity to join in any call for a convention in which it concurs.

THE ROLE OF STATE GOVERNORS

The argument has been made that a state application for a constitutional convention must be approved by both the legislature and the governor of the state to be effective. This argument rests on the claim that article V intended state participation in the process to involve the whole legislative process of the state as defined in the state constitution. I do not agree with that argument. We do not have here any question about the exercise of the lawmaking process by a state legislature in combination with whatever executive participation might be called for by state law. We have rather a question of heeding the voice of the people of a state in expressing the possible need for a change in the fundamental document.

Closely analogous court decisions support this interpretation. The Supreme Court in *Hawks* v. *Smith,* No. 1 [14] interpreted the term "legislatures" in the ratification clause of article V to mean the representative lawmaking bodies of the states, since ratification of a constitutional amendment "is not an act of legislation within the proper sense of the word." [15] Certainly the term "legislature" should have the same meaning in both the application clause and the ratification clause of article V. Further support is found in the decision in *Hollingsworth* v. *Virginia,* [16] in which the Court held that a constitutional amendment approved for proposal to the states by a two-thirds vote of Congress need not be submitted to the President for his signature or veto.

The bill therefore provides specifically that a state application need not be approved by the state's governor in order to be effective.

MAY A STATE RESCIND ITS APPLICATIONS?

The question of whether a state should be allowed to rescind an application previously forwarded to the Congress is another of the political questions to which the courts have not supplied answers and presumably cannot. The Supreme Court has held that questions concerning the rescission of prior ratifications or rejections of amendments proposed by the Congress are determined solely by Congress.[17] Presumably, then, the

question of rescission of an application for a convention is also political and nonjusticiable. Although the Congress has previously taken the position that a state may not rescind it prior ratification of an amendment, it has taken no position concerning rescission of applications. My strong conviction is that rescission should be permitted. Since a two-thirds consensus among the states at some point in time is necessary in order for the Congress to call a convention, the Congress should consider whether there has been a change of mind among some states that have earlier applied. Moreover, an application is not a final action, since it serves merely to initiate a convention, and does not commit even the applicant state to any substantive amendment that might eventually be proposed.

The bill therefore provides that state may rescind at any time before its application is included among an accumulation of applications from two-thirds of the states, at which the obligation of the Congress to call a convention becomes fixed. Incidentally, the bill also provides that a state may rescind its prior ratification of an amendment proposed by the convention up until the time there are existing valid ratifications by three-fourths of the states, and that a state may change its mind and ratify a proposed amendment that it previously has rejected . . .

The Congress and the courts have agreed that constitutional amendments proposed by the Congress and submitted to the states for ratification can properly remain valid for ratification for a period of seven years. It has been felt that there should be a "reasonably contemporaneous" expression by three-fourths of the states that an amendment is acceptable in order for the Congress to conclude that a consensus in favor of the amendment exists among the people, and that ratification within a seven-year period satisfies this requirement.[18] Presumably, the same principle should govern the application stage of the constitutional amendment process . . .

CALLING THE CONVENTION

The bill provides that the Secretary of the Senate and the Clerk of the House of Representatives shall keep a record of the number of state applications received, according to subject matter. Whenever two-thirds of the states have submitted applications on the same subject or subjects, the presiding officer of each house shall be notified and shall announce the same on the floor. Each house is left free to adopt its own rules for determining the validity of the applicants, presumably by reference to a committee followed by floor action. Once a determination has been made that there are valid applications from two-thirds or more of the state legislatures on the same subject or subjects, each house must agree to a concurrent resolution providing for the convening of a constitutional convention on such subject or subjects. The concurrent resolution would designate the place and time of meeting of the convention, set forth the nature of the amendment or amendments the convention is empowered to consider and propose, and provide for such other things as the provision of funds to pay the expenses of the convention and to compensate the delegates. The convention would be required to be convened not later than one year after adoption of the resolution.

. . . the bill has been amended to require that delegates be elected—not appointed—and that they be elected by the same constituency that elects the states' representatives in Congress. Under the amended bill, each state will be entitled to as many delegates as it is entitled to Senators and Representatives in Congress. Two delegates in each state will be elected at large and one delegate will be elected from each congressional district in the manner provided by state law. Vacancies in a state's delegation will be filled by appointment of the governor.

CONVENTION PROCEDURE AND VOTING

The bill provides that the Vice President of the United States shall convene the constitutional convention, administer the oath of office of the delegates and preside until a presiding officer is elected. The presiding officer will then preside over the election of other officers and thereafter. Further proceedings of the convention will be in accordance with rules adopted by the convention. A daily record of all convention proceedings, including the votes of delegates, shall be kept, and shall be transmitted to the Archivist of the United States within thirty days after the convention terminates. The convention must terminate its proceedings within one year of its opening unless the period is extended by the Congress by concurrent resolution.

Finally, the bill provides that amendments may be proposed by the convention by a vote of a majority of the total number of delegates to the convention. The alternative would be to impose a two-thirds voting requirement analogous to the requirement for congressional proposal of amendments. However, article V does not call for this, and I think that such a requirement would place an undue and unnecessary obstacle in the way of effective utilization of the convention amendment process.

RATIFICATION OF PROPOSED AMENDMENTS

The bill provides that any amendment proposed by the convention must be transmitted to the Congress within the thirty days after the convention terminates its proceedings. The Congress must then transmit the proposed amendment to the Administrator of General Services for submission to the states. However, the Congress may, by concurrent resolution, refuse to approve an amendment for submission to the states for ratification, on the grounds of procedural irregularities in the convention or failure of the amendment to conform to the limitations on subject matter imposed by the Congress in the concurrent resolution calling the convention. The intent is to provide a means of remedying a refusal by the convention to abide by the limitations on its authority to amend the Constitution. Of course, unlimited power in the Congress to refuse to submit proposed amendments for ratification would destroy the independence of the second alternative amending process. Therefore, the Congress is explicitly forbidden to refuse to submit a proposed amendment for ratification because of doubts about the merits of its substantive provisions. The power is reserved for use only with respect to amendments outside the scope of the convention's authority or in the case of serious procedural irregularities.

Ratification by the states must be by state legislative action or convention, as the Congress may direct, and within the time period specified by the Congress. The Congress retains the power to review the validity of ratification procedures. As noted earlier, any state may rescind its prior ratification of an amendment by the same processes by which it ratified it, except that no state may rescind after that amendment has been validly ratified by three-fourths of the states. When three-fourths of the states have ratified a proposed amendment, the Administrator of General Services shall issue a proclamation that the amendment is a part of the Constitution, effective from the date of the last necessary ratification.

IV. CONCLUSION

There is some evidence that the current effort to require the Congress to call a convention to propose a reapportionment amendment has failed and that the danger of a constitutional crisis has passed. The two additional applications needed to bring the total to thirty-four have not been received and there is a strong likelihood that some applicant states will rescind their applications. Even if this is the case, however, the need for legislation to implement article V remains. There may well be other attempts to utilize the convention amendment process and, in the absence of legislation, the same unanswered questions will return to plague us. The legislation therefore is still timely, and the Congress may now have the opportunity to deal with the sensitive constitutional issues objectively, uninfluenced by competing views on state apportionment or any other substantive issue.

Some have argued that the convention method of amendment is an anomaly in the law, out of step with modern notions of majority rule and the relationship between the states and the federal government. If so, that part of article V should be stricken from the Constitution by the appropriate amendment process. It should not, however, be undermined by erecting every possible barrier in the way of its effective use. Such a course would be a disavowal of the clear language and history of article V. The Constitution made the amendment process difficult, and properly so. It certainly was not the intention of the original Convention to make it impossible. Nor is it possible to conclude that the Founders intended that amendments originating in the states should have so much harder a time of it than those proposed by Congress. As I have pointed out, that issue was fought out in 1787 Convention and resolved in favor of two originating sources, both difficult of achievement, but neither impossible and neither more difficult than the other. My bill seeks to preserve the symmetry of article V by implementing the convention alternative so as to make it a practicable but not easy method of constitutional amendment.

FOOTNOTES

[1] The Congress, whenever two thirds of both Houses shall deem it necessary, shall propose amendments to this Constitution, or, on the Application of the Legislatures of two thirds of the several States, shall call a Convention for proposing Amendments, which, in either Case, shall be valid to all Intents and Purposes, as part of this Constitution, when ratified by the legislatures of three fourths of the several States, or by Conventions in three fourths thereof, as the one or the other Mode of Ratification may be proposed by the Congress; Provided that no Amendment which may be made prior to the Year One thousand eight hundred and eight shall in any Manner affect the first and fourth Clauses in the Ninth Section of the first Article; and that no State, without its Consent, shall be deprived of its equal Suffrage in the Senate *U.S. Const. Art. V.*

[9] 307 U.S. 433 (1939).

[10] *McCulloch v. Maryland,* 17 U.S. (4 Wheat.) 316, 407, 415 (1819).

[11] *E.g.*, LEGISLATIVE REFERENCE SERV., LIBRARY OF CONGRESS, THE CONSTITUTION OF THE UNITED STATES OF AMERICA; ANALYSIS AND INTERPRETATION, S. Doc. no. 39, 88th Cong., 1st Sess. 135-36 (1964); THE FEDERALIST Nos. 43 & 85 (J. Cooke ed. 1961); L. ORFIELD, AMENDING THE FEDERAL CONSTITUTION (1942); THE RECORDS OF THE FEDERAL CONVENTION OF 1787 (M. Farrand ed. 1937). The relevant excerpts from these and other sources are printed as an appendix to the *Hearings on the Federal Constitutional Convention Before the Subcomm. on Separation of Powers of the Senate Comm. on the Judiciary*, United States Senate, Oct. 30 and 31, 1967.

[12] U.S. BUREAU OF ROLLS AND LIBRARY, DOCUMENTARY HISTORY OF THE CONSTITUTION OF THE UNITED STATES OF AMERICA V. 141, 143, *Quoting* Madison's letter to Mr. Eve, dated Jan. 2, 1789.

[14] 253 U.S. 221 (1920).

[15] *Id.* at 229.

[16] 3 U.S. (3 Dall.) 378 (1798).

[17] *Coleman v. Miller*, 307 U.S. 433, 448-49 (1939).

[18] *Dillon v. Gloss*, 256 U.S. 368 (1921).

By Mr. CHAFEE:

S. 2814. A bill to amend the Internal Revenue Code of 1954 to deny an employer a deduction for group health plan expenses unless such plan includes coverage for pediatric preventive health care; to the Committee on Finance.

PEDIATRIC PREVENTIVE HEALTH CARE INCENTIVE TAX ACT

● Mr. CHAFEE. Mr. President, I am pleased to offer legislation today that would require businesses to include children's preventive care and health supervision services in their employee health plans. Such services would be required for the insurance premiums to be deductible as a business expense.

Few Americans would disagree with the old adage "an ounce of prevention is worth a pound of cure," yet our present system of health care clearly contradicts this proposition. Employer group health insurance has become the dominant method of financing personal health care services in this country. Over 90 percent of all employment groups now have some form of private health insurance. But what is the focus of this insurance? The focus is on acute care needs—a sickness insurance system whose costs are out of control, rather than a true health insurance system that would avoid unnecessary illnesses.

Nowhere is this focus less appropriate than when it is applied to children. Unfortunately, group health insurance plans have been given no incentive to cover and to encourage the services children need. We need to redesign the system to encourage vaccines, $7.40 was saved.

Young families with children generally have limited incomes and must rely heavily on their employer-provided health insurance. If the plan excludes coverage of preventive health care, such as immunizations, for children, many families will wait for serious symptoms to appear before paying out-of-pocket for care.

The average monthly cost per family for this additional coverage would be $2.28. Coverage would extend only to a schedule of accepted and recommended examinations and immunizations. The cost for all recommended services from birth through the age of 20 is approximately equal to the cost of 1 day in the hospital.

The Pediatric Health Care Incentive Tax Act is designed to reverse the costly insurance emphasis on hospitalization and sickness-only coverage, and to create cost-effective incentives for prevention and health maintenance.

Support for this measure will come from all groups in our society who feel as I do: That our children are our most important and precious asset and that their health must be protected.●

By Mr. SYMMS (for himself, Mr. DIXON, Mr. MCCLURE, Mr. BOREN, and Mr. HELMS)

S. 2815. A bill to repeal the changes made to section 483 of the Internal Revenue Code of 1954 by the Tax Reform Act of 1984; to the Committee on Finance.

CHANGE IN THE IMPUTED INTEREST RATE FORMULA

Mr. SYMMS. Mr. President, I am introducing legislation today along with my colleagues, Senator DIXON, Senator MCCLURE and Senator BOREN and any other Member who would like to add his name as a cosponsor to this measure which will repeal section 41(b) of the tax bill that was passed by both Houses yesterday, once the legislation is signed into law by the President.

The change in the imputed interest rate formula incorporated in the 1984 tax bill would require that a seller report as interest income an amount equal to at least 110 percent of the interest rates on marketable obligations of the U.S. Government, with a comparable maturity. If that reported interest rate is not equal to 110 percent of the applicable Government security, then the IRS will impute an interest rate of 120 percent of those Treasury notes, or in today's market, at about 16.5 percent.

The provision that was incorporated in the 1984 tax bill will virtually dry up owner financing. Owner financing has been the only salvation for the would-be buyer and the motivated seller. Without owner financing, initial estimates project that the sale of more than one-half of 1 million properties will either be stalled or prevented. Rising mortgage interest rates are shutting down home, farm, ranch, and business sales currently. Increasing the interest rate that must be charged in deed for contract or seller-financed transactions from the current 9 to 15 percent, and more, as interest rates in Government securities continue to rise, removes any chance for people to buy or sell property in my State, and I am sure most other States in the Union.

While the Department of the Treasury maintains that they are trying to eliminate abusive tax shelters, if seems to me that they are trying to repair a perceived hole in the roof by tearing off the roof. Neither the Senate Finance Committee nor the Congress has ever been presented with a complete study which would verify that in the sale of a farm or ranch, a house, or a small business, when there is a contract for deed, the seller has financed a part or all of the sale, there is an abusive tax shelter. As far as I know, there really has never been any conclusive evidence presented which would show that this is a tax shelter gone wild.

Mr. President, I believe that section 41(b) of the 1984 Tax Act was a mistake. It should be repealed at the earliest possible moment and I welcome the support of my colleagues.

By Mr. D'AMATO:

S. 2816. A bill to stem the tide of anti-Semitism; to the Committee on the Judiciary.

STEMMING ANTI-SEMITISM

● Mr. D'AMATO. Mr. President, I rise this afternoon to introduce legislation designed to stem the tide of anti-Semitism which has swept across this Nation.

During 1983 alone, more than 1,000 acts of violence directed against members of the Jewish community were reported to authorities. Hundreds more went unreported. According to a report issued by the Anti-Defamation League of B'nai B'rith, there were 670 incidents of anti-Semitic vandalism and other attacks against Jewish institutions, businesses, and homes.

In addition, there were more than 350 incidents of assault against individual Jews. While these figures are somewhat lower than those for 1982, they are still unacceptable. These acts of violence include arson, bombing, and cemetery desecration. The accompanying table provides specific information by State. I ask unanimous consent that it be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

State	Vandalism	Assaults, threats, and harassments
New York	215	123
California	111	28
New Jersey	57	20
Maryland	47	25
Florida	42	15
Massachusetts	36	23
Illinois	19	11
Pennsylvania	19	17
Minnesota	18	22
Virginia	17	5
Michigan	12	9
Ohio	11	6

State	Vandalism	Assaults, threats, and harassments
Indiana	9	1
Connecticut	9	4
Louisiana	6	0
Missouri	5	10
Arizona	4	0
New Mexico	4	0
District of Columbia	4	2
Colorado	3	1
Washington	3	4
Arkansas	2	0
Georgia	2	6
Iowa	2	0
Kentucky	2	0
Mississippi	2	0
Nebraska	2	4
Rhode Island	2	6
Texas	2	2
Alabama	1	0
Idaho	1	1
Oregon	1	3
New Hampshire	0	2
Totals for 1983	670	350

Mr. President, we must take action to increase public awareness of the threat which these acts of bigotry pose not only to the Jewish community, but to the general public as well. At the same time, we must increase the penalties for those who perpetrate such vicious acts. To date, 16 States, including Arizona, California, Colorado, Florida, Idaho, Illinois, Indiana, Maryland, Massachusetts, New Jersey, New York, Oregon, Pennsylvania, Rhode Island, Virginia, and Washington have enacted statutes dealing with religious or ethnic vandalism. While I commend these efforts, additional measures are needed.

Accordingly, I am introducing legislation today to enact stiff new Federal penalties for those who commit acts of religious violence or vandalism. My proposal would establish a series of graduate penalties for those convicted of such acts. These penalties would include heavy fines and stiff prison sentences for these individuals.

I urge my colleagues to join me in this effort designed to effectivley deal with those who commit acts of religious violence or vandalism.

I urge my colleagues to join me in this effort designed to effectively deal with those who commit acts of religious violence or vandalism.

Mr. President, I ask unanimous consent that this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2816

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 13 of title 18 of the United States Code is amended by adding the following new section:

"§ 247. Destruction or theft of property used for religious purposes

"Whoever willfully vandalizes or defaces, sets fire to, tampers with, or in any other way damages or destroys any cemetery, any building or other real property used for religious purposes, or any religious article contained therein or any religious article contained in any cemetery or any building or other real property used for religious purposes, or attempts to do any of the same, or whoever injures, intimidates, or interferes with any person or any class of persons in the free exercise of religious beliefs secured by the Constitution or laws of the United States, shall be fined not more than $10,000, or imprisoned for not more than five years, or both; and if bodily injury results shall be fined not more than $15,000 or imprisoned not more than fifteen years, or both, and if death results, shall be subject to imprisonment for any term of years or for life.".

SEC. 2. The table of sections for chapter 13 of title 18 of the United States Code is amended by adding at the end the following new item.

"247. Destruction or theft of property used for religious purposes.".●

By Mr. D'AMATO:

S. 2817. A bill to require the Secretary of Agriculture to conduct a pilot project involving the redemption of food stamp coupons through uninsured financial institutions; to the Committee on the Judiciary.

PILOT PROJECT FOR FINANCIAL INSTITUTIONS TO REDEEM FOOD STAMP COUPONS

● Mr. D'AMATO. Mr. President, I rise today to offer legislation that would significantly aid our decaying inner cities in their efforts to revitalize. This legislation establishes a demonstration project whose goal is to ascertain the feasibility of allowing credit unions which do not have deposit insurance to redeem food stamps.

In my State of New York, one pressing example of the need for this legislation exists in the South Bronx. This area, long the symbol of urban decay, is struggling, largely on its own, to recapture the prosperity it once enjoyed. There are many credit unions, but few banks, which serve this area. These institutions, however, are extremely hampered by their inability to redeem food stamps. Because many of the people who live in the area depend on food stamps to meet at least a portion of their nutritional needs, merchants who serve the local population seek financial institutions which can redeem them to do their business. This legislation will establish whether those institutions can serve that need while still complying with established Federal performance standards.

Mr. President, I ask unanimous consent that the text of this legislation be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2817

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture shall conduct a pilot project under which five financial institutions not insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation are permitted to redeem coupons accepted by retail food stores under the food stamp program and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the pilot project no later than two years after the date of the enactment of this Act.●

By Mr. NICKLES:

S. 2818. A bill to provide a separate appropriation for all congressional foreign travel, and for other purposes; to the Committee on Rules and Administration.

CONGRESSIONAL FOREIGN TRAVEL ACCOUNTABILITY ACT

● Mr. NICKLES. Mr. President, there is little dispute to the fact that many Members of Congress must occasionally make trips to other countries in order to gain a deeper and truer understanding on the many and difficult issues which they will be asked to vote on. What has given foreign congressional travel a bad name are the frequent and sensationalized reports on "junketeering," or unnecessary or questionable travel by Members, their spouses, and staff.

It is my belief that in order to diffuse the undue criticism of legitimate travels by Members of Congress, we need to make the full cost of these trips more accessible to the public.

The cost of congressional foreign travel last year amounted to $21.7 million, according to a recent study by the Better Government Association. This includes $4.6 million for commercial airfare, rental cars, and hospitality suites; $7.5 million for the use of military aircraft; and a variety of other expenses, such as Pentagon escorts' expenditures, military escort officers' per diem, and the aid of Foreign Service Officers.

Currently, foreign travel is funded by a permanent indefinite appropriation which generally circumvents normal congressional scrutiny. The Mutual Security Act of 1954 permits the State Department to administer the travel fund by which legislators and staff are paid a per diem, transportation costs, and other expenses from the U.S. Embassy in the nation they are visiting.

The legislation I am today introducing would in no way limit congressional travel, but it would get Congress to be up front with the issue by requiring an annual congressional appropriation to fund congressional foreign travel. The bill also centralizes recordkeeping so the public will have access to what each legislator and committee spends on foreign travel.●

By Mr. BOREN (for himself and Mr. NICKLES):

S. 2820. A bill to name the Federal Building in McAlester, OK, the "Carl Albert Federal Building"; to the Committee on Environment and Public Works.

CARL ALBERT FEDERAL BUILDING

● Mr. BOREN. Mr. President, it is very appropriate that the Federal building in McAlester, OK, should bear the name of Carl Albert. He served in the U.S. Congress for 30 years and attained the highest position in Government ever held by an Oklahoman. He not only served as Speaker of the U.S. House of Representatives for 6 years, but twice was just a heart-beat away from the Presidency—first when Vice President Spiro Agnew resigned and again, when Vice President Gerald Ford succeeded Richard Nixon. He is the only living former Speaker.

Before becoming Speaker, Mr. Albert had served as majority whip and then as majority leader of the U.S. House of Representatives. He attended Oxford University as a Rhodes Scholar.

Of Mr. Albert, present Speaker THOMAS P. "TIP" O'NEILL, who succeeded him in that position, said in a speech in Oklahoma City in May 1981: "Carl's leadership abilities were evident during one of the worst constitutional crises this country has ever had." He added that Speaker Albert's "trust, composure, intellect and impartiality" had contributed to the country's solidity during the resignation of former President Nixon.

Former President Gerald Ford, speaking at that same meeting in Oklahoma City, said Mr. Albert was "always seeking to do what was in the best interest of our country."

Carl Albert's hometown of McAlester has always been very dear to him. When he retired from the Congress in January 1977, he returned to Bug Tussle, the community near McAlester where he had spent his boyhood. He has continued to be active in church and civic activities in McAlester since his retirement and still has an office in the Federal Building. Through the years he spent in Congress, he officed in that building. It is entirely fitting that the name of that building should honor him. The Parkway, a principal street in McAlester in front of the building, is already named for Mr. Albert.

As one who has known and admired Speaker Albert practically all of my life, I am honored to introduce this bill in the U.S. Senate on behalf of myself and Senator NICKLES. I understand a companion bill is being introduced in the U.S. House of Representatives by Mr. Albert's successor as Congressman from the Third District of Oklahoma, Hon. WES WATKINS on behalf of himself and every other member of Oklahoma's congressional delegation.●

● Mr. NICKLES. Mr. President, I rise today along with my colleague, the senior Senator from Oklahoma, DAVID BOREN, to voice strong support for legislation naming the Federal Building in McAlester, OK, the Carl Albert Federal Building.

Few Oklahomans have ever risen to such national prominence as former Speaker of the House, Carl Albert. He skillfully guided the House of Representatives during most of the last decade. Those were very trying and difficult years for our Nation, and Speaker Albert is to be commended for his leadership role.

Speaker Albert was born in McAlester 76 years ago. He graduated from the University of Oklahoma, and studied at Oxford University in England on a Rhodes scholarship. He began his first term in the House in 1947, and was majority whip from 1955 to 1962. He served as majority leader of the House from 1962 until he became Speaker in 1971. He was the Speaker until he retired in 1977.

His contributions to the Nation and particularly to the State of Oklahoma are well known. And despite his retirement from public life, Speaker Albert continues to serve the people of Oklahoma in many, many ways.

It is more than fitting that this distinguished American should be honored with the legislation we propose today.●

By Mr. MATHIAS (for himself and Mr. STEVENS);

S. 2821. A bill to amend title 5, United States Code, to improve protections for former spouses of Government offices and employees under the civil service retirement system and the Federal employees health benefits program, and for other purposes; to the Committee on Governmental Affairs.

CIVIL SERVICE FORMER SPOUSES BENEFITS ACT OF 1984

Mr. MATHIAS. Mr. President, today I introduce for myself and the distinguished assistant majority leader and the chairman of the Civil Service Subcommittee, Senator STEVENS, a bill which would rectify a great inequity in civil service retirement law.

There is no need to recount statistics which have become so familiar to us. Newspapers, magazines, and journals are replete with articles discussing the incidence of divorce in the United States. One significant aspect of this situation is the increasing number of marriages that dissolve after 20, 30, and even 40 years. The spouses most adversely affected by a divorce late in life are those women who have devoted their full time and resources to family and home. This is particularly true of women whose husbands had a career with the Federal Government.

Once divorced, the former spouse of a Federal employee is no longer able to continue coverage in the Federal Employees Health Benefit Plan, and in most instances, is no longer retained as the beneficiary of an employee's or annuitant's life insurance policy. And, while a former spouse may receive a portion of the employee's or retiree's annuity as part of a divorce decree or property settlement, once the employee or retiree dies, all benefits cease.

For most of these women, economic independence suddenly becomes a matter of necessity, not of choice. Unfortunately, many are ill equipped to enter the job market, with both their age and their lack of skill and experience working against them. For those women who are not financially self-sufficient or fortunate enough to find employment, the outlook is bleak. The prospect of having to depend on welfare or other forms of public assistance to meet day-to-day needs is a bitter pill to swallow.

In recent years, Congress, recognizing that marriage is an economic partnership in which each spouse shares and enjoys the fruits of the other's labor, has enacted various measures to protect each spouse's investment. The goal of such legislation is to ensure that spouses, divorced after many years of marriage, will receive that portion of the retirement benefits to which he or she would have been entitled had he or she remained married.

Significant strides have been made in this regard, affecting Foreign Service, and military spouses, and Social Security beneficiaries. But no similar remedies have been enacted for civil service spouses. The bill I introduce today would correct that omission. Its most essential parts are as follows:

First, it permits a Federal employee or annuitant to voluntarily elect to provide survivor benefits to any former spouse. If there is a second spouse, an election to provide for a former spouse will not be valid unless it is accompanied by the written, notarized consent of the present spouse.

Second, it gives State courts the authority to include survivor benefits as part of a divorce decree or property settlement. This provision is prospective.

Third, it requires an employee at the time of retirement to obtain the written, notarized consent of his or her spouse before he or she can elect not to provide a survivor annuity.

Fourth, it permits a former spouse to enroll in the Federal employee health benefit plan as long as he or she pays the full subscription rate. This provision will apply retroactively for a limited period of time in order to allow as many former spouses as possible to take advantage of its benefits.

These provisions are the highlights of the bill. I have prepared a section-by-section summary which describes these and other portions of the bill in more detail.

This bill is being offered as an alternative to similar measures before both Houses in an effort to get some remedical legislation passed before the end

of the 98th Congress. I invite the comments of all interested parties so that we may enact appropriate legislation to deal with this pressing problem.

I ask unanimous consent that a section-by-section summary and the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Civil Service Former Spouses Benefits Act of 1984".

SURVIVOR ANNUITIES FOR FORMER SPOUSES: ELECTION

SEC. 2. Section 8339 of title 5, United States Code, is amended by adding at the end thereof the following new subsection:

"(o)(1) For the purposes of this subsection, the term 'former spouse', when used with respect to an employee, Member, or former employee or Member, means any individual who—

"(A) was married to the employee, Member, or former employee or Member for at least one year while the employee, Member, or former employee or Member was subject to this subchapter; or

"(B) was married to the employee, Member, or former employee or Member and is the parent of issue of the employee, Member, or former employee or Member.

"(2)(A) An employee or Member retiring under this subchapter or a former employee or Member entitled to an annuity under this subchapter (including an annuity deferred pursuant to section 8338 of this title) may—

"(i) elect that any portion of the annuity of the employee, Member, or former employee or Member, as computed under subsections (a) through (i) and (n) of this section, be reduced; and

"(ii) designate any former spouse of the employee, Member, or former employee or Member to receive a survivor annuity under section 8341(b) of this title computed based on the amount of the portion of the annuity that is subject to reduction by reason of the election made under clause (i) of this subparagraph.

"(B) Subject to subparagraph (C) of this paragraph, an election and designation under subparagraph (A) of this paragraph may be made with respect to more than one former spouse of an employee, Member, or former employee or Member.

"(C) The sum of the portions of the annuity of the employee, Member, former employee or Member to which the elections under subparagraph (A) of this paragraph and under subsection (j) of this section apply may not exceed 100 percent of the annuity.

"(D) An employee, Member, or former employee or Member who has made an election and designation under subparagraph (A) of this subsection may modify the election or designation at any time.

"(3) Subject to the limitation set out in section 8341(b)(4) of this title, a court of any State or the District of Columbia may, in a decree of divorce or annulment, or a court order or court-approval of a property settlement agreement incident to a decree of divorce or annulment, require an employee, Member, or former employee or Member to make an election and designation pursuant to paragraph (2) of this subsection. Any such decree, order, or agreement providing that a former spouse of an employee, Member, or former employee or Member shall be entitled to a survivor annuity under this subchapter based on the service of the employee, Member, or former employee or Member shall be considered to require an election and designation pursuant to such paragraph. Such an election and designation shall be deemed to have been made upon receipt of a copy of such decree, order, or agreement (and such further documentation as the Office of Personnel Management may require) by the Office.

"(4) An election under paragraph (2) of this subsection shall be made in writing in such form and manner as the Office of Personnel Management may direct and shall be transmitted to the Office.

"(5)(A) An election under paragraph (2) of this subsection shall not be considered valid in the case of an employee, Member, or former employee or Member who, on the date the election is made—

"(i) is married and has been married to his spouse for at least one year; and

"(ii) is not required by a court to make the election pursuant to paragraph (3) of this subsection,

unless the election includes, in such form and manner as the Office directs, a written consent of the spouse satisfying the requirements of subparagraph (B) of this paragraph.

"(B) A written consent of the spouse of an employee, Member, or former employee or Member making an election under paragraph (2) of this subsection satisfies the requirements of this subparagraph if the consent—

"(i) includes statements that the spouse consents to the election and understands that, by reason of the election, the spouse will not be entitled to receive a survivor annuity under section 8341(b) of this title based on the service of the employee, Member, or former employee or Member or will receive only a reduced survivor annuity under such section based on such service, as the case may be; and

"(ii) is signed and acknowledged by the spouse before a notary public by the spouse.

"(6) The annuity computed under subsections (a) through (i) and (n) of this section for an employee, Member, or former employee or Member making an election under paragraph (2) of this section shall be reduced by an amount computed in the same manner as provided in the first sentence of subsection (j)(1) of this section.".

SURVIVOR ANNUITIES FOR FORMER SPOUSES: ENTITLEMENT

SEC. 3. (a) Paragraph (1) of section 8341(b) of such title is amended—

"(1) by inserting "(A)" after "(1)"; and

"(2) by adding at the end thereof the following new subparagraph (B):

"(B) If a retired employee or Member dies survived by a former spouse designated by the retired employee or Member in an election made under section 8339(o)(2) of this title to receive a survivor annuity under this subsection, the surviving former spouse is entitled to an annuity equal to 55 percent of (i) the amount of the annuity of the retired employee or Member computed under subsections (a) through (i) and (n) of section 8339 of this title, or (ii) such portion of the amount of such annuity as is specified in the election.".

(b) Section 8341(b)(3) of such title is amended to read as follows:

"(3) A surviving spouse of a deceased retired employee or Member who became the spouse of such retired employee or Member after the employee's or Member's retirement is entitled to a survivor annuity under this subsection only upon electing the survivor annuity instead of any other survivor benefit to which the spouse may be entitled under this subchapter or another retirement system for Government employees. The survivor annuity of a spouse, widow, widower, or former spouse under this subsection commences on the day after the annuitant dies. The survivor annuity and the right to the survivor annuity terminate on the last day of the last month before the spouse, widow, widower, or former spouse dies.".

(c) Subsection (b) of section 8341 of such title is further amended by adding at the end thereof the following new paragraph:

"(4) The total amount of the survivor annuities payable under this subsection with respect to a deceased employee, Member, or former employee or Member may not exceed an amount equal to 55 percent of the annuity computed under subsections (a) through (i) and (n) of section 8339 of this title as may apply with respect to such employee, Member, or former employee or Member. The order of precedence of an entitlement of a spouse, widow, widower, or former spouse to a survivor annuity under this subsection shall be based on the order in which the Office of Personnel Management receives notice of a valid election, designation, or other qualifying action made by an employee, Member, or former employee or Member, under subsection (j) or (o) of such section.".

OTHER AMENDMENTS RELATING TO SURVIVOR ANNUITY ELECTIONS

SEC. 4. (a)(1) The first sentence of subsection (j)(1) of section 8339 of title 5, United States Code, is amended by striking out "(o)" and inserting in lieu thereof "(n)".

(2) Subsection (j)(2) of such section is amended to read as follows:

"(2)(A) Any written notification or designation made under the first sentence of paragraph (1) by an employee or Member who, on the date of retirement, has been married to his spouse for at least one year shall not be considered such form and manner as the Office directs, a written consent of the spouse satisfying the requirements of subparagraph (B) of this paragraph.

"(B) A written consent of the spouse of an employee or Member making a notification or designation referred to in subparagraph (A) of this paragraph satisfies the requirements of this subparagraph if the consent—

"(i) includes statements that the spouse concurs in the employee's or Member's desire expressed in the notification or concurs in the employee's or Member's designation, as the case may be, and that the spouse understands that, by reason of the notification or designation, the spouse will not be entitled to receive a survivor annuity under section 8341(b) of this title based on the service of the employee or Member or will be entitled to receive only a reduced survivor annuity under such section based on such service, as the case may be; and

"(ii) is signed and acknowledged by the spouse before a notary public.".

(b) Subsection (k) of such section is amended by adding at the end thereof the following new paragraph (3):

"(3) Any reduction in annuity and any entitlement to a survivor annuity resulting from an election made under paragraph (1) shall be void or limited prospectively to the extent necessary to give effect to any valid

election made under subsection (o)(2) of this section.".

SURVIVOR ANNUITY FOR FORMER SPOUSES OF CERTAIN ANNUITANTS WHO DIED BEFORE DATE OF ENACTMENT

SEC. 5. (a) For the purposes of this section—

(1) the term "employee" shall have the same meaning as provided in section 8331(1) of title 5, United States Code;

(2) the term "Member" shall have the same meaning as provided in section 8331(2) of such title;

(3) the term "service" shall have the same meaning as provided in section 8331(12) of such title;

(4) the term "widow" shall have the same meaning as provided in section 8341(a)(1) of such title; and

(5) the term "widower" shall have the same meaning as provided in section 8341(a)(2) of such title.

(b)(1) Notwithstanding any other provision of law, except as provided in paragraph (2), if—

(A) a retired employee or Member was married on the date of retirement under the provisions of subchapter III of chapter 83 of title 5, United States Code (or any similar prior provisions of law),

(B) the retired employee or Member was later divorced from the individual to whom the retired employee or Member was married on such date,

(C) the retired employee or Member died without remarrying before the date of enactment of this Act, and

(D) the former spouse to whom the retired employee or Member was married on the date of retirement is living on the date of enactment of this Act.

Such surviving former spouse is entitled, upon application to the Office of Personnel Management, to a survivor annuity under section 8341(b)(1) of such title. The entitlement shall take effect on the first day of the first month beginning not less than 30 days after the date the Office receives such application in such form and manner and with such documentation as the Office may require. The amount of the survivor annuity shall be equal to the amount the surviving former spouse would have been entitled to receive under such section 8341(b)(1) if the former spouse had remained married to the retired employee or Member, taking into account any designation validly made by the retired employee or Member with respect to such former spouse under the first sentence of section 8339(j)(1) of such title (or any similar prior provision of law).

(2) Paragraph (1) shall not apply in the case of a retired employee or Member who—

(A) notified the Office of Personnel Management in writing at the time of retirement under such subchapter that the employee or Member did not desire any spouse surviving him to receive a survivor annuity, as provided in the first sentence of section 8339(j)(1) of such title (or any similar prior provision of law); or

(B) the retired employee or Member is survived by a widow or widower who—

(i) married the retired employee or Member after the employee's or Member's retirement under subchapter III of chapter 83 of such title; and

(ii) is entitled to an annuity under such section 8341(b) based on the service of the retired employee or Member.

ENFORCEMENT OF COURT DIVISION OF ANNUITY ENTITLEMENT

SEC. 6. Section 8345(j)(1) of title 5, United States Code, is amended to read as follows:

"(j)(1) If an employee, Member, or annuitant is obligated by the terms of any decree of divorce, annulment, or legal separation or the terms of any court order or court-approved property settlement agreement incident to any court decree of divorce, annulment, or legal separation to pay periodically to any other person any portion of the amounts the employee, Member, or annuitant is entitled to receive under this subchapter based on the employee's, Member's, or annuitant's service, the Office of Personnel Management shall deduct and withhold the amount equal to such portion from the amounts payable to the employee, Member, or annuitant under this subchapter for the applicable periods and pay each amount deducted and withheld to such other person at the place, if any, provided in such decree, order, or agreement. Any payment made to a person under this paragraph bars recovery by any other person.".

FEDERAL EMPLOYEE HEALTH BENEFITS FOR FORMER SPOUSES

SEC. 7. (a)(1) Section 8901 of title 5, United States Code, is amended—

(A) by striking out "and" at the end of paragraph (8);

(B) by striking out the period at the end of paragraph (9) and inserting in lieu thereof a semicolon and "and"; and

(C) by adding at the end thereof the following new paragraph:

"(10) 'former spouse' shall have the same meaning as provided in section 8339(o)(1) of this title.".

(2) Section 8902 of such title is amended—

(A) in subsection (g), by inserting "or former spouse of an employee or annuitant" after "employee or annuitant" each place it occurs;

(B) in subsection (j), by striking out "or family member" and inserting in lieu thereof "family member, or former spouse of an employee or annuitant"; and

(C) in the first sentence of subsection (k), by striking out "or family member" and inserting in lieu thereof "family member, or former spouse of an employee or annuitant".

(3) Section 8903 of such title is amended—

(A) in paragraph (1)—

(i) by inserting "or former spouses of employees or annuitants" after "families,"; and

(ii) by inserting "or former spouse of an employee or annuitant" before the period; and

(B) in paragraph (3), by inserting "(including former spouses of employees or annuitants)" after "individuals".

(4) Section 8905 of such title is amended by adding at the end thereof the following new subsection:

"(f) A former spouse of an employee or annuitant who was enrolled in a health benefits plan under this chapter as a member of family of the employee or annuitant immediately before the marriage to the employee or annuitant was dissolved may—

"(1) enroll in an approved health benefits plan described by section 8903 of this title as an individual; and

"(2) transfer enrollment from a health benefits plan described by such section to another plan described by such section at the same times and under the same conditions as are prescribed by the Office for employees and annuitants under subsection (e) of this section.".

(5) Section 8906 of such title is amended by adding at the end thereof the following new subsection:

"(i) Under such regulations as the Office shall prescribe, each former spouse (of an employee or annuitant) enrolled in a health benefits plan under this chapter shall contribute the full subscription price for the enrollment.".

(6) Section 8907(a) of such title is amended by inserting "and former spouse of an employee or annuitant" after "employee" each place it occurs.

(7) Section 8909 of such title is amended—

(A) in the second sentence of subsection (a), by inserting "former spouses of employees or annuitants," after "annuitants,"; and

(B) in the second sentence of subsection (d), by inserting "or former spouse of an employee or annuitant".

(b) Not later than 90 days after the date of the enactment of this Act, the Office of Personnel Management shall—

(1) take such action as is necessary with respect to contracts entered into and health benefits plans approved under the provisions of chapter 89 of such title to carry out the amendments made by subsection (a);

(2) publicize the amendments made by subsection (a) in the manner most likely to notify the former spouses of officers and employees of the Government regarding the rights and benefits resulting from such amendments; and

(3) carry out a program of open enrollment for former spouses entitled to enroll in a health benefits plan under the provisions of such chapter.

TECHNICAL AMENDMENTS

SEC. 8. (a) Section 8339 of title 5, United States Code is amended—

(1) in subsection (l), by striking out "(o)" and inserting in lieu thereof "(n)"; and

(2) in subsection (m), by striking out "(o)" and inserting in lieu thereof "(n)".

(b) Section 8341 of such title is amended—

(1) in subsection (b)(1), by striking out "(o)" and inserting in lieu thereof "(n)"; and

(2) in the first sentence of subsection (d), by striking out "(o)" and inserting in lieu thereof "(n)".

EFFECTIVE DATES

SEC. 9. (a) Except as provided in subsection (b), the amendments made by this Act shall take effect with respect to any divorce or annulment taking effect before, on, or after the date of enactment of this Act.

(b) Section 8339(o)(3) of title 5, United States Code (as added by section 2), shall apply to any divorce or annulment taking effect after the date of enactment of this Act.

CIVIL SERVICE FORMER SPOUSES BENEFITS ACT—SECTION-BY-SECTION SUMMARY

1. Section 2: Section 8339 of Title 5 is amended by adding a new subsection "(o)". Subsection (o):

a. Defines a "former spouse" as an individual who was married to an employee or former employee for at least one year or who was married to an employee or former employee and is the parent of a child of the employee or former employee.

b. Permits an employee or retiree voluntarily to elect to provide a survivor annuity to any former spouse.

c. Permits an employee or retiree making an election to provide a survivor annuity to a former spouse to change this designation as necessary.

d. Gives State courts the authority to include survivor benefits as part of a divorce decree or property settlement.

e. An election to provide a survivor annuity to a former spouse will not be valid if the employee or retiree has not received the written notarized consent of a present spouse to whom he or she has been married for at least one year.

2. Section 3: Amends the relevant portion of Section 8341 of Title 5.

a. Adds a new subparagraph (B) which states that if a retired member or employee dies and is survived by a former spouse designated to receive a survivor annuity, the former spouse is entitled to an annuity equal to 55 percent of the annuity of the retired member or such portion as specified in the election.

b. A surviving spouse will be entitled to a survivor annuity under this section only upon electing the survivor annuity instead of any other survivor benefit to which he or she may be entitled. The survivor annuity of a spouse, widow, widower or former spouse commences on the day after the annuitant dies and terminates on the last day of the last month before the spouse, widow, widower or former spouse dies. In other words, a survivor annuity will not terminate if the spouse, widow, widower or former spouse remarries before the age of 60.

c. Subsection (b) of Section 8341 is amended by adding paragraph (4), which states that the total amount of a survivor annuity payable under this subsection with respect to a deceased employee may not exceed an amount equal to 55 percent of the annuity of the deceased employee.

3. Section 4: In addition to technical changes made to Section 8339:

a. Subsection (j)(2) is amended to read that, upon retirement, and designation or election not to provide a survivor annuity will not be considered valid unless it is accompanied by the notarized written consent of the spouse. The form of the consent must include statements that the spouse understands that by reason of the election, he or she will not be entitled to receive a survivor annuity.

b. Subsection (k) of this section is amended by adding a new paragraph (3) which states that any reduction in annuity and any entitlement to a survivor annuity resulting from an election made for an insurable interest will be void or limited prospectively to the extent necessary to make an election valid under subsection (o)(2).

4. Section 5: This section of the bill provides survivor annuities to former spouses of certain annuitants who died before the effective date of the act.

If a retired employee was married on the date of retirement, was later divorced, and died without remarrying, his former spouse is entitled to a survivor annuity, provided that the former spouse makes proper application to the Office of Personnel Management. The amount of the survivor annuity will be equal to the amount the surviving former spouse would have been entitled to had she remained married to the retired employee.

This provision will not take effect in those cases in which the employee, at the time of retirement, notified the Office of Personnel Management that he or she did not wish to provide a survivor annuity or in which the retired employee is survived by a spouse to whom he or she has been married for at least one year.

5. Section 6: Section 8345(j)(1) of Title 5 is amended to read that if an employee or retiree is obligated by a court order, pursuant to divorce proceedings, to pay to another person any portion of the amounts the employee or retiree is entitled to receive, the Office of Personnel Management will deduct and withhold that amount from the employee or retiree and pay it to the person designated as the recipient in the court order.

6. Section 7: This section amends those portions of Title 5 dealing with federal employee health benefits. After a series of technical amendments,

a. Section 8905 is amended by adding a new subsection (f), which permits the former spouse of an employee or retiree who was enrolled in a health benefits plan as a member of the employee's or retiree's family immediately before a marriage dissolution to enroll in an approved health benefits plan as an individual. It also allows the former spouse to transfer enrollment in these plans under the same conditions and rules that apply to employees and retirees.

b. Section 8906 is amended by adding a new subsection (i), which states that, in accordance with regulations to be established by the Office of Personnel Management, the former spouse will be required to pay the full subscription price for enrollment.

e. Section 8901 is amended by requiring the Office of Personnel Management, to publicize these amendments in the manner most likely to notify former spouses and Members of their rights and benefits under the amendments and to carry out a program of open enrollment for former spouses entitled to enroll in a health benefits plan.

7. Section 8: Technical amendments to Section 8339 of Title 5.

8. Section 9: Effective dates.

a. All provisions, except for court ordered survivor benefits, will take effect with respect to any divorce or annulment effective before, on or after the date of enactment.

b. Section 8339(o)(3)—which allows state courts to award survivor benefits—shall apply only to those divorces effective after the date of enactment.

Mr. STEVENS. Mr. President, I am pleased to cosponsor the Civil Service Former Spouses Benefits Act of 1984.

Briefly, this legislation would allow a Federal employee to elect a reduced annuity and to designate a former spouse to receive a survivor annuity. In addition, it would allow a former spouse to participate in the Federal Employees Health Benefits Program [FEHBP]. Under current law, a Federal employee may not make such a designation, nor may a court award a survivor annuity as part of a marital property division.

In many instances, the spouses of Federal employees remain at home to care for children and maintain a household. Upon a marriage dissolution, many of these so-called displaced homemakers do not qualify for Social Security benefits and very few receive an alimony award. Without the passage of this type of legislation, they will continue to be denied a survivor annuity. I believe that these spouses should be allowed, at the very least, this measure of economic justice.

More specifically, this legislation would allow either a Federal employee to voluntarily designate a former spouse to receive a survivor annuity, or a court to order such an award. However, if the Federal employee has been remarried for at least 1 year, then the designation will not be valid unless the current spouse consents to it. Also, a court may not modify a marriage dissolution which has taken place before the effective date of this legislation, nor may the Office of Personnel Management recognize court orders for survivors' benefits issued in connection with divorces before the effective date of this legislation.

Finally, because termination upon remarriage is a characteristic feature of alimony, and not of property division, the survivor annuity would continue even though the former spouse remarries.

In summary, Mr. President, this legislation simply places these former spouses on a par with their Foreign Service and Central Intelligence Agency counterparts, who currently receive similar benefits as a result of legislation which we passed in 1980 and 1982.

By Mr. ABDNOR:

S. 2822. A bill to amend section 483 of the Internal Revenue Code of 1954 to provide that such section shall not apply to certain sales and exchanges of real property located in the United States used as a farm or in a closely held business; to the Committee on Finance.

IMPUTED INTEREST, FAMILY FARMS, AND SMALL BUSINESSES

● Mr. ABDNOR. Mr. President, interest rates are high enough already, and the family-farm system is having a tough enough time sustaining itself already, without having the Federal Government stepping in to mandate high interest rates on seller-financed installment sales.

Unfortunately, however, that is just what the Internal Revenue Service does at the present time, and the tax bill we are enacting only aggravates the situation.

My staff and I have been working for several months to draft legislation to prohibit IRS from imputing high interest rates on seller-financed sales of family farms and small businesses. We had been advised to wait to introduce the bill until after seeing what the tax conference committee did with the issue, and now that they have acted, the need for this legislation is even more apparent and urgent.

The legislation I am introducing today would prohibit IRS from imputing a higher rate of interest on the sale of farms and small businesses sold at their productivity value, rather than their full market value. The prohibition would apply to sales of equal or lesser value than would be exempt from estate taxes under existing law,

which also sets forth the guidelines for determining productivity value.

Mr. President, I have little sympathy for those who would use the Tax Code to shift ordinary interest income to capital gains simply to avoid paying their fair share in taxes. In attempting to prevent such abuses, however, it would be a gross injustice to America's family farmers and small businessmen—not to mention a blow to the national interest in preserving and promoting these vital components of our economy—to require them to pay an unaffordable price for the abuses of others.

Mr. President, while the economists in their "ivory towers" may not understand it, there are innumerable small businessmen and farmers who would love to pass on their operations, intact as economic units, to the next generation if the Federal Government will only allow them to do so. Requiring them to charge an unaffordably high rate of interest, quite simply deprives them of the ability to do so and virtually guarantees the demise of many small, owner-operated businesses and the family-farm system. Only those who have large cash resources or can take advantage of tax writeoffs against other income will be able to afford the Government-mandated, high interest rates.

Again, Mr. President, this is a matter of great importance and urgency, not just to America's farmers and small businessmen but to the very fiber of the private enterprise system which has made our Nation the greatest on Earth in the history of mankind. We must make it possible for our Nation's family farms and small businesses to survive; requiring them by law to pay unaffordable interest rates will not help, and I implore my colleagues to support this vital legislation.

I ask unanimous consent the text of the bill be printed following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2822

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subsection (d) of section 483 of the Internal Revenue Code of 1954 (relating to exemptions from interest on certain deferred payments) is amended by adding at the end thereof the following new paragraph:

"(5) EXCEPTIONS FOR FARMS AND CLOSELY HELD BUSINESSES.—

"(A) IN GENERAL.—This section shall not apply to any debt instrument arising from the sale or exchange of real property located in the United States which, at the time of such sale or exchange, is devoted to any of the following:

"(i) use as a farm for farming purposes, or

"(ii) use in a trade or business other than the trade or business of farming.

"(B) LIMITATION.—Subpargraph (A) shall not apply to the portion of the stated principal amount of the debt instrument arising from the transaction which exceeds the applicable limit.

"(C) AGGREGATION.—For purposes of subparagraph (B), all debt instruments arising from any transaction shall be treated as one debt instrument.

"(D) APPLICABLE LIMIT.—For purposes of this paragraph, the term 'applicable limit' means, with respect to any real property, the lesser of—

"(i) the value of such real property which would be exempt from taxation under the credit provided by section 2010, or

"(ii) the value of such real property for the use to which such property is devoted at the time of the sale or exchange.

For purposes of clause (ii), the determination of the value of such property shall be made on the basis of the factors described in section 2032A(e)(8)(A).

"(E) FARM AND FARMING PURPOSES.—For purposes of this paragraph, the terms 'farm' and 'farming purposes' have the meanings given such terms by paragraphs (4) and (5) of section 2032A(e).".

(b)(1) Paragraph (2) of section 483(e) of the Internal Revenue Code of 1954 is amended to read as follows:

"(2) SALES OF EXCHANGES TO WHICH SUBSECTION APPLIES.—This subsection shall not apply to any sale or exchange by an individual of the principal residence of such individual (within the meaning of section 1034).".

(2) Subsection (e) of section 483 of such Code is amended by striking out "or Farms" in the heading.

(3) Paragraph (2) of section 483(f) of such Code is amended by adding at the end thereof the following new sentence: "such term shall not include any sale or exchange to which subsection (d)(5) applies.".

(C) The amendments made by this section shall take effect as if included in the amendments made by section 41(b) of the Tax Reform Act of 1984.●

By Mr. RIEGLE (for himself and Mr. LEVIN):

S. 2823. A bill to provide for the use and distribution of funds appropriated in satisfaction of judgments awarded to the Saginaw Chippewa Tribe of Michigan in Dockets Numbered 59 and 13E before the Indian Claims Commission and Docket Numbered 13F before the U.S. Claims Court, and for other purposes; to the Committee on Indian Affairs.

SAGINAW CHIPPEWA INDIAN TRIBE OF MICHIGAN DISTRIBUTION OF JUDGMENT FUNDS ACT

● Mr. RIEGLE. Mr. President, the legislation I am introducing today seeks to create a special distribution for a land judgment award to the Saginaw Chippewa Indian Tribe. I am happy to include Mr. LEVIN as a cosponsor of the legislation.

According to the Michigan agency of the Bureau of Indian Affairs, tribes in the State of Michigan will be receiving in excess of $50 million in judgment fund awards over the next 2 to 4 years. These awards are compensation to tribes in instances where treaty reserved lands were taken without adequate compensation.

In January 1984, the tribal council of the Saginaw Chippewa Tribe voted to seek special judgment fund legislation from the Congress that would provide 100 percent of the funds awarded in dockets 59, 13E, and 13F to be made available to the tribe for tribally determined investments and economic development.

Mr. President, in recent years many tribes have sought special fund distribution legislation. Some of these bills have restricted the judgment award to tribal members and descendants with a minimum degree of Indian blood—usually one-fourth. In the past, the Bureau of Indian Affairs has tended to distribute these awards on a descendancy and per capita basis. Descendants often participated without regard to the degree of Indian blood or whether or not the descendant was an enrolled member of the tribe. There is no legal requirement for this; but rather, such distribution is discretionary with the Bureau of Indian Affairs or the Congress (*Delaware Tribal Business Committee* v. *Weeks,* 430 U.S. 73, 1977).

Rather than to dissipate the judgment awards from docket 59, 13E, and 13F through small, one-time per capita payments, the Saginaw Chippewa Tribe is seeking to use the funds to establish an investment and economic development fund for the tribe. In cooperation with this tribal effort, the Stewart Mott Foundation has agreed to fund a series of investment and economic development seminars for the tribe and its leadership.

In addition, the tribe is considering changes to its constitution that would relax tribal membership requirements and possibly allow more individuals to benefit from the investment fund.

Mr. President, I believe that the legislation sought by the Saginaw Chippewa Tribe will afford them an opportunity to utilize their judgment funds in a manner that will lead to economic and social development for the reservation, and I hope that my colleagues in the Senate will support this legislation.

Mr. President, I ask unanimous consent that a copy of the tribal resolution on this legislation and a copy of the bill be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RESOLUTION JA-01-84

Whereas, The Saginaw Chippewa Indian Tribe of the Isabella Indian Reservation in Michigan is a federally recognized Indian Tribe organized under a constitution and by-laws ratified by the Tribe on March 27, 1937, and approved by the Secretary of the Interior on May 6, 1937, pursuant to appropriate provisions of the Indian Reorganization Act of June 18, 1934 (48 Stat. 984) as amended by the Act of June 15, 1935 (49 Stat. 378) and,

Whereas, The Saginaw Chippewa Indian Tribe is a federal corporation chartered under the Act of June 18, 1934, (48 Stat. 984) and,

Whereas, In a regular meeting of Saginaw Chippewa Tribal Council, held on October 3, 1983 the Council elected to request distribution of Indian Claims Commission Dockets numbered 59 and 13E and Court of Claims Docket numbered 13F through special Legislation; and

Whereas, On January 6, 1984 in a regular meeting the Tribal Council moved to request a 100% distribution of the aforementioned dockets for Tribal program use; and

Whereas, By Resolution JA-01-83, dated February 7, 1983 the Tribal Council approved a plan for the Tribe's share of Docket 57; and

Whereas, Said plan of February 7, 1983 continues to be a viable initiative; and, now therefore,

Be it resolved, That the Saginaw Chippewa Tribal Council hereby approves the attached plan of February 7, 1983 for its use and distribution plan for Dockets numbered 59, 13E and 13F.

S. 2823

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

SHORT TITLE; DEFINITIONS

SECTION 1. (a) This Act may be cited as the "Saginaw Chippewa Indian Tribe of Michigan Distribution of Judgment Funds Act".

(b) For purposes of this Act—

(1) the term "tribe" means the Saginaw Chippewa Indian Tribe of Michigan;

(2) the term "Tribal Council" means the Saginaw Chippewa Tribal Council;

(3) the term "Secretary" means the Secretary of the Interior; and

(4) the term "Fund" means the Principal Investment Fund established in accordance with section 3.

ABROGATION OF PRIOR PLAN

SEC. 2. Notwithstanding the Act entitled "An Act to provide for the use and distribution of funds appropriated in satisfaction of certain judgments of the Indian Claims Commission and the United States Court of Claims, and for other purposes," and approved October 19, 1973 (25 U.S.C. 1401 et seq.) or any plan prepared or regulation promulgated by the Secretary pursuant to such Act, the funds—

(1) appropriated in satisfaction of judgments awarded the Saginaw Chippewa Indian Tribe in Michigan in Dockets Numbered 59 and 13E before the Indian Claims Commission and Docket Numbered 13F before the United States Claims Court (other than funds appropriated for the payment of attorney fees or litigation expenses), and

(2) held in trust by the Secretary for the use and benefit of the tribe,

and any interest or investment income accrued or accruing (on or before the date of the transfer pursuant to section 4) on the amount of such judgments shall be distributed and used in the manner provided in this Act.

PRINCIPAL INVESTMENT FUND

SEC. 3. (a) The tribe, through the Tribal Council, is hereby authorized to establish a fund which shall be known as the "Principal Investment Fund". The principal of the Fund shall consist of—

(1) the funds transferred by the Secretary to the Tribal Council pursuant to section 4(a),

(2) the amounts required to be included in principal under subsection (c), and

(3) such amounts of the net income of the Fund which the Tribal Council may elect to retain and add to principal.

The Fund shall be held in trust by the Tribal Council for the benefit of the tribe and administered in accordance with this Act.

(b) The income from the Fund shall be used exclusively for investments (including loans to enrolled members of the tribe) or for expenditures which the Tribal Council determines are reasonably related to economic development beneficial to the tribe or enrolled members of the tribe or the development of tribal resources.

(c) At least 10 percent of the net income of the Fund for each of the first 10 fiscal years of the Fund beginning after such Fund is established shall be retained in the Fund and included in principal.

(d)(1) The Fund shall be maintained as a separate book account.

(2) The books and records of the Fund shall be audited at least once during each fiscal year of the Fund (or before the end of the 3-month period beginning on the last day of such fiscal year) by an independent certified public accounting firm which shall prepare a report on the results of such audit. Such report shall be treated as a public document of the tribe and a copy of the report shall be available for inspection by any enrolled member of the tribe.

TRANSFER OF FUNDS BY THE SECRETARY TO THE PRINCIPAL INVESTMENT FUND

SEC. 4. (a) Before the end of the 60-day period beginning on the date the Secretary receives notice of the adoption by the Tribal Council of a resolution (in accordance with the constitution and by-laws of the tribe)—

(1) establishing the Fund, and

(2) authorizing the Secretary to distribute the funds described in section 2 to the tribe for deposit in the fund,

the Secretary shall transfer such Funds to the Tribal Council for deposit in the Fund.

(b)(1) Except as provided in paragraph (2) and notwithstanding any other provision of law, the approval of the Secretary for any payment or distribution from the Fund, after the transfer of funds pursuant to subsection (a), shall not be required and the Secretary shall have no further trust responsibility for the investment, supervision, administration, or expenditure of such funds.

(2) The Secretary may take such action as he may determine to be necessary and appropriate to enforce the requirements of this Act.

TREATMENT OF AMOUNTS PAID OR DISTRIBUTED FROM THE FUND

SEC. 5. No amount of any payment or distribution from the Fund in accordance with section 3 shall be included in gross income of the payee or distributee, to the extent such payee or distributee is an enrolled member of the tribe, for purposes of any Federal or State income tax. Payments or distributions from the Fund, or the availability of any amount for payment or distribution from the Fund, may not be considered as income or resources or otherwise used as the basis for denying or reducing—

(1) any financial assistance or other benefit to which any enrolled member of the tribe, or the household of any such member, is otherwise entitled or for which such member or household is otherwise eligible under the Social Security Act, or

(2) any other Federal financial assistance, Federal benefit, or benefit under any program part or all of the funding for which is provided by the Federal Government to which such member or household is otherwise entitled or for which such member or household is otherwise eligible.●

By Mr. NICKLES:

S. 2824. A bill to provide for the use and distribution of certain funds awarded the Wyandotte Tribe; to the Committee on Indian Affairs.

DISTRIBUTION OF FUNDS AWARDED THE WYANDOTTE TRIBE

● Mr. NICKLES. Mr. President, I am pleased to introduce this legislation that will provide for the distribution of judgment funds plus accrued interest resulting from four dockets to the members of the Wyandotte Tribe of Oklahoma and to the lineal descendants of individual listed in the "Census of Absentee or Citizen Wyandotte Indians."

The U.S. Claims Court, on December 9, 1982, awarded the Wyandotte Tribe $200,000 in dockets 212 and 213 as additional compensation for reservation lands in northwestern Ohio and southeastern Michigan ceded to the United States by the tribe under several treaties. Funds were appropriated to satisfy this judgment on January 20, 1983.

On August 17, 1978, the Indian Claims Commission awarded $561,424.21 to the Wyandotte Tribe as it was constituted in 1805 as their share for ceded land in northcentral Ohio. Funds to cover this award were appropriated on October 31, 1978.

The U.S. Court of Claims, on January 19, 1979, awarded $2,349,679.60 to the Wyandotte Tribe as it was constituted on January 4, 1819, as additional compensation for land in northwestern Ohio. The necessary funds for this debt were appropriated on March 2, 1979.

As usual, the wheels of Government are moving slowly and the total of these claims plus accrued interest, as of March 30, 1984, is $5,710,545.84.

Due to the efforts of many people including the Wyandotte Tribe of Oklahoma, the descendants of the Absentee Wyandottes as well as Government officials and congressional staff, this legislation provides the solutions to the disproportionate shares that would have resulted from distribution under Public Law 97-371 and distributes the funds appropriated under dockets 212 and 213.

I urge my colleagues to take quick action on this long-awaited legislative initiative to satisfy the debt to the Wyandotte Indians as determined in the courts of the United States.●

By Mr. MOYNIHAN:

S. 2827. A bill relating to the tariff classifications of certain silicone resins and materials; to the Committee on Finance.

TARIFF CLASSIFICATIONS OF CERTAIN SILICONE RESINS AND MATERIALS

● Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation of considerable importance to this Nation's producers of silicone products. My bill would establish a uniform tariff rate of 8.6 percent ad valorem for all imported silicone products.

Today, the U.S. duty on silicones ranges from 0 to 8.6 percent ad valorem. In contrast, our major trading partners have significantly higher tariff rates than we do. For example, the Japanese tariff on all silicones is 13.1 percent, the German rate is 15.3 percent and the French rate ranges from 10 to 14 percent.

Mr. President, it is clear to this Senator that the lower American tariff rates on silicones accord foreign silicone competitors an advantage in U.S. and foreign markets.

The bill I introduce today simplifies the U.S. tariff schedule, by creating one rate for all imported silicones—8.6 percent. Such harmony is a matter of simple common sense and efficiency. I would like to emphasize that the new tariff rate still would be much lower than the tariffs levied by many of our major trading partners.

Mr. President, the bill I introduce today is an entirely reasonable one, and I urge my colleagues in this body to support it. I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2827

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) part 4 of schedule 4 of the Tariff Schedules of the United States (19 U.S.C. 1202) is amended—

(1) by amending subpart A—

(A) by amending headnote 2 to read as follows:

"2. (a) The term 'synthetic plasitcs materials' in this subpart—

"(i) embraces products formed by the condensation, polymerization, or copolymerization of organic chemicals and to which an antioxidant, color, dispersing agent, emulsified, extender, filler, pesticide, plasticizer, or stabilizer may have been added; and

"(ii) includes silicones in all forms (including fluids, resins, elastomers, sealants, adhesives, and copolymers) whether or not such materials are solid in the finished articles.

"(b) The products referred to in (a) (i) and (ii) contain as an essential ingredient an organic substance of high molecular weight; are capable, at some stage during processing into finished articles, of being molded or shaped by flow; and, except as provided in (a)(ii) of this headnote, are solid in the finished article. The term includes, but is not limited to, such products derived from esters of acrylic or methacrylic acid, vinyl acetate, vinyl chloride resins, polyvinyl alcohol, acetals, butyral, formal resins, polyvinyl ether and ester resins, and polyvinylidene chloride resins, urea and amino resins; polyethylene, polypropylene, and other polyalkene resins; siloxanes, silicones, and other organo-silicon resins; alkyd, acrylonitrile, alyl, and formaldehyde resins, and cellulosic plastics materials. These synthetic plastics materials may be in solid, semi-solid, or liquid condition such as flakes, powders, pellets, granules, solutions, emulsions, and other basic crude forms not further processed."; and

(B) by inserting after item 445.54 the following new item:

"445.55	Silicone resins and materials.	1.1¢ per lb. + 8.6% ad val.	1¢ per lb. + 7.7% ad val.	33.5% ad val."; and

(2) by striking out item 446.15 and inserting in lieu thereof the following:

"	Synthetic rubber:			
446.16	Silicone	1.1¢ per lb. + 8.6% ad val.	1¢ per lb. + 7.7% ad val.	33.5% ad val.
446.18	Other	1.1% ad val.	Free	20% ad val.".

(b) The rate of duty in column numbered 1 for item 446.18 (as added by subsection (a)(2)) shall be subject to all staged reductions for item 446.15 that were proclaimed by the President before the date of the enactment of this Act.

SEC. 2. The amendments made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of the enactment of this Act.●

By Mr. MOYNIHAN:

S. 2828. A bill to amend the National Traffic and Motor Vehicle Safety Act of 1966 to require the provision of automatic safety airbags in all automobiles beginning on or after September 1, 1986; to the Committee on Commerce, Science, and Transportation.

MOTOR VEHICLE SAFETY ACT

● Mr. MOYNIHAN. Mr. President, I rise today to propose legislation of considerable import to every American motorist. The bill I introduce today would amend the National Traffic and Motor Vehicle Safety Act of 1966, to require automobile manufacturers selling cars in the United States to install automatic safety airbags in autos produced on or after September 1, 1986.

Mr. President, before I discuss the clear merits of this legislation, permit me to cite a little background.

The hundreds of thousands of automobile fatalities and serious injuries occuring every year on our Nation's highways and roads demand new responses. According to the National Highway Traffic Safety Administration [NHTSA], 43,945 Americans died in traffic accidents last year. Although the NHTSA estimates that traffic fatalities will decline slightly this year, to approximately 42,000, the number of Americans killed each year in traffic accidents remains intolerably high. The NHTSA also reports that of some 5.83 million reported automobile accidents in 1982, more than 3.2 million persons were injured. Someone is injured in more than half of all automobile traffic accidents; and of the 3.2 million persons injured in 1982, more than 170,000 suffered serious injuries.

I ask my colleagues to examine these accident and injury figures carefully, and reflect on the extreme human costs and suffering they represent. How many of our loved ones and friends have lost their lives in traffic accidents? The loss of American lives in traffic accidents surely deserves this body's prompt consideration.

On February 17, 1983, in testimony before the Subcommittee on Transportation of the Senate Commerce Committee, Ben Kelley, senior vice president of the Insurance Institute for Highway Safety, noted:

> Each year crash injuries kill thousands of people and damage the brains and spinal cords of many thousands more on the highway. Millions of people are injured less severely and the economic toll of all this mayhem is in the billions of dollars. Detailed figures are known to your subcommittee. They describe, in sum, one of the worst health problems in America.

We must concur: This is truly one of the Nation's worst public health problems. The NHTSA has estimated that the costs to the American economy in 1980, in medical costs, automobile repair bills, and earnings losses for injured individuals who could not work, was a staggering $57.2 billion. And this estimate does not include those costs we cannot measure easily—the loss of human life, and the dehabilitation and suffering of the injured.

What is especially disturbing about this is that today we have the technology to substantially enhance the safety of our automobiles and, in so doing, significantly reduce the number of serious accidents and fatalities occurring on the Nation's highways. That technology is the air cushion, or airbag, first patented in the 1950's.

Mr. President, the Congress has been concerned with this matter for more than two decades. We first enacted legislation to address motor vehicle safety in 1966, when we passed that landmark piece of safety legislation, the National Traffic and Motor Vehicle Safety Act of 1966 (Public Law 89-563). In that act, Congress established the following congressional policy on motor vehicle safety:

> Congress hereby declares that the purpose of this Act is to reduce traffic accidents and deaths and injuries to persons resulting from traffic accidents. Therefore, Congress determines that it is necessary to establish motor vehicle safety standards for motor vehicles and equipment in interstate commerce; to undertake and support necessary safety research and development; and to expand the national driver register.

The 1966 act authorized the establishment of Federal motor vehicle standards for automobiles. In addition, in section 115 of the act, Congress called for the creation of the National Traffic Safety Agency, the predecessor to the National Highway Traffic

Safety Administration. President Lyndon Baines Johnson appointed my good friend, Dr. William Haddon, Jr., to head this agency.

The first seatbelt safety ruling by the National Traffic Safety Agency was promulgated in 1967, requiring the installation of manual seatbelts in all cars—seatbelts that passengers must buckle themselves—effective January 1, 1968. Today, as Members of this body well know, most cars sold in this country have a manual seatbelt or a combination of a manual seatbelt and a shoulder belt. All cars must have a buzzer warning system, reminding passengers to fasten their seatbelts. If seatbelts are used, they can limit significantly the safety hazards associated with driving.

Yet it is clear to this Senator that the present regulations of the Department of Transportation contain one fundamental, and potentially deadly, flaw. It is an undisputed fact that Americans do not use seatbelts as often as they ought to.

Indeed, only 10 to 15 percent of us bother to buckle our seatbelts. Since we often do not use seatbelts, their safety benefits are unrealized. An unbuckled seatbelt for someone involved in a car crash is, of course, of no benefit.

If seat belts afford little safety benefits because many Americans neglect to use them, it is the responsibility of the Congress and the NHTSA to find new ways to promote greater safety on the Nation's highway.

The NHSTA has long recognized that something more must be done. Indeed, on several different occasions, the NHSTA has been prepared to strengthen substantially motor vehicle safety requirements. Most recently in 1977, the NHSTA, under the leadership of President Carter's Secretary of Transportation, Brock Adams, ruled that mandatory automatic restraints would be required in automobiles beginning in September 1981.

But the Reagan administration, in a shortsighted policy decision, reviewed the regulations proposed by the Department of Transportation. In April 1981, the Department of Transportation delayed for 1 year the effective date for the passive restraint rule. Then 6-months later, in October 1981, the administration rescinded the rule.

That decision was most unfortunate, Mr. President. Every delay in the Department of Transportation's regulations means continued losses of substantial numbers of American lives on our highways and roads.

The administration's rescission of the regulations was challenged in the courts. On June 24, 1983, the Supreme Court wisely ruled that the rescission by the NHSTA was arbitrary and capricious. In October 1983, the Department of Transportation announced new rulemaking proceedings, and the DOT will promulgate new rules on July 11, 1984.

Mr. President, it is my sincere hope that the Department of Transportation will reach the proper decision, and implement standards requiring airbags or similarly effective passive restraints systems.

Nevertheless, I think it entirely appropriate for Congress to state what we believe should be Federal policy. In my view, what is needed is a Federal requirement that all cars sold in this country be equipped with airbags. That is precisely what my bill would do, requiring that all automobiles sold in this country on or after September 1, 1986 be equipped with airbags.

Mr. President, we all recognize the problem: The intolerably high number of deaths and serious injuries on American highways. By requiring airbags in all cars, this bill very simply will save lives and reduce injuries.

The effectiveness of airbags in reducing serious injuries has been well documented. My good friend, Dr. William Haddon, testified before the Department of Transportation on December 5, 1983, that, "the automatic crash cushion, or airbag, [is] the most effective—and thoroughly tested in preproduction—motor vehicle safety technology ever developed." The NHSTA has estimated that the introduction of airbags, or similarly effective passive restraint systems, could save as many as 9,000 American lives every year and reduce the numbers of serious injuries by 65,000 per year.

The Department of Transportation acknowledged the effectiveness of airbags, in its October 1983 Notice of Proposed Rulemaking. There, the Department noted:

> Based on available information, the Department continues to believe that they [airbags] are highly reliable and would function properly.

Mr. President, I am well aware that we cannot achieve the safety benefits of airbags without increasing costs for car makers and buyers. The Department of Transportation has estimated that the manufacturer's cost to install an airbag would be about $320. I ask my colleagues to consider whether spending an additional $320 for each automobile is worth saving 9,000 lives. I am certain that most Members of this body will agree, it is.

Moreover, although passage of this legislation would raise modestly the cost of an automobile, the bill would save the economy many billions of dollars. William Nordhaus, John Musser professor of economics at Yale University and former member of the President's Council of Economic Advisers, has estimated that installation of airbags would have a net economic benefit to the Nation of $29 billion.

Mr. President, the measure I offer today will substantially reduce highway injuries and fatalities and save billions of dollars. It is an entirely reasonable proposal, and I urge my colleagues in this body to give it their full support. I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2828

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Part A of title I of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391-1410b) is amended by adding at the end thereof the following:

"SEC. 126. (a) Each manufacturer of passenger automobiles shall install automatic safety airbags on each passenger automobile produced by such manufacturer on or after September 1, 1986.".

(b) Section 102 of the National Traffic and Motor Vehicle Safety Act of 1966 (15 U.S.C. 1391) is amended—

(1) by striking "; and" at the end of paragraph (14) and inserting in lieu thereof a period; and

(2) by adding at the end thereof the following new paragraph:

"(16)(A) 'Passenger automobile' means a motor vehicle, except that the term does not include a multipurpose passenger vehicle, a motorcycle, a bus, a truck, or a trailer designed for carrying 10 persons or less.

"(B) As used in subparagraph (A) of this paragraph, 'multipurpose passenger vehicle' means a motor vehicle, other than a trailer, which is designed to carry 10 persons or less and which is constructed either on a truck chassis or with special features for occasional off-road operation.".●

By Mr. PRYOR (for himself, Mr. GRASSLEY, and Mr. SASSER):

S. 2830. A bill to limit the employment by Government contractors of certain former Government personnel; to the Committee on Governmental Affairs.

EMPLOYMENT BY GOVERNMENT CONTRACTORS OF CERTAIN FORMER GOVERNMENT PERSONNEL

Mr. PRYOR. Mr. President, I am today introducing legislation on behalf of myself and the Senator from Iowa [Mr. GRASSLEY], and the Senator from Tennessee [Mr. SASSER], to address a very serious problem in the Federal Government procurement process. It is designed to stop the abuses resulting from the "revolving door," the practice of Federal employees resigning from Federal employment to accept immediate employment with companies whose contracts the same employees had supervised.

This problem has been cited many times as one of the reasons that public confidence in Federal contracting has been eroded. Nevertheless, the Congress and the executive branch have not yet established adequate safeguards to control abuses.

While I am encouraged by the efforts Congress has made in recent years to address procurement abuses, much work needs to be done. In the Senate, both the Armed Services and

the Governmental Affairs Committees have held hearings and drafted legislation to improve procurement practices. Taxpayers will clearly benefit in years to come from congressional action to establish Inspectors General, competition advocates, and the Operational Testing and Evaluation Office, as well as a number of contracting reforms.

One of the most disturbing problems not yet addressed is the "revolving door." Gordon Adams in "The Iron Triangle: The Politics of Defense Contracting" discussed the issues involved:

One major form of "temptation," particularly relevant to the "iron triangle" of defense policy, is the lure of future employment in the defense industry. A civilian or military official might be tempted to shave a little on cost control, delivery deadlines, performance specifications, or choice of contractor. The data in this study suggest that the possibilities of such employment, hence of "temptation," are real. Former Assistant Secretary of Defense J. Ronald Fox described the situation:

> The availability of jobs in industry can have a subtle, but debilitating effect on an officer's performance during his tour of duty in a procurement management assignment. If he takes too strong a hand in controlling contractor activity, he might be damaging his opportunity for a second career following retirement. Positions are offered to officers who have demonstrated their appreciation for industry's particular problems and commitments.

The New York Bar comments:

> The risk is not bribery through the device of job offers. The risk is that of sapping governmental policy especially regulatory policy, through the nagging and persistent conflicting interests of the Government official who has his eye cocked toward subsequent private employment. To turn the matter around, the greatest public risks arising from post-employment conduct may well occur during the period of Government employment, through the dampening of aggressive adminsitration of Government policies. [Footnotes omitted.]

Government procurement exceeds $100 billion today. We need to make sure that it is clear to everyone that the only interest of Federal procurement officials is the Government's interest and that subtle temptations are removed.

This problem requires congressional attention, and I hope this bill will serve as a starting point for these efforts.

We are fortunate in this country that the Federal work force consists of dedicated, loyal people. These public servants should not have to do their jobs under the cloud of suspicion that has been generated by the appearance of conflicting interests on the part of a small category of employees. I hope this legislation will go a long way toward removing that cloud.

This legislation establishes a standard contract clause prohibiting contractors from hiring anyone who had direct contact with them for a period of 5 years from completion of Government service. It also requires, for the first time, full disclosure by contractors of former Government employees hired within the last 5 years. These reports will be reviewed by the Director of the Office of Government Ethics, among others, for violations.

This same proposal was introduced this week by Representative BARBARA BOXER, and I commend her for her efforts on this issue.

Finally, I believe that the problem has been considered in a careful and informative way by journalists and by the General Accounting Office.

I ask that an excerpt from a GAO report entitled "Controls Over DOD's Management Support Service Contracts Need Strengthening"—MASAD-81-19, March 31, 1981—be placed in the RECORD following my statement.

Fred Kaplan of the Boston Globe has written an excellent series of articles and I ask that an article from that series be placed in the RECORD following my remarks.

I ask that the text of this bill be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2830

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a)(1) the head of an agency making a contract for procurement of goods or services for the United States shall require that the contract include provisions under which the contractor agrees not to employ, during the period described in paragraph (2), any individual who, while serving as an officer or employee of the Government, performed a Government procurement function with respect to a contract with that contractor.

(2) The period referred to in paragraph (1) is the period of the term of the contract or the five-year period beginning on the date of the individual's separation from Government service, whichever ends later.

(b) The head of the agency may waive the application of the contract provision required by subsection (a) with respect to any individual if the employment of that individual by a contractor is considered by the head of the agency to be essential for national security purposes. Any such waiver shall be published in the Federal Register or shall be approved in advance by the Director of the Office of Government Ethics.

(c) A contractor who violates a contract provision required by subsection (a) shall forfeit to the United States, as liquidated damages under the contract, an amount equal to the rate of compensation, stated on an annual basis, of the individual employed by the contractor in violation of such contract provision, multiplied by the number of days the individual is employed by the contractor.

(d)(1) Each contractor subject to contract terms described in subsection (a) shall issue an annual report listing the name of each individual who is a former Government officer or employee who was hired by that contractor within the previous five years. Such listing shall show the agency by which such officer or employee was last employed. A copy of each such report shall be sent to each agency named in the report.

(2) The Inspector General of each agency which receives a report under paragraph (1) shall review the report for the purpose of identifying any violation of subsection (a) indicated in the report. In the case of an agency that does not have an Inspector General, the Comptroller General of the United States shall review the reports.

(3) The Director of the Office of Government Ethics shall have access to the reports and shall conduct an annual random survey of the reports to check for violations of subsection (a). The Director shall submit an annual report to Congress on the operation of this section, including the findings of the Director under such reports.

(e) For the purposes of this section:

(1) The term "employ" includes any payment, reimbursement, or other compensation (whether provided directly or indirectly or through a third party) in return for services.

(2) The term "Government procurement function" includes, with respect to a contract, any function relating to negotiating, awarding, administering, approving contract changes, cost analysis, quality assurance, operation and developmental testing, approval of payment, contractor selection, or auditing under the contract.

EXCERPT FROM GAO REPORT: FORMER DOD EMPLOYEES

The involvement of former DOD military and civilian employees in contracts with DOD is extensive. Of the 256 contracts reviewed, 131, or 51 percent, valued at about $52.6 million involved former employees in capacities of top management as well as various technical levels (e.g., engineers). In most cases, the former employees were working for a prime contractor. We believe that extensive involvement of former employees raise questions as to (1) the extent DOD uses the skills of former employees to perform functions similar to those that the employees performed while employed by DOD, (2) the objectiveness of work performed by former employees in areas where they were formerly involved while at DOD, and (3) the degree of influence used by former top level DOD officials in securing contracts with DOD.

[From the Boston Globe, Jan. 15, 1984]

MILITARY'S REVOLVING DOOR WITH BUSINESS

(By Fred Kaplan)

WASHINGTON.—When Gen. Alton D. Slay retired from the Air Force on Feb. 1, 1981, his career in the defense business was far from finished. For the previous three years he had served as head of Air Force Systems Command, the agency that develops all Air Force aircraft, and in the three years before that he was deputy chief of staff for Air Force research, development and acquisition.

In short, he had been involved in top-level decisions on virtually every weapon system that the major US defense corporations had built for the Air Force.

Now, upon retirement, he established Slay Enterprises Inc., a one-man consulting firm, and found as willing clients numerous defense contractors whose business he had once overseen on behalf of the government. They include three of the Pentagon's top 10 contractors—Lockheed, United Technologies Corp. and Raytheon—as well as several slightly lesser firms, including Westing-

house Electric, British Aerospace and Aerojet Ordnance.

Slay is hardly the only officer who has left the military and joined a defense corporation, stepping through what many have dubbed "the revolving door." During the fiscal years 1979–82, according to Pentagon files and those of the Senate Armed Services Committee, 1437 officers with ranks of major (in the Navy, lieutenant commander) or above retired and went to work for defense corporations.

Of these officers, 510—more than one-third—signed up with companies which during this period were consistently among the top 10 defense contractors.

Slay's personal history is particularly interesting. In 1969, while commander of the Air Force Flight Test Center, Slay declared tests on Lockheed's C5A cargo-transport aircraft successful even though all the plane's engines were clogged up and had to be shut down when idling on a dusty airstrip near Edwards Air Force Base in California.

In 1978, as head of Systems Command, Slay revived production of the U2 spyplane (now called the TR1), another boon for Lockheed, which makes the airframe, and for Pratt & Whitney, a subsidary of United Technologies, which makes the engine.

Two years later, Slay devised a plan to save Pratt & Whitney's F100 engine, whose turbine blades kept failing inside Air Force F15 and F16 fighter planes and which was coming under heavy congressional attack. Slay proposed that Pratt & Whitney sign a warranty guaranteeing that the company would repair or replace failed equipment at its own cost up to a certain point after delivering an engine.

Yet one former Pratt & Whitney engineer recalls that the warranty was in effect for such a short period that it was practically meaningless. "Anybody in the engine business knew that any engine could satisfy that warranty," he says. "It was like a car company guaranteeing your car for 2,000 miles."

Still, the warranty arrangement satisfied the critics in Congress. "Slay saved Pratt a good chunk of business," says the engineer.

Now Slay advises these companies on management "on long-range plans and new business opportunities," as a spokesman for Raytheon puts it. Slay's former Pentagon colleagues say he skillfully uses his experience in the Air Force bureaucracy to help his new clients find their way to success and continued good fortune in the politics of selling weapons to the military.

Slay failed to return several phone calls made to him over the past three weeks.

NOT ONLY NEW CONSULTING FIRM

Slay was not the only Air Force general who set up his own consulting firm. That path also was tread by Vice Adm. James H. Doyle, Jr., former deputy chief of naval operations for surface warfare, who left the Navy in September 1980 and became a consultant on matters concerning surface ships for Martin Marietta, Vought and RCA.

All three companies are intimately involved with the Navy's highly sophisticated and costly Aegis missile and radar system aboard Ticonderoga-class cruisers. RCA builds the Aegis weapons system, the largest defense contract in RC history. Martin Marietta is developing a vertical launch system designed for the cruisers. And according to a spokesman at Vought, Doyle advises that company mainly on a Vought-developed system that is to be used as a target in tests of the Aegis missile system.

Lt. Gen. Benjamin N. Bellis, vice commander-in-chief of the US Air Force, Europe, retired Aug. 1, 1981, and became a consultant for Martin Marietta, Hughes Aircraft, Northrop, TRW and Aerojet, all major Air Force contractors.

Consulting is one way that top-level officers make a lucrative transition to civilian life, but most are hired by a single corporation.

For example, Maj. Gen. Henry B. Stalling Jr. has been vice commander of the Electronics Systems Division at Hanscom Field in Bedford, Mass. He retired in May 1980 and became a vice president of the Defense Electronics Operations branch of Rockwell International.

Brig. Gen. Tommy I. Bell, director of development and production for the Air Force deputy chief of staff for research, development and acquisition, retired in September 1982. A month earlier, he had lined up a job as a contract manager of Northrop.

NEW JOB AFTER 10 WEEKS

Rear Adm. Curtis B. Shellman Jr. was deputy chief of naval material for logistics. He retired May 1, 1980, and 10 weeks later was working for the Electric Boat division of General Dynamics in Groton, Ct., as the assistant general manager of operations, working on the construction of nuclear submarines.

Not just generals and admirals have shifted from the military to the Industrial side of weapons procurement. The practice extends to all levels of decision-making—to those who while in the military were responsible for testing weapons systems or supervising contract negotiations or purchasing equipment or conducting analysis that might convince those at a higher level whether to kill or approve a particular weapon system.

In many cases, officers have gone to work for a contractor with which they had no contract while in the military. Several say they did so explicitly to avoid the appearance of conflict of interest. In many other cases, however, it appears they simply have moved from one side of the table to the other.

Some of these officers had been involved in testing and evaluating the effectiveness of weapons made by their future employers.

Lt. Col. George F. Goodall was test director of the Maverick missile. He resigned Aug. 30, 1982. On Sept. 9 he was working for Hughes Aircraft, manufacturer of the Maverick, worth $5.8 billion.

Lt. Col. Wayne O. Mattson was systems project officer on the Maverick. On Jan. 15, 1979, he took a terminal leave—his actual retirement date was not until March 1—and also went to work for Hughes.

Col. James C. Crosby was president of the Army Defense Board, involved in testing the highly controversial Divad antiaircraft system. In August 1981 he retired and went to work for Ford Aerospace, chief contractor on the $4.1 billion Divad program.

Col. William E. Crouch, Jr. was commander of Army Aviation Development Test Activity at Ft. Rucker, Ala. He retired July 1, 1981, and five days later became the Ft. Rucker branch manager of Hughes Helicopter Inc., whose equipment the Army development unit frequently tests.

WENT TO WORK FOR LOCKHEED

Col. Sherwin Arculis tested remotely piloted vehicles, target and reconnaissance drones, for the Army's Trainiing and Doctrine Command. He retired in February 1980 and went to work for Lockheed Missiles & Space as manager of an office that provides logistical support to Army remotely piloted vehicles.

Maj. George E. Elliott was chief tester of space transportation systems at the Air Force Test and Evaluation Command. He retired Sept. 1, 1980, and two days later was working at Martin Marietta, first as a design engineer but later responsible for integrating test programs on the company's space transportation system. While Elliott was in the Air Force, Martin Marietta was one of the contractors whose systems he tested.

More than just weapon testers move to the other side of the defense business. John W. Ulmer Jr. was manager of instrumentation systems on the MX missile for the Air Force's Ballistic Missile Office. He retired in June 1980 and went to work for TRW Inc., which oversees development of the MX project.

Col. Harvey M. Paskin was chief of the avionics division in the project office supervising the F16 jet fighter at Wright Patterson Air Force Base. He left in July 1982 and went to work as an engineer at Westinghouse Electric, which makes the radar—the avionics—on the F16.

Lt. Col. John W. O'Neal was the operations officer for the Joint Chiefs of Staff in charge of a system called the Ground Mobile Command Center. He took a terminal leave of absence in August 1982 to work for TRW Inc. as senior principal engineer in charge of planning and testing the Ground Mobile Command Center.

NEGOTIATORS ALSO SWITCH

The practice of stepping to the other side of the table, from facing corporations on behalf of the government to facing the government on behalf of corporations, also has been embraced by those assigned to negotiate contracts that ensure the government the best deal possible.

For example, Lt. Col. Edward Cartwright was deputy director of contracting for the Computer Acquisition Center at Hanscom. He retired June 30, 1980, and seven days later went to work as a computer configuration manager at Sperry Univac in McLean, Va., one of the companies whose contracts he had supervised in the Air Force.

Maj. Walter D. Crafton was in the Air Force Plant Representative Office overseeing contracts at a TRW plant in Red Beach, Cal. He retired May 1, 1981, and a month later was working as a department manager on product assurance at the same TRW plant.

High-ranking civil servants also play the "revolving-door" game. Ernest R. Giardano was an auditor in the Defense Contract Audit Agency assigned to keep things honest at a Boeing Co. plant. On Dec. 31, 1979, he retired from the government and the next day went to work for Boeing.

Marvin H. Boodnick was a price-cost analyst for the same agency, auditing Hughes Aircraft. He quit March 14, 1981, and two days later started working for Hughes.

The list of military and civilian officials who have pushed the revolving door could go on for columns. For better or for worse, what President Dwight Eisenhower once called "the military-industrial complex" is very much alive.

In telephone interviews, many of these former officials say they were hired by the corporations they had once supervised because they were good at their jobs. Says a former Defense Contract Audit Agency auditor who supervised Hughes helicopter contracts and then went to work for the company. "There's always room for both sides to have technically competent people." adding that the practice of switching sides

"is common in the entire world of auditing not just defense auditing."

Industry spokesmen generally say they hire retired officers for the same reasons—for their talent and experience. However, one unidentified public relations officer for a major defense firm speaking on background said they also are hired for their connections. "We need everything we can get. This is a very competitive business."

On this point, George Spanton, a recently retired audit agency official who has been offered corporate jobs for years but has turned them down, reflects. "You always like to feel (the offers are) legitimate, but you have to sit back and ask yourself. "Would I be offered this job if I didn't have the job I have now? [The corporation] just knows I know all the techniques on how to protect the government's interest, so I must also know all the techniques on how to get around the government's interests."

By Mr. TSONGAS:

S. 2831. A bill for the relief of Fung-Ming Wong; to the Committee on the Judiciary.

RELIEF OF FUNG-MING WONG

● Mr. TSONGAS. Mr. President, today I am introducing a personal bill to provide for the relief of Ms. Fung-Ming Wong.

Ms. Wong had been a resident of the U.S. since August 8, 1976. She originally came as a student and since August 1982 has been employed as a fully qualified social worker with the Big Sister Association of Greater Boston. She has led an exemplary life in the United States.

On three occasions prior to 1982, Ms. Wong left the United States for very brief visits with full intent of returning to continue her studies. In May 1983, Ms. Wong was given notice of voluntary departure. Motion to reopen her case by counsel was granted by an immigration judge and a hearing on the merits was scheduled. Unfortunately that hearing was postponed until after announcement of the court decision in INS against Phenpathya. Ms. Wong was then informed that in light of this decision, she was ineligible for suspension of deportation because of her short, temporary absences abroad. Prior to this decision, brief absences from the United States of a temporary nature did not interfere with the 7 years of residency required under section 244 of the INA.

The hardship imposed on Ms. Wong and her family is great. She lives in an extended family situation here and her deportation would disrupt her dependent mother, her sister, and her sister's children. I hope this bill will give Ms. Wong a fair opportunity to remain in the United States with her family.●

By Mr. HATCH (for himself, Mr. D'AMATO, and Mrs. HAWKINS):

S. 2823. A bill to amend the Saccharin Study and Labeling Act; placed on the Calendar.

SACCHARIN STUDY AND LABELING ACT AMENDMENTS

Mr. HATCH. Mr. President, I am pleased to join Senators D'AMATO and HAWKINS in the introduction in the Senate of a bill to extend the Saccharin Study and Labeling Act. Corresponding legislation (H.R. 5701) has been introduced in the House by Representative FOLEY.

The saccharin issue, while well known, continues to be unresolved. Saccharin has seen decades of extraordinarily widespread use—without any indication that it poses a public-health peril and without any indication that it is harmful at normal levels of consumption. Some studies seem to indicate that saccharin may be a very weak carcinogen under laboratory test conditions. However other studies show no such effect. Congress has felt that the evidence as of 1978 was ambiguous and insufficient to warrant the removal of saccharin from the market, and thus passed the Saccharin Study and Labeling Act. This act called for studies, placed a warning label on substances containing saccharin, and forbade FDA action against saccharin solely on the basis of data available through 1978.

Studies commissioned by FDA as a result of the act were completed in 1983 and there is already significant scientific disagreement over their meaning. FDA is currently undertaking extensive review of these studies with no fixed point for a conclusion. Thus the basic challenge to saccharin's long history of safe use remains unresolved, and it is appropriate that Congress continue the limited moratorium covering use of the pre-1978 data.

I support the continuing research into this important chemical as well as the multiple efforts to find a demonstrably safe substitute for all of saccharin's uses. However, I feel the American people should not be deprived of this widely used and currently irreplaceable sweetener without research demonstrating some public-health threat.

This bill would, for the fourth time, extend the current moratorium. The new date would be May 1, 1988, 3 years beyond the current April 1985 expiration date. I urge my colleagues to join me in assuring the swift passage of this legislation.

Mr. D'AMATO. Mr. President, I rise today to cosponsor legislation introduced by my good friend, the junior Senator from Utah, that would extend for 3 years the moratorium on the ban of the artificial sweetener saccharin. Specifically, this bill will amend the Saccharin Study and Labeling Act of 1977, Public Law 95-203.

The conflict over saccharin has had a long history. Since it was discovered in 1879, its carcinogency has been suspect. From 1912 to 1925, it was banned from use in foods. In 1977, the Food and Drug Administration [FDA] announced its intention to ban saccharin once again. They had found that large quantities of the artificial sweetener caused malignant bladder tumors in some laboratory animals. Although the FDA noted that the sweetener has been in use for over 80 years and was never known to be harmful, it issued guidelines for ending the use of saccharin as a substitute for sugar.

This ban, of course, never occurred because the Saccharin Study and Labeling Act put a moratorium on the saccharin ban for 18 months. Since then, Congress has extended the moratorium three times. The current moratorium will end in April 1985. This legislation would extend the moratorium for 3 years, or until May 1988.

This legislation, however, is not a congressional approval of saccharin as a safe substitute for sugar. But it does allow more time for safer substitutes to be produced and more conclusive studies on the danger, if any, of saccharin to be conducted. When we in Congress are periodically faced with a decision to extend the moratorium on the ban of saccharin, we are not acting because we have medical expertise: rather, we are merely representing our concerned constituents. We do not know if saccharin causes cancer in humans. What we do know, however, is that a large segment of our population depends on saccharin as a sugar substitute. For many, the small possible risk of cancer is necessary so that they may avoid immediate medical problems associated with diabetes or being overweight.

Unfortunately, the introduction of aspartame, another low-calorie sugar substitute, has not made the situation much better. Although it has been thoroughly tested, doubts still remain about its effects on human health. Also, aspartame's ability to replace saccharin is limited since it does not have a long shelf life and it cannot be used as a cooking ingredient. As a result, saccharin and aspartame now complement each other. In fact, a combination of these sweeteners can be found in 60 percent of all diet soft drinks. For these reasons, it is much more important that saccharin is allowed to remain available as an artificial sweetener until a more complete substitute can be found.

But millions of Americans who depend on saccharin for their restricted diets are periodically faced with a possible ban of the low-calorie product. I support the legislation and ask for its prompt consideration so that people such as diabetics will know that they will be able to use saccharin until May 1988 or until a safer substitute can be found. During this time, I strongly urge the Food and Drug Administration to continue its investigations into the safety of saccharin and I

strongly urge the industry to continue its effort to produce a safer sugar substitute. I do not state that saccharin is totally safe, but until a safer, all-purpose artifical sweetener is found or until saccharin is proven unsafe, people should continue to have the option to use saccharin as a food additive.

Thank you, Mr. President.

By Mr. NUNN (for himself and Mr. MATTINGLY):

S.J. Res. 325. Joint resolution to designate the week of October 7, 1984, through October 13, 1984, as "National Children's Week"; to the Committee on the Judiciary.

NATIONAL CHILDREN'S WEEK

● Mr. NUNN. Mr. President, I am joined today by my colleague from Georgia, Senator MATTINGLY, to introduce a joint resolution designating the week of October 7, 1984, through October 13, 1984, as "National Children's Week." An identical resolution establishing a week to highlight the needs of children and the community services available to assist them passed the House of Representatives on June 6.

In 1981, a dedicated groups of citizens from Atlanta, GA, celebrated the first Children's Week. The success of that first effort led several organizations to conclude that Children's Week should become an annual event to publicize services for children. The week of October 7 through 13 will mark the fourth year for Children's Week in Atlanta. Activities planned for this year include a fun run for children 14 and under, a balloon launch, and several shopping mall exhibits which will highlight not only services available for children but also ways that adults can become personally involved in programs to help children.

The success of Children's Week in Metropolitan Atlanta has prompted other communities both within Georgia and outside of the State to express interest in developing their own observances. It is my hope that the designation of "National Children's Week" will stimulate a nationwide examination of the needs of children and the ways that all citizens can become involved in efforts to assist children. As the resolution states, children are our Nation's "most precious resource and its greatest hope for the future."

I hope all of our colleagues will join Senator MATTINGLY and me in support of "National Children's Week."●

● Mr. MATTINGLY. Mr. President. The resolution that my fellow Georgian and I are introducing today would designate the week beginning October 7, 1984, as "National Children's Week." A similar resolution passed the House of Representatives on June 6. The designation of a national week of this kind was inspired by a local Children's Week that has been celebrated in Atlanta over the past few years. The purpose of that week, like that of the national week, is to focus on the special needs of our Nation's 65 million children, to provide information about services available to meet these unique needs, and to encourage the involvement of volunteers in the delivery of these services.

Because Children's Week in Atlanta has been so successful, it has already been replicated in another Georgia city. Macon has held its own "Children's Week" for 2 weeks. In addition, a private foundation has underwritten the production of a handbook which nas been distributed to communities around the United States to help them in establishing their own Children's Weeks. I believe that the designation of a National Children's Week would do much to inspire other communities throughout the country to get involved in similar acitivities.

The Atlanta experience has demonstrated the success that can be achieved through private and public sector cooperation. Public agencies, large national and small local firms, and volunteer organizations have all participated in Children's Week. They are diverse groups which offer a host of services to meet the varied needs of our children—to infants and teenagers, the retarded and the gifted, the economically disadvantaged, the handicapped, and the healthy. The groups share the common goal of assisting our children in developing into responsible, mature adults, who can and will contribute positively to society. When this happens, I believe that our Nation is strengthened.

Our resolution recognizes that children are our Nation's most valuable resource. I firmly believe this is so, and that it is appropriate to affirm this through the designation of "National Children's Week." I urge my colleagues join us in cosponsoring and supporting this resolution.●

By Mr. TSONGAS:

S.J. Res. 326. Joint resolution to readmit Georgia Tavoularis Moser to the status and privileges of a citizen of the United States; to the Committee on the Judiciary.

CITIZENSHIP OF GEORGIA TAVOULARIS MOSER

● Mr. TSONGAS. Mr. President, today I am introducing a joint resolution to readmit Mrs. Georgia Tavoularis Moser to the status and privileges of a citizen of the United States.

Mrs. Moser is currently living in Naples, Italy, with her husband, Herbert P. Moser, a Swiss diplomat. The Moser's were married on March 28, 1955. Prior to her marriage, Mrs. Moser was employed by the Department of State and served in Washington, and the U.S. Embassies in Afghanistan and Ceylon [Sri Lanka].

Mrs. Moser lost her citizenship as a result of her husband's position with the Swiss Government and has been unsuccessful in her attempts to rectify her situation. The only possible relief for Mrs. Moser is the approval of legislation to reinstate her U.S. citizenship. Mrs. Moser was born in Lowell, MA, and thereby acquired her U.S. citizenship at birth. It is of the utmost importance to Mrs. Moser, her large family, and numerous friends in the United States to be welcomed back to the United States as a citizen.●

By Mr. KASTEN:

S.J. Res. 327. Joint resolution to designate the week beginning September 2, 1984, as "Youth of America Week"; to the Committee on the Judiciary.

YOUTH OF AMERICA WEEK

Mr. KASTEN. Mr. President, when adults share their knowledge, experience, and wisdom with the children of this Nation, they are teaching children to become an integral part of society. And they, in turn, contribute their abilities to our Nation's growth. The more time and attention we devote to our youth, the more we will get in return from them—now and in the future. Therefore, once again this year, I am introducing a joint resolution to establish a "Youth of America Week," beginning September 2, 1984.

In 1982, the National Football League Alumni launched a project called "Kids Week, U.S.A.," to focus attention on the Nation's youth. In NFL cities throughout the country, former football heroes devoted their time to work with children—visiting them in hospitals and orphanages, working with the disadvantaged and disabled, and providing them with strong moral guidance and a role model that gave them a glimmer of hope for their own futures.

Based on the success of "Kids Week, U.S.A.," Congress last year passed a joint resolution designating the opening week of the NFL season as "Youth of America Week." With the support of this resolution, over 50,000 youngsters benefited from the activities organized on their behalf. I believe that even more children will become involved this year.

Mr. President, we must build on our successes and encourage more people to become involved in activities with children in their communities. We must again ask people to "put a little of themselves back where it counts most—with the kids."

I urge all of my colleagues to join me again in support of this resolution, and I invite them to cosponsor this measure.

By Mr. D'AMATO:

S.J. Res. 328. Joint resolution to designate the week of October 7, 1984 as "National Drug Enforcement Officers Week"; to the Committee on the Judiciary.

NATIONAL DRUG ENFORCEMENT OFFICERS WEEK

● Mr. D'AMATO. Mr. President, I am proud to introduce a joint resolution designating the week of October 7, 1984, as "National Drug Enforcement Officers Week." This resolution honors the International Narcotics Enforcement Officers [INEOA] on its 24th anniversary.

The 7,500 members of IEOA are law enforcement officials from the United States and countries throughout the world. They are dedicated professionals, committed to the fight against the illegal narcotics trade which is destroying the fabric of our society. Today we are confronted with a terrorism of drugs which preys upon our young people and fosters crime. These law enforcement officials are the front line of our defense against the growing threat of drug abuse. Many of these brave men and women risk their lives on a daily basis in this war with drug dealers and drug traffickers.

In 1960, a group of drug law enforcement professionals founded INEOA. Since its inception, INEOA has worked to improve laws relating to narcotics from the international to the local level. It has also provided a forum for information interchange which has led to increased cooperation among those working in this area.

INEOA held its first meeting in Albany, NY, in October 1960, and will return to Albany during the week of October 7 for its 25th annual international conference. There is no more appropriate time to honor these dedicated men and women.

I hope my colleagues will join me in recognizing the achievements of the INEOA and all law enforcement officers working to control the illegal narcotics trade by swiftly enacting this joint resolution.

Mr. President, I ask unanimous consent that this resolution be printed in the RECORD.

There being no objection, the Joint Resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 328

Whereas drug trafficking and abuse is an enormous human tragedy and an ever-growing political, economic, and social problem in the United States and around the world;

Whereas narcotics and other dangerous drugs present a threat to each and every individual;

Whereas drug abuse prevention efforts result in the direct saving of lives;

Whereas the full power of Federal, State, and local governments must be mobilized to provide effective law enforcement, rehabilitation, treatment, and prevention programs;

Whereas numerous law enforcement organizations are deeply committed to combatting narcotics trafficking and drug abuse;

Whereas the International Drug Enforcement Officers Association is an organization composed of 7,500 narcotic enforcement officers, government employees, and other citizens concerned with narcotics control;

Whereas the International Drug Enforcement Officers Association has, since its founding in 1960, worked to improve international, national, State, and local laws relating to narcotics;

Whereas the International Drug Enforcement Officers Association provides a forum for the exchange of ideas on the control of drug trafficking and abuse and disseminates materials on the prevention of narcotic addiction and drug abuse; and

Whereas the International Drug Enforcement Officers Association is convening its 25th Annual International Drug Conference in Albany, New York, during the week of October 7, 1984:

Now, therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 7, 1984, through October 13, 1984, is designated as "National Drug Enforcement Officers Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that week with appropriate activities.●

By Mr. MATSUNAGA (for himself, Mr. GRASSLEY, Mr. NICKLES, Mr. RANDOLPH, Mr. KENNEDY, Mr. MITCHELL, Mr. RIEGLE, Mr. DOLE, Mr. MELCHER, Mr. BUMPERS, Mr. INOUYE, Mr. BURDICK, Mr. SYMMS, Mr. JEPSEN, Mr. GLENN, Mr. CHILES, Mr. DIXON, Mr. MOYNIHAN, Mr. PELL, Mr. EAST, Mr. THURMOND, Mr. TSONGAS, Mr. CHAFEE, Mr. LAUTENBERG, Mr. HATCH, Mr. ANDREWS, Mr. TRIBLE, Mr. LAXALT, Mr. MCCLURE, Mr. DURENBERGER, Mrs. HAWKINS, Mr. LUGAR, and Mr. QUAYLE):

S.J. Res. 330. Joint resolution designating the month of August 1984 as "Ostomy Awareness Month"; to the Committee on the Judiciary.

OSTOMY AWARENESS MONTH

Mr. MATSUNAGA. Mr. President, I am pleased to introduce with the cosponsorship of the Senator from Iowa, Mr. GRASSLEY and 31 others, a resolution on behalf of nearly 1.5 million Americans who have a condition that is relatively unknown. Approximately 125,000 people join their ranks each and every year. These individual are ostomates. They have in common an ostomy, a type of surgery required when a person has lost the normal function of the bowel or bladder, due to birth defect, disease, injury, or other disorder. Such operations include colostomy, ileostomy, and urostomy. Ostomates are of all ages, and represent every race, occupation, and ethnic background. They do return to normal living and community responsibility, but not without first overcoming the trauma associated with the relatively unknown surgery involved.

Public awareness and educational efforts can help. Mutual aid and support groups can also be of great assistance to ostomates and their families. The first local ostomy association was formed in 1949, and in 1962 the United Ostomy Association was established. This association, with over 625 chapters—3 in my State of Hawaii—and international affiliations, is dedicated to helping every ostomy patient return to normal living through mutual support, education in proper ostomy care, exchange of ideas, assistance in improving ostomy equipment and supplies, advancement of knowledge of gastrointestinal diseases, and public education about ostomy.

The most important activity of the United Ostomy Association is its visitation program. The volunteer members of local chapters, composed primarily of ostomates, provide preoperative preparation and support as well as postsurgical follow through on a person-to-person basis. These trained and certified members are carefully selected to visit a new patient in the hospital or at their home, upon request of and with the consent of the surgeon. As one member of a team whose task is to return the patient to health and activity, the visitor provides help which cannot be duplicated. To a new patient, a successful ostomate symbolizes a promising future.

At regular monthly meetings, open to anyone who is interested, members can exchange practical and personal experiences, see ostomy equipment displayed, and hear speakers. Through the visiting program and chapter meetings, thousands of people have returned to active and productive lives by adjusting to their new way of life.

Without greater public understanding of this type of surgery, the fear of those about to undergo the surgery and of family members and loved ones who are so important to the rehabilitation process tends to increase. For this reason, together with 32 of my Senate colleagues, a total of 33, I am introducing a Senate Joint Resolution designating the month of August 1984 as "Ostomy Awareness Month," to promote public education and awareness of the special problems faced by 1.5 million American's and their families.

Mr. President, I ask unanimous consent that the joint resolution be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 330

Whereas the word ostomy refers to a type of surgical operation, such as colostomy, ileostomy, and urostomy, that is required when a person has lost the normal function of the bowel or bladder as a result of birth defect, disease, injury, or other disorder;

Whereas nearly 125,000 new ostomy surgeries are performed each year;

Whereas an ostomy allows normal body wastes to be expelled through a surgical opening (stoma) on the abdominal wall;

Whereas more than 1.5 million individuals in the United States are ostomates, including persons of every age, race, occupation, and ethnic background;

Whereas the United Ostomy Association is dedicated to helping ostomates in North

America overcome the trauma associated with this type of surgery and return to normal living and community responsibility through mutual aid, moral support, education about proper ostomy care, exchange of ideas, assistance in improving ostomy equipment and supplies, support of research, and public information; and

Whereas the United Ostomy Association, a nonprofit agency of nearly 650 chapters, is dedicated to improving the quality of life of all children, young adults, and senior adults whose lifestyle has been changed because of this radical surgical procedure: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of August 1984 is designated as "Ostomy Awareness Month". The President is requested to issue a proclamation calling upon all Federal and State departments and agencies, public education groups, the media, the health care community, and the people of the United States to observe that month with appropriate ceremonies and activities.

Mr. GRASSLEY. Mr. President, today, I, along with my distinguished colleague from Hawaii, Senator MATSUNAGA, am pleased to introduce a resolution designating the month of August, 1984 as "Ostomy Awareness Month."

An ostomy is a type of surgery that is needed when a person has lost the normal function of the bowel or bladder. This includes a colostomy, an ileostomy, and an urostomy. In the past, an ostomy has been considered, as the New York Times phrased it, the "secret surgery." That is no longer the case; 1.5 million or 1 out of every 200 people have undergone this surgery. Medical knowledge has progressed to the point that persons suffering from diseases affecting the bowel or bladder have a choice in the type of surgery they can have. All of those surgeries will enable an ostomate to carry on a normal life after the operation.

The purpose of "Ostomy Awareness Month" is to recognize and commend the special people that have had an ostomy and have succeeded in returning to a normal lifestyle. It will also be for the acclamation of families and friends who have helped the ostomates overcome the initial trauma of the surgery and, most importantly, to educate the American population on ostomies and their effects on the people who have had them.

Ostomy is not a new surgery. The first local ostomy association was formed in 1949 and in 1962, 28 local ostomy chapters joined to form the United Ostomy Association. Today, this organization includes 650 chapters and 50,000 members. There are chapters in every State of our country as well as Canada. My own State of Iowa boasts 14 chapters and 1,000 members.

The United Ostomy Association [UOA] is geared toward the recovery and rehabilitation of those who have undergone or will be undergoing an ostomy. They distribute materials to these people to help them understand the surgery better and to remind them that they are not alone. The UOA holds conferences which offer educational programs for members, chapters and professional groups. The United Ostomy Association sponsors exhibits at medical meetings and other similar occasions. By informing the public about ostomy surgery, they help to eliminate prejudice and discrimination of ostomates.

The United Ostomy Association is the only association in the United States specifically for ostomates. Additionally, it is affiliated with the International Ostomy Association, thereby expanding resources for it's members.

I would like to conclude by emphasizing the importance of recognizing and applauding the people who have experienced ostomy surgery and the families, friends and groups that have helped them recover, regain their self-esteem and continue to live as they had before the surgery. We, the Congress, can do this by designating August 1984 as "Ostomy Awareness Month."

ADDITIONAL COSPONSORS

S. 44

At the request of Mr. BOSCHWITZ, his name was added as a cosponsor of S. 44, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 462

At the request of Mr. GRASSLEY, the name of the Senator from Nevada [Mr. HECHT] was added as a cosponsor of S. 462, a bill to amend section 1951 of title 18 of the United States Code, and for other purposes.

S. 1795

At the request of Mr. MOYNIHAN, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 1795, a bill to further the national security and improve the economy of the United States by providing grants for the improvement of proficiency in critical languages, for the improvement of elementary and secondary foreign language instruction, and for per capita grants to reimburse institutions of higher education to promote the growth and improve the quality of postsecondary foreign language instruction.

S. 1841

At the request of Mr. THURMOND, the name of the Senator from Colorado [Mr. ARMSTRONG] was added as a cosponsor of S. 1841, a bill to promote research and development, encourage innovation, stimulate trade, and make necessary and appropriate amendments to the antitrust, patent, and copyright laws.

S. 1981

At the request of Mr. MCCLURE, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 1981, a bill to amend the Small Reclamation Projects Act of 1956, as amended.

S. 2117

At the request of Mrs. HAWKINS, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 2117, a bill entitled the National Childhood Vaccine-Injury Compensation Act.

S. 2380

At the request of Mr. HEINZ, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2380, a bill to reduce unfair practices and provide for orderly trade in certain carbon, alloy, and stainless steel mill products, to reduce unemployment, and for other purposes.

S. 2636

At the request of Mr. SASSER, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 2636, a bill to require the administrator of General Services to notify State and local governments and agencies thereof prior to the disposal of surplus real property.

S. 2650

At the request of Mr. KASTEN, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 2650, a bill to enable the Consumer Product Safety Commission to protect the public by ordering notice and repair, replacement or refund of certain toys or articles intended for use by children if such toys or articles create a substantial risk of injury to children.

S. 2735

At the request of Mr. NICKLES, the name of the Senator from Iowa [Mr. JEPSEN] was added as a cosponsor of S. 2735, a bill to rescind funds appropriated to the Energy Security Reserve by the 1980 Department of the Interior and Related Agencies Appropriations Act, and for other purposes.

S. 2743

At the request of Mr. GRASSLEY, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Delaware [Mr. ROTH], the Senator from North Carolina [Mr. EAST], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of S. 2743, a bill to designate a portion of 16th Street NW., Washington, DC, on which the Embassy of the Union of Soviet Socialists Republics is located, as "Andrei Sakharov Avenue."

S. 2751

At the request of Mr. KASTEN, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Alaska [Mr. STEVENS], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Wisconsin [Mr. PROXMIRE], and the Senator from Michigan

[Mr. RIEGLE] were added as cosponsors of S. 2751, a bill to provide for coordinate management and rehabilitation of the Great Lakes, and for other purposes.

S. 2754

At the request of Mr. EAGLETON, his name was added as a cosponsor of S. 2754, a bill to amend the Securities and Exchange Act of 1934.

S. 2766

At the request of Mr. THURMOND, the names of the Senator from Missouri [Mr. EAGLETON], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 2766, a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing ammunition.

At the request of Mr. BYRD, his name was added as a cosponsor of S. 2766, supra.

SENATE JOINT RESOLUTION 206

At the request of Mr. TSONGAS, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of Senate Joint Resolution 206, joint resolution designating the first Sunday of every August as "National Day of Peace."

SENATE JOINT RESOLUTION 253

At the request of Mr. PRESSLER, the names of the Senator from Idaho [Mr. SYMMS], and the Senator from Florida [Mrs. HAWKINS] were added as cosponsors of Senate Joint Resolution 253, joint resolution to authorize and request the President to designate September 16, 1984, as "Ethnic American Day."

SENATE JOINT RESOLUTION 267

At the request of Mr. CHILES, the name of the Senator from West Virginia [Mr. RANDOLPH] was added as a cosponsor of Senate Joint Resolution 267, joint resolution to designate the week of September 23, 1984, through September 29, 1984, as "National Drug Abuse Education and Prevention Week."

SENATE JOINT RESOLUTION 294

At the request of Mr. BOREN, the name of the Senator from Indiana [Mr. QUAYLE] was added as a cosponsor of Senate Joint Resolution 294, joint resolution to designate the week of July 1, 1984, through July 7, 1984, as "National Softball Week."

SENATE JOINT RESOLUTION 305

At the request of Mrs. HAWKINS, the names of the Senator from Mississippi [Mr. STENNIS], and the Senator from West Virginia [Mr. RANDOLPH] were added as cosponsors of Senate Joint Resolution 305, joint resolution to designate the week of September 10, 1984, through September 16, 1984, as "Teenage Alcohol Abuse Awareness Week."

SENATE JOINT RESOLUTION 307

At the request of Mr. GARN, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Oklahoma [Mr. BOREN], the Senator from New Jersey [Mr. BRADLEY], the Senator from California [Mr. CRANSTON], and the Senator from Arizona [Mr. GOLDWATER] were added as cosponsors of Senate Joint Resolution 307, joint resolution to designate July 20, 1984 as "Space Exploration Day."

SENATE JOINT RESOLUTION 308

At the request of Mr. NUNN, the names of the Senator from Texas [Mr. BENTSEN], the Senator from Oklahoma [Mr. BOREN], the Senator from Arkansas [Mr. BUMPERS], the Senator from Florida [Mr. CHILES], the Senator from Mississippi [Mr. COCHRAN], the Senator from California [Mr. CRANSTON], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from New Mexico [Mr. DOMENICI], the Senator from Kentucky [Mr. FORD], the Senator from Alabama [Mr. HEFLIN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from South Carolina] [Mr. HOLLINGS], the Senator from Kentucky [Mr. HUDDLESTON], the Senator from Iowa [Mr. JEPSEN], the Senator from Louisiana [Mr. LONG], the Senator form Georgia [Mr. MATTINGLY], the Senator from Oklahoma [Mr NICKLES], the Senator from Arkansas [Mr. PRYOR], the Senator from Tennessee [Mr. SASSER], the Senator for South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. TRIBLE], the Senator from Virginia [Mr. WARNER], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 308, joint resolution to designate the week beginning on September 9, 1984, as "National Community Leadership Week."

SENATE JOINT RESOLUTION 322

At the request of Mr. QUAYLE, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Joint Resolution 322, joint resolution designating the week beginning on October 7, 1984, as "Mental Illness Awareness Week."

SENATE CONCURRENT RESOLUTION 101

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of Senate Concurrent Resolution 101, concurrent resolution to commemorate the Ukrainian famine of 1933.

SENATE CONCURRENT RESOLUTION 118

At the request of Mr. GRASSLEY, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Wisconsin [Mr. PROXMIRE], the Senator from Delaware [Mr. ROTH], the Senator from North Carolina [Mr. EAST], and the Senator from Texas [Mr. BENTSEN] were added as cosponsors of Senate Concurrent Resolution 118, concurrent resolution expressing the sense of Congress that the portion of the street in the District of Columbia on which is located the Embassy of the Union of Soviet Socialist Republics, and the portion of any street in any other city in the United States on which is located a consular office or mission of the Union of Soviet Socialist Republics, should be named Andrei Sakharov Avenue.

SENATE CONCURRENT RESOLUTION 120

At the request of Mrs. HAWKINS, the names of the Senator from Washington [Mr. GORTON], and the Senator from Kentucky [Mr. HUDDLESTON] were added as cosponsors of Senate Concurrent Resolution 120, concurrent resolution expressing the sense of the Congress that the legislatures of the States should develop and enact legislation designed to provide child victims of sexual assault with protection and assistance during administrative and judicial proceedings.

SENATE CONCURRENT RESOLUTION 121

At the request of Mr. BRADLEY, his name was added as cosponsor of Senate Concurrent Resolution 121, concurrent resolution expressing the sense of the Congress regarding the nondelivery in the Soviet Union of certain mail from the United States, and for other purposes.

SENATE RESOLUTION 412

At the request of Mr. HOLLINGS, the names of the Senator from Nevada [Mr. LAXALT], and the Senator from Alabama [Mr. DENTON] were added as cosponsors of Senate Resolution 412, resolution to congratulate and commend the USA Philharmonic Society.

SENATE CONCURRENT RESOLUTION 129—RELATING TO SPACE RESCUE

Mr. MATSUNAGA (for himself, Mr. GORTON, Mr. HELFIN, Mr. HOLLINGS, Mr. INOUYE, Mr. PACKWOOD, Mr. GARN, and Mr. RIEGLE) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 129

Whereas the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies promotes international cooperation and understanding;

Whereas the Treaty of Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies states that astronauts should be regarded as envoys of mankind in outer space and all possible assistance shall be rendered to them in outer space and on celestial bodies by astronauts of other States Parties to the Treaty;

Whereas the Agreement on the Rescue of Astronauts, the Return of Astronauts and the Return of Objects Launched into Outer Space calls upon contracting parties in a position to do so, if necessary, to extend assistance in search and rescue operations to personnel of a spacecraft who have suffered accident or are experiencing conditions of distress;

Whereas the United States, Canada, France, and the Soviet Union are currently

in a highly successful satellite-aided search and rescue program (COSPAS/SARSAT) involving coordinating the activities of United States, Canadian, French and Soviet Union equipment and satellites; Now, therefore, be it

Resolved, That it is the Sense of the Congress that the President should:

(1) seek understandings and/or agreements with other nations to plan for space station activities that would permit space rescue operations and other emergency assistance in space;

(2) seek understandings and/or agreements with other nations for exchange of scientific and technical information that would aid in such space rescue operations and other emergency assistance pursuant to the Agreement on the Rescue of Astronauts, the Return of Astronauts and the Return of Objects Launched into Outer Space;

(3) examine other opportunities for mutually beneficial international coordination of U.S. permanent space station programs.

Mr. MATSUNAGA. Mr. President, I am today introducing with Senators GORTON, HEFLIN, HOLLINGS, GARN, INOUYE, PACKWOOD and RIEGLE as cosponsors, legislation to encourage policies, procedures, and operational capabilities for space rescue.

Mr. President, it is an undeniable truth that the possibility of tragedy in space increases in proportion to accelerating human involvement in space activities. And as we move ahead with plans for a manned space station with international involvement, which I wholeheartedly support, and the frequency of shuttle flights increases, as the Soviet Union and other nations expand their manned spaceflight capabilities and commitments, it is becoming imperative that more attention be paid to emergency planning for the brave men and women who accept the challenges and risks of space exploration. Initially, that means recognizing the fact that the safety of the growing international corps of astronauts, cosmonauts, and spationauts cannot be effectively protected within a nationalistic framework.

In the limitless vastness of space, emergency assistance requires cooperation on an international scale. The need for such cooperation is in fact recognized by international treaties, to which the United States is a signatory, including the "Agreement on the Rescue of Astronauts," the "Return of Astronauts and the Return of Objects Launched into Outer Space." Moreover, ample terrestrial precedent exists for an international space rescue regime. Emergency assistance on Earth has always been governed by a universal code that transcends differences in ideology. Even now, in the midst of unprecedented cold war tension, the United States and the Soviet Union are linking their space capabilities in a Satellite-Aided Search and Rescue Tracking System [SARSAT] for locating and rescuing the crews of downed aircraft and boats in distress on the high seas. In SARSAT's first 2 weeks of operation, during the fall of 1982, a Soviet satellite guided rescuers to two downed aircrafts in Canada, one in New Mexico, and to a capsized yacht 300 miles off the coast of New England, thereby saving the lives of seven Americans and Canadians. Since then, a U.S. satellite has been incorporated into the program, to expand its coverage. Canada and France are also participating in SARSAT, and other nations are lining up to join. This international program already has been responsible for saving the lives of 200 crew members and passengers of distressed ships and aircraft.

But, although convincing precedent exists for space rescue activities, and although spacefaring nations are committed to space rescue in law and in principle, the actual mechanics of international space rescue has not yet been addressed by the affected parties. The concurrent resolution, which I am introducing today with seven cosponsors, urges that the United States show leadership in this humane area by first, seeking to incorporate international space rescue into space station planning; second, seeking the sceintific and technical exchanges necessary to develop an international space rescue regime; and third, examining other opportunities for international coordination of U.S. space station programs. With regard to the space station in particular, it is important that we consider rescue requirements now, while the program is in its planning stages, so that technical compatibilities, if they are needed, can be incorporated into design.

In preparing this legislation, I received assurances from experts that space rescue procedures and compatibilities could be developed without risk to national security. Indeed, the United States is actively seeking international involvement in its space station program as part of a civil space program whose activities, according to statute, are required to be free and open; that's why NASA was created in the first place. The Soviets, by contrast, have blended civilian and military manned spaceflight programs while conducting both in an atmosphere of secrecy. We thus stand to gain a great deal by encouraging the openness that emergency assistance coordination would require. It would provide us with a window onto Soviet space activities not otherwise available.

Finally, I think it is worth pointing out that we can draw on significant experience in developing a space rescue program. A primary objective of the Apollo-Soyuz Test Project [ASTP] of 1975, in which orbiting United States and Soviet spacecraft linked up and astronauts and cosmonauts met in space, was to develop a universal docking mechanism that would facilitate space rescue. That objective was successfully attained. The record in that instance also shows that, under pressure of technical imperatives generated by ASTP. The Soviets set a number of precedents for openness, information exchange, and verification. They did not do it willingly. They were virtually forced into it by pressures inherent to cooperative activity. The result was not a revolution in behavior, but it was an extremely promising beginning. In a letter he wrote to me about ASTP, one of our astronaut participants, Donald "Deke" Slayton, made the following insightful observation:

> In my opinion, the major thing the Soviets could have learned, to their everlasting benefit, is how to conduct major technical programs efficiently through the use of free lateral and vertical communication among all participants. This would also have been to our major benefit because it is called democracy. Unfortunately, they have not opted to purloin these lessons yet, but we should not give up hope.

Unfortunately, too, the universal docking mechanism developed for ASTP is no longer functional, due to a lack of followup as the two nations developed more advanced manned space systems. Perhaps that universal docking mechanism effort ought to be renewed. At the minimum, as a beginning, we ought to seek communication compatibilities and extravehicular procedures that would permit rudimentary coordination among spacefaring nations in time of emergency.

Mr. President, no matter how futuristic our advancement into space appears, it can never be considered an improvement of civilization if it does not incorporate a commitment to rescue fellow human beings in distress. In April of this year, 11 daring space explores from three nations were simultaneously in orbit around the Earth—five Americans, five Soviets, and one Indian. Three Soviets presently are in orbit. They will soon be joined by five Americans, as manned space exploration continues to accelerate. We must not wait for a tragedy before taking action on space rescue. The time to move is now.

Mr. President, this legislation has been in the making for several months, and was developed in its present form in a bipartisan spirit. We even forwarded a draft to NASA for its input a few weeks ago and accepted its excellent suggestions.

So I was delighted to read in this morning's newspaper that President Reagan proposed only yesterday that the United States and the Soviet Union carry out a joint simulated space rescue mission involving astronauts and cosmonauts in orbit. I would like to think that our discussions with NASA on this legislation, as well as related legislation I introduced with Senators PELL and MATHIAS last February, had some influence upon the

President in making his decision. In any case, I congratulate President Reagan for taking up this issue in a positive fashion. His initiative could have extremely important consequences and I promise him my fullest support.

SENATE CONCURRENT RESOLUTION 128—CONCERNING THE WELL-BEING OF ANDREI SAKHAROV AND YELENA BONNER

Mr. TSONGAS (for himself and Mr. PERCY) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 128

Whereas the Final Act of the Conference on Security and Cooperation in Europe commits the signatory countries to respect human rights and fundamental freedoms;

Whereas the signatory countries have pledged themselves to "fulfill in good faith their obligations under international law;"

Whereas the Universal Declaration of Human Rights guarantees to all the rights of freedom of thought, conscience, religion, opinion, and expression;

Whereas the International Covenant on Civil and Political Rights guarantees that everyone shall have the right to freedom of thought, conscience, and religion, the right to hold opinions without interference, and the right of freedom of expression;

Whereas the Union of Soviet Socialist Republics signed the Final Act of the Conference on Cooperation and Security in Europe, is a party to the Universal Declaration of Human Rights, and has ratified the International Covenant on Civil and Political Rights;

Whereas Principle VII of the Final Act specifically confirms the "right of the individual to know and act upon his rights and duties" in the field of human rights, and Principle IX confirms the relevant and positive role individuals play in the implementation of the provisions of the Final Act;

Whereas Nobel Laureate Andrei Sakharov, leader of the human rights movement in the Soviet Union, was arrested and exiled to Gorky in direct contravention of Principle VII of the Helsinki Final Act, the Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights;

Whereas Dr. Sakharov's wife, Elena Bonner, has been charged with anti-Soviet agitation and is in urgent need of medical treatment unavailable in the Soviet Union;

Whereas Dr. Sakharov, as a last resort, on May 2, 1984, began a hunger strike to protest the Soviet Government's harassment of his wife, Yelena Bonner, and that government's refusal to grant Mrs. Bonner an exit visa for the purpose of obtaining medical treatment abroad;

Whereas the exact whereabouts, health, and legal status of both Dr. Sakharov and Yelena Bonner have been kept secret by the Soviet Government: Now, therefore, be it,

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that, in accordance with the Final Act of the Conference on Security and Cooperation in Europe, the Universal Declaration of Human Rights, the Union of Soviet Socialist Republics should provide the United States Government with specific information as to the whereabouts, health, and legal status of Andrei Sakharov and Yelena Bonner; and should void all charges against Yelena Bonner, issue her an exit visa for the purpose of obtaining medical care outside the Soviet Union, and allow Andrei Sakharov and Yelena Bonner to live in the country of their choice.

SEC. 2. The Congress urges the President—

(1) to protest, in the strongest possible terms and at the highest levels, the Soviet Government's continued refusal to provide specific information as to the whereabouts, health, and legal status of Andrei Sakharov and Yelena Bonner; and the continued refusal of an exit visa for Mrs. Bonner.

(2) to call upon all other signatory nations of the Final Act of the Conference on Security and Cooperation in Europe to join in such protests.

SEC. 3. The Secretary of the Senate shall transmit copies of this resolution to the Soviet Ambassador to the United States and to the Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

Mr. PERCY. Mr. President, the Soviet Government claims that Andrei Sakharov and Yelena Bonner are alive and well. But they don't let the Sakharovs tell their family and the rest of the world directly that this is so. Instead we are treated to a series of media reports, photographs that could have been taken anywhere, any time, and a telegram from Mrs. Bonner to her daughter that may or may not have been sent by Mrs. Bonner, and may or may not have been doctored en route.

Is it any wonder that this leads many to conclude that the KGB is alive and well, but whether the Sakharovs are alive and well is far from certain.

Soviet President Chernenko reportedly told French President Mitterand that Sakharov's plight is none of the outside world's business. If that is how the Soviets feel, then they shouldn't have signed the Helsinki Final Act.

I am proud to be a cosponsor of this concurrent resolution calling on the Soviet Union to allow Andrei Sakharov and Yelena Bonner to speak freely for themselves, seek medical treatment where they feel they need it, and live where they wish.

SENATE RESOLUTION 418—ORIGINAL RESOLUTION REPORTED WAIVING THE CONGRESSIONAL BUDGET ACT

Mr. PERCY, from the Committee on Foreign Relations, reported the following original resolution; which was referred to the Committee on the Budget:

S. RES. 418

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 1177, entitled "A bill to amend title 4 of the United States Code to complete the official seal of the United States". Such waiver is necessary to allow the authorization of a sum not to exceed $15,000 to enable the Secretary of state to cut a die and make appliances for making an impression of the reverse of the seal to complete the official seal of the United States.

AMENDMENTS SUBMITTED

STATE, JUSTICE, COMMERCE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION ACT, 1985

RUDMAN (AND OTHERS) AMENDMENT NO. 3347

Mr. RUDMAN (for himself, Mr. THURMOND, and Mr. GORTON) proposed an amendment to the reported amendment on page 51, line 11, of the bill (H.R. 5712) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1985, and for other purposes; as follows:

Strike "Agencies", at the end of the amendment and insert the following.

"Agencies and United States Information Agency Appropriation Act, 1985".

"ADMINISTRATIVE PROVISION

"SECTION 1. (a) Sections 4, 4A, and 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) shall not apply to any law or other action of or official action directed by, a city, village, town, township, county, or other general function unit of local government in the exercise of its regulatory powers, including but not limited to zoning, franchising, licensing, and the establishment or provision of public services on an exclusive or nonexclusive basis in a manner designed to insure public access or otherwise to protect the public health, safety, or welfare, but excluding the purchase or sale of goods or services on a commercial basis by the unit of local government in competition with private persons, where such law or action is valid under State law.

"(b) No damages, interest on damages, costs, or attorney's fees may be recovered under section 4, 4A, or 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) from any unit of local government or official thereof acting in his official capacity.

"SEC. 2. Funds appropriated to the Department of Justice or the Federal Trade Commission may be obligated or expended to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government, notwithstanding Section 510 or any other provision of the 'Department of Commerce, Justice, and State, the Judiciary, and Related Agencies'.".

NUNN AMENDMENT NO. 3348

Mr. NUNN proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 17, line 22, before the period insert the following: ", and of such funds, $5,000,000 to be made available for loans for the program authorized by section 501 of the Small Business Investment Act of 1958".

STEVENS AND INOUYE AMENDMENT NO. 3349

Mr. STEVENS (for himself and Mr. INOUYE) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 7, line 16, strike out "$1,123,686,000" and insert in lieu thereof "1,124,286,000".

On page 7, line 20, strike out the semicolon and insert in lieu thereof "and, of which $600,000 shall be available to the Fisheries Oceanography Coordinated Investigations program for a joint research project sponsored by the University of Alaska and the Hawaiian Oceanic Institute on factors influencing the year class strength of subarctic bottom fishes;".

MELCHER AMENDMENT NO. 3350

Mr. MELCHER proposed an amendment to the bill H.R. 5712, supra; as follows:

At the appropriate place, add the following new section:

"It is the sense of the Congress that in cooperation with the government of Mexico, the newly enacted authority under Section 416 of the Agricultural Act dealing with U.S. surplus wheat and dairy products shall be used on an expedited basis to make these commodities available to help feed the Guatemalan refugees in Mexico.".

HOLLINGS AMENDMENT NO. 3351

Mr. HOLLINGS proposed an amendment to the reported amendment on page 51, line 11 of the bill H.R. 5712, supra; as follows:

In lieu of the language proposed to be inserted insert the following "and related agencies.

"SEC. . None of the funds appropriated or otherwise made available by this Act to the Department of Justice or the Federal Trade Commission may be obligated or expended to issue, implement, administer, conduct or enforce any antitrust action against a municipality or other unit of local government, except that this limitation shall not apply to private antitrust actions.

"(b) Sections 4, 4A, and 4C of the Clayton Act (15 U.S.C. 15, 15a, and 15c) shall not apply to any law or other action of or official action directed by, a city, village, town, township, county, or other general function unit of local government in the exercise of its regulatory powers, including but not limited to zoning, franchising, licensing, and the establishment or provision of public services on an exclusive or nonexclusive basis in a manner designed to ensure public access or otherwise to protect the public health, safety, or welfare, but excluding the purchase or sale of goods or services on a commercial basis by the unit of local government in competition with private persons, where such law or action is valid under State law.

"(c) No damages, interest on damages, costs, or attorney's fees may be recovered under section 4, 4A, or 4C of the Clayton Act (15 U.S.C. 15, 15a and 15c) from any unit of local government or official thereof acting in his official capacity. This title may be cited as the Department of State and related Agencies and United States Information Agency Appropriations Act, 1985.' ".

KASTEN (AND NICKLES) AMENDMENT NO. 3352

Mr. KASTEN (for himself and Mr. NICKLES) proposed an amendment to the bill H.R. 5712, supra; as follows:

At the appropriate place in the bill insert the following new language:

"SEC. . Not later than March 31, 1985, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate a full and complete report detailing the amount and source of appropriated funds, directly or indirectly, which are provided to the United Nations and its specialized agencies by the United States during the calendar year 1984."

GORTON AMENDMENT NO. 3353

Mr. GORTON proposed an amendment to the bill H.R. 5712, supra; as follows:

At the appropriate place in the bill insert the following new language: "None of the funds appropriated or made available by this Act may be used to enforce or give effect to any restriction on the export of unprocessed western red cedar harvested from state lands pursuant to a harvesting contract entered into prior to October 1, 1979."

GORTON (AND OTHERS) AMENDMENT NO. 3354

Mr. GORTON (for himself, Mr. HATFIELD, Mr. PACKWOOD, Mr. EVANS, Mr. WILSON, and Mr. CRANSTON) proposed an amendment to the bill H.R. 5712, supra; as follows:

At the end of the bill, add the following:

"SEC. . (a) For purposes of paragraph (2) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), the Administrator of the Small Business Administration shall, with respect to small business concerns involved in the fishing industry, treat the recent El-Nino related ocean conditions as a disaster to which such paragraph applies.

"(b) For purposes of subsection (a)—

"(1) the term "recent El Nino-related ocean conditions" means the ocean conditions (including high water temperatures, scarcity of prey, and absence of normal upwellings)—

"(A) which occurred in the eastern Pacific Ocean off the west coast of the North American Continent during the period beginning with June 1982 and ending at the close of December 1983, and

"(B) which resulted from the climatic conditions occurring in the Equatorial Pacific during 1982 and 1983;

"(2) the term "fishing industry" means any trade or business involved in—

"(A) the catching, taking, or harvesting of fish (whether or not sold on a commercial basis).

"(B) any operation at sea or on land, in preparation for, or substantially dependent upon, the catching, taking, or harvesting of fish, and

"(C) the processing or canning of fish (including storage, refrigeration, and transportation of fish before processing or canning); and

"(3) the term "fish" means finfish, mollusks, crustaceans, and marine mammals and birds."

MITCHELL (AND COHEN) AMENDMENT NO. 3355

Mr. MITCHELL (for himself and Mr. COHEN) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 12, insert between lines 8 and 9 the following:

"SEC. 104. No funds in this Act, or any other Act, may be used within two years after the date of enactment of this Act, to transfer title to the parcel of real property located on McKown Point, West Boothbay Harbor, Maine (General Services Administration control number 1314-30174-23), unless such transfer is to the State of Maine, and contains conditions and use restrictions similar to those in the transfer of the adjacent parcel of real property on September 26, 1978 (General Services Administration control number 1314-30174-23-015-0800)."

BIDEN AMENDMENT NO. 3356

Mr. BIDEN proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 18, line 14, strike "71,150,000" and insert "70,950,000".

On page 19, line 9, strike "191,454,000" and insert "190,258,000".

On page 20, line 17, strike "421,051,000" and insert "400,258,000".

On page 22, strike lines 14 through 17 and insert the following:

"Organized Crime Drug Enforcement

"For expenses necessary for the detection, investigation, prosecution, and incarceration of individuals involved in organized criminal drug trafficking not otherwise provided for, $95,846,000, of which $1,500,000 for the Presidential Commission on Organized Crime."

On page 23, line 5, strike "1,147,223,000" and insert "1,112,490,000".

On page 24, line 13, strike "329,988,000" and insert "292,564,000".

WEICKER (AND OTHERS) AMENDMENT NO. 3357

Mr. WEICKER (for himself, Mr. DOLE, and Mr. HOLLINGS) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 51, strike lines 6 through 10.

RUDMAN AMENDMENT NO. 3358

Mr. RUDMAN proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 51, line 10, strike "$31,300,000" and insert the following: "$21,300,000: *Provided*, That none of the funds shall be awarded to the National Democratic Institute for International Affairs, the National Republican Institute for International Affairs, or any other organization connected in any manner with any political party operating in the United States"

HOLLINGS (AND OTHERS) AMENDMENT NO. 3359

Mr. HOLLINGS (for himself, Mr. WEICKER, Mr. ANDREWS, Mr. PRESSLER, Mr. EXON, Mr. RANDOLPH, Mr. ZORINSKY, Mr. RUDMAN, Mr. CHILES, Mr. GLENN, Mr. MATTINGLY, Mr. MELCHER,

Mrs. KASSEBAUM, and Mr. PRYOR) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 49 delete all after line 18 through line 10 on page 51 and insert in lieu thereof the following:

"Educational and Cultural Exchange Programs

"For expenses of Fulbright, International Visitor, Humphrey Fellowship and Congress-Bundestag Exchange Programs, as authorized by Reorganization Plan No. 2 of 1977 and the Mutual Educational and Cultural Exchange Act, as amended (22 U.S.C. 2451 et seq.), $135,916,000. For the Private Sector Exchange Programs, $8,948,000, of which $1,500,000, to remain available until expended, is for the Eisenhower Exchange Fellowship Program.

"Acquisition and Construction of Radio Facilities

"For an additional amount for the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase and installation of necessary equipment for radio transmission and reception, $85,000,000, to remain available until expended.

"Radio Broadcasting to Cuba

"For an additional amount, necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act (providing for the Radio Marti program or Cuba Service of the Voice of America), including the purchase, rent, construction, and improvement of facilities for radio transmission and reception and purchase an installation of necessary equipment for radio transmission and reception, $12,000,000 to remain available until expended.

"Center for Cultural and Technical Interchange Between East and West

"To enable the Director of the United States Information Agency to provide for carrying out the provisions of the Center for Cultural and Technical Interchange Between East and West Act of 1960, by grant to any appropriate recipient in the State of Hawaii, $19,000,000: *Provided*, That none of the funds appropriated herein shall be used to pay any salary, or to enter into any contract providing the payment thereof, in excess of the highest rate authorized in the General Schedule of the Classification Act of 1949, as amended."

HELMS (AND OTHERS) AMENDMENT NO. 3360

Mr. HELMS (for himself, Mr. SYMMS, Mr. WALLOP, Mr. EAST, Mr. DODD, Mr. DENTON, and Mr. DOMENICI) proposed an amendment to the bill H.R. 5712, supra; as follows:

Add at the end of the bill the following new section:

SEC. . (a) Notwithstanding any other provision of this Act,

(1) no funds shall be expended by the Department of Commerce to promote trade with Bulgaria including but not limited to expenditures for trade fairs, trade specialists, and the Bulgarian-U.S. Business Roundtable or any other such joint body.

(2) no funds shall be expended by the Department of State to promote trade with Bulgaria,

(b) It is the sense of Congress that Bulgaria should be declared to be engaged in state sponsored terrorism within the meaning of SEC. 6(i) of the Export Administration Act of 1979.

GLENN (AND NICKLES) AMENDMENT NO. 3361

Mr. GLENN (for himself and Mr. NICKLES) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 36, between lines 10 and 11, insert the following new section:

SEC. 204. (a)(1) Section 1201 of the Omnibus Crime Contol and Safe Streets Act of 1968 (42 U.S.C. 3796) is amended by adding at the end thereof the following new subsection:

"(g) The authority to make payments under this section shall be effective only to the extent provided for in advance by appropriation Acts.".

(2) Section 1202 of such Act (42 U.S.C. 3796a.) is amended—

(A) by striking out "or" at the end of clause (2);

(B) by striking out the period at the end of clause (3) and inserting in lieu thereof "; and "; and

(C) by adding at the end thereof the following:

"(4) to any person employed in a capacity other than a civilian capacity.".

(3) Section 1203 of such Act is amended—

(A) by striking out clause (3) and inserting in lieu thereof the following:

"(3) 'firefighter'—

"(A) means a person whose duties include performing work directly connected with the control and extinguishment of fires and who, at the time the personal injury referred to in section 1201 is sustained, is engaged in such work or in another emergency operation; and

"(B) includes a person serving as an officially recognized or designated member of a legally organized volunteer fire department:";

(B) by striking out clause (5) and inserting in lieu thereof the following:

"(5) 'law enforcement officer' means a person—

"(A) the duties of whose position include performing work directly connected with—

"(i) the control of crime or juvenile delinquency;

"(ii) the enforcement of the criminal laws; or

"(iii) the protection of Federal officials, public buildings or property, or foreign diplomatic missions; and

"(B) who, at the time the personal injury referred to in section 1201 is sustained, is—

"(i) engaged in the detection of crime;

"(ii) engaged in the apprehension of an alleged criminal offender;

"(iii) engaged in the keeping in physical custody of an alleged or convicted criminal offender; or

"(iv) assaulted or subjected to the conduct of criminal activity in the line of duty, and includes police, correction, probation, parole, and judicial officers;";

(C) in clause (6) in inserting "the United States," after "means"; and

(D) in clause (7), by striking out "fireman" and inserting in lieu thereof "firefighter".

(b) The amendments made by subsection (a) shall take effect with respect to injuries sustained on or after October 1, 1984.

NICKLES AMENDMENT NO. 3362

Mr. NICKLES proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 72 after line 19 add the following new section:

"SEC. 512. Except as otherwise provided in this section, each dollar amount contained in this Act is hereby reduced by 4 per centum. This section shall not apply to amounts on page 7 line 22, page 8 lines 6 and 7, page 12 line 16, page 21 lines 17 and 18, page 24 line 22, page 33 line 12, page 36 lines 2 and 5, page 37 lines 18 and 19, page 41 line 13, page 45 line 15, and page 53 line 12."

NICKLES, (AND OTHERS) AMENDMENT NO. 3363

Mr. NICKLES (for himself, Mr. HATCH, Mr. LEVIN, Mr. HECHT, Mr. LAUTENBERG, Mr. DENTON, Mr. CHAFEE, Mr. BIDEN, and Mr. BRADLEY) proposed an amendment to the bill H.R. 5712, supra; as follows:

At the appropriate place in the bill insert the following:

Mr. Louis Farrakhan, advisor to one of the presidential candidates, is reported to have referred to the Jewish faith as a "gutter religion";

Mr. Farrakhan has also accused the United States of being a "criminal" for our "aiding and abetting" role at the time of the creation of the Israeli nation; and,

Mr. Farrakhan has even called the very existence of Israel an "outlaw act";

It is therefore the sense of the Senate that—

(1) there is no place in our society, nor in our electoral process, for hateful, bigoted expressions of anti-Jewish and racist sentiments such as those reported by being made by Louis Farrakhan, and all such vicious expressions must be condemmed, and

(2) the leadership of the Senate is instructed to communicate with the Chairmen of the Democratic and Republican parties to request that they immediately repudiate in writing the sentiments and expressions of hatred reportedly made by Mr. Farrakhan.

KASSEBAUM (AND MURKOWSKI) AMENDMENT NO. 3364

Mrs. KASSEBAUM (for herself and Mr. MURKOWSKI) proposed an amendment to the bill H.R. 5712, supra; as follows:

On page 41, line 19, change the following: Change amount from $522,570,000 to $501,667,200.

DOMENICI AMENDMENT NO. 3365

Mr. DOMENICI proposed an amendment to the bill H.R. 5712, supra; as follows:

At the bottom of page 72, add the following new title:

TITLE VI—SUPPLEMENTAL, FOREIGN ASSISTANCE

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

CENTRAL AMERICA INITIATIVE

For expenses necessary to enable the President to carry out the provisions of the Central America Democracy, Peace and Development Initiative Act of 1984, the Foreign Assistance Act of 1961, the Peace Corps Act, and the Migration and Refugee Assistance Act, for the fiscal year ending September 30, 1984, and for other purposes, for as-

sistance for Central American countries, to remain available until December 31, 1984, in addition to amounts otherwise made available for such purposes:

AGENCY FOR INTERNATIONAL DEVELOPMENT

AGRICULTURE, RURAL DEVELOPMENT, AND NUTRITION

For an additional amount for "Agriculture, rural development, and nutrition, Development Assistance", $10,000,000.

POPULATION

For an additional amount for "Population, Development Assistance", $5,000,000.

HEALTH

For an additional amount for "Health, Development Assistance", $18,000,000.

EDUCATION AND HUMAN RESOURCES DEVELOPMENT

For an additional amount for "Education and human resources development, Development Assistance", $10,000,000: *Provided*, That of this amount not less than $2,000,000 shall be available only for the International Student Exchange Program.

ENERGY AND SELECTED DEVELOPMENT ACTIVITIES

For an additional amount for "Energy and selected development activities, Development Assistance", $30,000,000.

ECONOMIC SUPPORT FUND

For an additional amount for the "Economic Support Fund", $290,500,000.

OPERATION EXPENSES OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT

For an additional amount for "Operating expenses of the Agency for International Development", $2,489,000: *Provided*, That not less than $727,000 shall be available only for the activities of the Inspector General's office.

INDEPENDENT AGENCY

PEACE CORPS

For an additional amount to carry out the provisions of the Peace Corps Act (75 Stat. 612), $2,000,000.

DEPARTMENT OF STATE

MIGRATION AND REFUGEE ASSISTANCE

For an additional amount for "Migration and refugee assistance", $10,000,000, to be used only for medical and health related assistance for refugees in Central America, to remain available until December 31, 1984.

GENERAL PROVISIONS

Funds may be made available for development assistance for fiscal year 1984 for Guatemala notwithstanding the provisions of Public Law 98-151.

Funds under this title are made available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

None of the funds made available by this title shall be restricted for obligation or disbursement soley as a result of the policies of any multilateral institution.

SEC. 601. (a) Not later than thirty days after the date of entry into force of any memorandum of understanding or other international agreement between the United States Government and a Central American Government regarding the use of local currencies generated from assistance furnished to carry out chapter 4 of part II of the Foreign Assistance Act of 1961 or generated from the sale of agricultural commodities under the Agricultural Trade Development and Assistance Act of 1954, the President shall prepare and transmit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a report setting forth for each such memorandum or agreement—

(1) the text of each such memorandum or agreement;

(2) the status and description of each such memorandum or agreement, including the period of time covered, the amount of funding involved, and the sources of funding involved;

(3) an explanation of the manner in which funds are to be used in a Central American country to—

(A) eliminate the climate of violence and civil strife, in the cases of Guatemala and El Salvador;

(B) develop democratic institutions and processes;

(C) develop strong and free economies with diversified production for both external and domestic markets;

(D) make sharp improvement in the social conditions of the poorest Central Americans; and

(E) improve substantially the distribution of income and wealth; and

(4) the degree of compliance by the Central American Government with the provisions of such memorandum or agreement.

(b) Not later than thirty days after the date of enactment of this Act, the President shall prepare and transmit to the committees referred to in subsection (a) a report providing the information described by paragraphs (1) through (4) of subsection (a) with respect to any memorandum of understanding which is in effect on the date of enactment of this Act.

(c) Not later than six months after the date of entry into force of each memorandum of understanding or other international agreement described in subsection (a), and upon the date of termination of each such memorandum or agreement, the President shall prepare and transmit to the committees referred to in subsection (a) a report describing the progress achieved in carrying out the provisions of such memorandum or agreement, including the progress achieved in carrying out the provisions of clauses (A) through (E) of subsection (a)(3).

RUDMAN (AND OTHERS) AMENDMENT NO. 3366

Mr. RUDMAN (for himself, Mr. PRESSLER, Mr. GOLDWATER, Mr. PACKWOOD, and Mr. BOSCHWITZ) proposed an amendment to the bill H.R. 5712, supra, as follows:

On page 11, line 6, strike "13,944,000" and insert in lieu thereof "$14,094,000".

RUDMAN AMENDMENT NO. 3367

Mr. RUDMAN proposed an amendment to the bill H.R. 5712, supra, as follows:

On page 38, line 9, beginning with ":", strike all through page 38, line 14 and insert in lieu thereof ".".

PRESSLER AMENDMENT NO. 3368

Mr. RUDMAN (for Mr. PRESSLER) proposed an amendment to the bill H.R. 5712, supra, as follows:

At the appropriate part in the bill add the following new section:

SEC. Notwithstanding any other provision of law, none of the funds made available under this Act or any other Act for International Operations and Programs shall be available for the United States proportionate share for any program for the Palestine Liberation Organization, the Southwest Africa Peoples Organization, Cuba, Iran, or Libya.

RUDMAN AMENDMENT NO. 3369

Mr. RUDMAN proposed an amendment to the bill H.R. 5712, supra, as follows:

On page 6, line 16, after the semicolon insert "and including" with the word "and" in italic type and the word "including" in Roman type.

On page 8, line 14, after the comma insert the following: "and upon a determination by the Administrator that the NOAA-D spacecraft is not needed to replace a current NOAA polar orbiting satellite."

On page 15, line 18, after the comma, insert the following: "and not to exceed $2,500 for official reception and representation expenses,"

On page 22, line 1 strike "$27,561,000" and insert: "$27,050,000".

On page 28, line 13, after the word "Senate" strike the colon.

On page 28, line 13, before the word "Provided", insert a colon.

HEALTH PROFESSIONS TRAINING ASSISTANCE AMENDMENTS OF 1984

D'AMATO (AND OTHERS) AMENDMENT NO. 3370

Mr. STEVENS (for Mr. D'AMATO) (for himself, Mr. HATCH, and Mr. MOYNIHAN) proposed two amendments to the bill S. 2559, to revise and extend provisions of the Public Health Service Act relating to health professions educational assistance, as follows:

AMENDMENT NO. 3370

On page 42, between lines 11 and 12, insert the following:

DESIGNATION OF REGIONAL PRIMATE RESEARCH CENTER

SEC. 219. (a) The Secretary of Health and Human Services, through the Division of Research Resources of the National Institutes of Health, shall designate as a Regional Primate Research Center a laboratory for experimental medicine and surgery in primates which is in existence on the date of enactment of this Act. The laboratory designated under this subsection shall be a laboratory which was initially established in 1965 and which became formally sponsored by in association of schools of medicine in 1967.

(b) The Secretary of Health and Human Services shall provide the Regional Primate Research Center designated under subsection (a) with opportunities for consideration for core support and grants to support biomedical research equal to the opportunities for consideration for such support and grants provided to all other Regional Primate Research Centers designated by the Secretary.

On page 42, line 13, strike out "Sec. 219," and insert "Sec. 220.".

HATCH (AND OTHERS) AMENDMENT NO. 3371

Mr. STEVENS (for Mr. HATCH) (for himself, Mr. KENNEDY, and Mr. QUAYLE).

On page 41, between lines 11 and 12, insert the following:

(b) Section 305 of such Act is further amended—

(1) by striking out "and" at the end of paragraph (3) in subsection (b);

(2) by striking cut the period at the end of paragraph (4) of such subsection and inserting in lieu thereof a semicolon and "and";

(3) by inserting after paragraph (4) the following new paragraph:

"(5) the safety, effectiveness, cost effectiveness, and economic impacts of health care technologies."

(5) by redesignating subsection (e) as subsection (g); and

(6) by inserting after subsection (d) the following new subsections:

"(e) (1) The Center shall advise the Secretary respecting medical technology issues and make recommendations with respect to whether specific medical technologies should be reimbursable under federally financed health program.

"(2) In making recommendations respecting medical technologies, the center shall consider the cost effectiveness; and appropriate uses of such technologies.

"(3) In carrying out its responsibilities under this section respecting medical technologies, the Center shall cooperate and consult with the National Institutes of Health, the Food and Drug Administration, and any other interested Federal departments or agencies.

"(f)(1) The Secretary, through the Center, shall undertake and support (by grant or contract) research regarding technology diffusion, methods to assess medical technology, and specific medical technologies.

"(2) Any grant or contract under paragraph (1), the direct cost of which will exceed $50,000, may be made or entered into only after appropriate peer review.".

On page 41, line 12, strike out "(b)" and insert "(c)".

On page 41, between lines 19 and 20, insert the following:

HEALTH CARE TECHNOLOGY

SEC. 218. Section 309 of the Public Health Service Act is amended to read as follows:

"COUNCIL OF HEALTH CARE TECHNOLOGY

"SEC. 309. (a) In accordance with this section, the Secretary shall make grants to the National Academy of Sciences for the planning, development, establishment, and operation in such Academy of a Council on Health Care Technology. The Council shall comply with the provisions of this section.

"(b) The purposes of the Council are to—

"(1) promote the development and application of appropriate health care technologies; and

"(2) promote the review of existing health care technologies in order to identify obsolete or inappropriately used health care technologies.

"(c)(1) The Council may—

"(A) serve as a clearinghouse for information on health care technologies and health care technology assessment;

"(B) collect and analyze data concerning specific health care technologies;

"(C) identify needs in the assessment of specific health care technologies;

"(D) develop and evaluate criteria and methodologies for health care technology assessment;

"(E) provide education, training, and technical assistance in the use of health care technology assessment methodologies and results; and

"(F) conduct assessments of health care technologies.

"(2) No funds from any grant made by the Secretary to the National Academy of Sciences under this section shall be used to conduct any assessment of a health care technology.

"(d) The Council shall be composed of:

"(1) Fifteen members appointed by the National Academy of Sciences from individuals who have education, training, experience, or expertise relating to the quality and cost-effectiveness of health care technologies and who are representatives of organizations of health professionals, hospitals, health care insurers, employers, consumers, and manufacturers of products for health care.

"(2) The Secretary of Health and Human Services (or the designee of the Secretary), who shall be an ex officio member.

"(3) The Director of the Office of Technology Assessment (or the designee of the Director), who shall be an ex officio member.

"(4) The Director of the National Institute of Health (or the designee of the Director), who shall be an ex officio member.

"(5) The Director of the National Center for Health Services Research (or the designee of the Director), who shall be an ex officio member.

"(e) Any vacancy in the Council shall not affect its power, but shall be filled in the manner in which the original appointment was made.

"(f) The President of the National Academy of Sciences shall designate one of the members appointed to the initial Council under subsection (d)(1) as Chairman of the Council for a one-year term. Thereafter, the members of the initial and succeeding Councils shall elect one of their members appointed under such subsection as Chairman for such terms as may be determined by the Council.

"(g) The Council shall have an executive director and such other employees as may be appointed by the Council at rates of compensation fixed by the Council.

"(h) The Council shall not contribute to or otherwise support any political party or candidate for elective public office.

"(i) The Council shall submit an annual report for the preceding fiscal year to the Secretary of Health and Human Services. The report shall include a comprehensive and detailed report of the Council's operations, activities, financial condition, and accomplishments under this section and may include such recommendations as the Council considers appropriate.

"(j) No grant may be made under this section unless the National Academy of Sciences submits an application for such grant to the Secretary in such form and containing such information as the Secretary shall prescribe.

"(k)(1) From the amounts appropriated under subsection (m), the Secretary shall make a grant to the National Academy of Sciences in an amount not in excess of $500,000 for the planning, development, and establishment of the Council.

"(2) From the amounts appropriated under subsection (m) which remain available after a grant is made under paragraph (1), the Secretary shall make grants to the National Academy of Science for the operation of the Council. The Secretary may not make a grant under this paragraph unless the application submitted to the Secretary under subsection (j) for such grant contains written assurances from such Academy that such Academy will expend from non-Federal sources for the operation of the Council an amount equal to or in excess of such grant.

"(1) For purposes of this section, health care technologies mean drugs, devices, and medical and surgical procedures, and knowledge and skills necessary for their appropriate use in the delivery of health care.

"(m) To carry out this section, there are authorized to be appropriated $2,000,000 for fiscal year 1985, which shall remain available until September 30, 1987.".

On page 41, line 22, strike out "SEC. 218." and insert "SEC. 219.".

On page 42, line 13, strike out "SEC. 219." and insert "SEC. 220.".

TRADEMARK COUNTERFEITING ACT OF 1983

MATHIAS AMENDMENT NO. 3372

Mr. STEVENS (for Mr. MATHIAS) proposed an amendment to the bill S. 875, to amend title 18 of the United States Code to strengthen the laws against the counterfeiting of trademarks, and for other purposes, as follows:

Section 2320(b)(2) of title 18, United States Code, as added by section 2(a) of the substitute is amended to read as follows:

"(2) 'traffic' means to transport, transfer, or otherwise dispose of, to another, as consideration for anything of value, or to make or obtain control of with intent to so transport, transfer, or dispose of; and

Section 4(d) of the substitute amendment which amends section 526(e) of the Tariff Act of 1930 is amended by striking out "registered in the United States Patent and Trademark Office," in the matter intended to be inserted in such section 526(e) and inserting in lieu thereof the following: "registered on the principal register in the United States Patent and Trademark Office, which is".

ALCOHOL ABUSE, DRUG ABUSE, AND MENTAL HEALTH AMENDMENTS OF 1984

HATCH AMENDMENT NO. 3373

Mr. STEVENS (for Mr. HATCH) proposed an amendment to the bill H.R. 5603, an act to amend the Public Health Service Act to revise and extend the authorities of that act for assistance for alcohol and drug abuse and mental health services and to revise and extend the Developmental Disabilities Assistance and Bill of Rights Act, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

That this Act may be cited as the "Developmental Disabilities Act of 1984".

SEC. 2. Title I of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended to read as follows:

"TITLE I—PROGRAMS FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

"PART A—GENERAL PROVISIONS

"SHORT TITLE

"SEC. 100. This title may be cited as the 'Developmental Disabilities Assistance and Bill of Rights Act'.

"FINDINGS AND PURPOSES

"SEC. 101. (a) The Congress finds that—

"(1) there are more than two million persons with developmental disabilities in the United States;

"(2) individuals with disabilities occurring during their developmental period are more vulnerable and less able to reach an independent level of existence than other handicapped individuals who generally have had a normal developmental period on which to draw during the rehabilitation process;

"(3) persons with developmental disabilities often require specialized lifelong services to be provided by many agencies in a coordinated manner in order to meet the persons' needs;

"(4) generic service agencies and agencies providing specialized services to disabled persons tend to overlook or exclude persons with developmental disabilities in their planning and delivery of services; and

"(5) it is in the national interest to strengthen specific programs, especially programs that reduce or eliminate the need for institutional care, to meet the needs of persons with developmental disabilities.

"(b)(1) It is the overall purpose of this title to assist States to (A) assure that persons with developmental disabilities receive the care, treatment, and other services necessary to enable them to achieve their maximum potential through increased independence, productivity, and integration into the community, and (B) operate a system which coordinates, monitors, plans, and evaluates services which ensures the protection of the legal and human rights of persons with developmental disabilities.

"(2) The specific purposes of this title are—

"(A) to assist in the provisions of comprehensive services to persons with developmental disabilities, with priority to those persons whose needs are not otherwise met under the Rehabilitation Act of 1973 or other health, education, or welfare programs;

"(B) to assist States in appropriate planning activities;

"(C) to make grants to States and public and private, nonprofit agencies to establish model programs, to demonstrate innovative habilitation techniques, and to train professional and paraprofessional personnel with respect to providing services to persons with developmental disabilities;

"(D) to make grants to university affiliated facilities to assist them in administering and operating demonstration facilities for the provision of services to persons with developmental disabilities, and interdisciplinary training programs for personnel needed to provide specialized services for these persons; and

"(E) to make grants to support a system in each State to protect the legal and human rights of all persons with developmental disabilities.

"DEFINITIONS

"SEC. 102. For purposes of this title:

"(1) The term 'State' includes Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the District of Columbia.

"(2) The term 'facility for persons with developmental disabilities' means a facility, or a specified portion of a facility, designed primarily for the delivery of one or more services to persons with one or more developmental disabilities.

"(3) The terms 'nonprofit facility for persons with developmental disabilities' and 'nonprofit private institution of higher learning' mean, respectively, a facility for persons with developmental disabilities and an institution of higher learning which are owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual; and the term 'nonprofit private agency or organization' means an agency or organization which is such a corporation or association or which is owned and operated by one or more of such corporations or associations.

"(4) The term 'construction' includes construction of new buildings, acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings (including medical, transportation, and recreation facilities); including architect's fees, but excluding the cost of offsite improvements and the cost of the acquisition of land.

"(5) The term 'cost of construction' means the amount found by the Secretary to be necessary for the construction of a project.

"(6) The term 'title', when used with reference to a site for a project, means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Secretary finds sufficient to assure for a period of not less than fifty years undisturbed use and possession for the purposes of construction and operation of the project.

"(7) The term 'developmental disability' means a severe, chronic disability of a person which—

"(A) is attributable to a mental or physical impairment or combination of mental and physical impairments;

"(B) is manifested before the person attains age twenty-two;

"(C) is likely to continue indefinitely;

"(D) results in substantial functional limitations in three or more of the following areas of major life activity: (i) self-care, (ii) receptive and expressive language, (iii) learning, (iv) mobility, (v) self-direction, (vi) capacity for independent living, and (vii) economic self-sufficiency; and

"(E) reflects the person's need for a combination and sequence of special, interdisciplinary, or generic care, treatment, or other services which are of lifelong or extended duration and are individually planned and coordinated.

"(8) The term 'independence' means the extent to which persons with developmental disabilities exert control and choice over their own lives.

"(9) The term 'productivity' means—

"(A) engagement in income-producing work by a person with developmental disabilities which is measured through improvements in income level, employment status, or job advancement, or

"(B) engagement by a person with developmental disabilities in work which contributes to a household or community.

"(10) The term 'integration' means—

"(A) the use—

"(i) use by persons with developmental disabilities, of the same community resources that are used by and available to other citizens, and

"(ii) participation by persons with developmental disabilities in the same community activities in which nonhandicapped citizens participate,

together with regular contact with nonhandicapped citizens, and

"(B) the residence by persons with developmental disabilities in homes or in homelike settings which are in proximity to community resources, together with regular contact with nonhandicapped citizens in their communities.

"(11)(A) The term 'services for persons with developmental disabilities' means—

"(i) priority services (as defined in subparagraph (C)); and

"(ii) any other specialized services or special adaptations of generic services for persons with developmental disabilities, including diagnosis, evaluation, treatment, personal care, day care, domiciliary care, special living arrangements, training, education, sheltered employment, recreation and socialization, counseling of the person with such disability and the family of such person, protective and other social and sociolegal services, information and referral services, follow-along services, nonvocational social-developmental services, transportation services necessary to assure delivery of services to persons with developmental disabilities, and services to promote and coordinate activities to prevent developmental disabilities.

"(B) The term 'service activities' includes, with respect to an area of priority services described in subparagraph (C) or an area of services described in subparagraph (A)(ii)—

"(i) the provision of specialized services in the area which respond to unmet needs of persons with developmental disabilities;

"(ii) model service programs in the area;

"(iii) activities to increase the capacity of agencies to provide services in the area;

"(iv) the coordination of the provision of services in the area with the provision of other services;

"(v) outreach to individuals for the provision of services in the area;

"(vi) the training of personnel, including parents of persons with developmental disabilities, professionals, and volunteers, to provide services in the area; and

"(vii) similar activities designed to expand the use and availability of services in the area.

"(C) The term 'priority services' means alternative community living arrangement services (as defined in subparagraph (D)), employment related activities (as defined in subparagraph (E)), and child development services (as defined in subparagraph (G)).

"(D) The term 'alternative community living arrangement services' means (i) such services as will assist persons with developmental disabilities in developing or maintaining suitable residential arrangements in the community, including in-house services (such as personal aides and attendants and other domestic assistance and supportive services), family support services, foster care services, group living services, respite care, recreation and socialization services, and staff training, placement, and maintenance services, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

"(E) The term 'employment related activities' means (i) such services as will increase the independence, productivity, or integration of a person with developmental disabil-

ities in work settings, including such services as employment preparation and vocational training leading to supported employment, incentive programs for employers who hire persons with developmental disabilities, services to assist transition from special education to employment, and services to assist transition from sheltered work settings to supported employment settings or competitive employment, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

"(F) The term 'supported employment' means paid employment which—

"(i) is for persons with developmental disabilities for whom competitive employment at or above the minimum wage is unlikely and who, because of their disabilities, need intensive ongoing support to perform in a work setting;

"(ii) is conducted in a variety of settings, particularly work sites in which persons without disabilities are employed; and

"(iii) is supported by any activity needed to sustain paid work by persons with disabilities, including supervision, training, and assistance with transportation.

"(G) The term 'child development services' means (i) such services as will assist in the prevention, identification, and alleviation of developmental disabilities in children, including early intervention services, counseling and training of parents, early identification of developmental disabilities, and diagnosis and evaluation of such developmental disabilities, and (ii) case management services for persons with developmental disabilities who receive services described in clause (i).

"(12) The term 'satellite center' means a public or private nonprofit entity which—

"(A) is affiliated with one or more university affiliated facilities;

"(B) functions as a community or regional extension of such university affiliated facility or facilities in the delivery of services to persons with developmental disabilities, and their families, who reside in geographical areas where adequate services are not otherwise available; and

"(C) may engage in the activities described in subparagraph (A), (B), or (C) of paragraph (13).

"(13) The term 'university affiliated facility' means a public or nonprofit facility which is associated with, or is an integral part of, a college or university and which provides for at least the following activities:

"(A) Interdisciplinary training for personnel concerned with developmental disabilities which is conducted at the facility and through outreach activities.

"(B) Demonstration of—

"(i) exemplary services relating to persons with developmental disabilities in settings which are integrated in the community; and

"(ii) technical assistance to generic and specialized agencies to provide services to increase the independence, productivity, and integration into the community of persons with developmental disabilities, such as the development and improvement of quality assurance mechanisms.

"(C)(i) Dissemination of findings relating to the provision of services under subparagraph (B) of this paragraph, and (ii) providing researchers and government agencies sponsoring service-related research with information on the needs for further service-related research which would provide data and information that will assist in increasing the independence, productivity, and integration into the community of persons with developmental disabilities.

"(14) The term 'Secretary' means the Secretary of Health and Human Services.

"(15) The term 'State Planning Council' means a State Planning Council established under section 124.

"FEDERAL SHARE

"SEC. 103. (a) The Federal share of all projects in a State supported by an allotment to the State under part B shall be 75 percent of the aggregate necessary costs of all such projects, as determined by the Secretary, except that in the case of projects located in urban or rural poverty areas, the Federal share of all such projects shall be 90 percent of the aggregate necessary costs of such projects, as determined by the Secretary.

"(b) The Federal share of any project to be provided through grants under part D shall be 75 percent of the necessary cost of such project, as determined by the Secretary, except that if the project is located in an urban or rural poverty area, the Federal share may not exceed 90 percent of the project's necessary costs as so determined.

"(c) The non-Federal share of the cost of any project assisted by a grant or allotment under this title may be provided in kind.

"(d) For the purpose of determining the Federal share with respect to any project, expenditures on that project by a political subdivision of a State or by a nonprofit private entity shall, subject to such limitations and conditions as the Secretary may by regulation prescribe, be deemed to be expenditures by such State in the case of a project under part B or by a university affiliated facility or a satellite center, as the case may be, in the case of a project assisted under part D.

"RECORDS AND AUDIT

"SEC. 104. (a) Each recipient of assistance under this title shall keep such records as the Secretary shall prescribe, including (1) records which fully disclose (A) the amount and disposition by such recipient of the proceeds of such assistance, (B) the total cost of the project or undertaking in connection with which such assistance is given or used, and (C) the amount of that portion of the cost of the project or undertaking supplied by other sources, and (2) such other records as will facilitate an effective audit.

"(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of assistance under this title that are pertinent to such assistance.

"RECOVERY

"SEC. 105. If any facility with respect to which funds have been paid under part B or D shall, at any time within twenty years after the completion of construction—

"(1) be sold or transferred to any person, agency, or organization which is not a public or nonprofit private entity, or

"(2) cease to be a public or other nonprofit facility for persons with developmental disabilities,

the United States shall be entitled to recover from either the transferor or the transferee (or, in the case of a facility which has ceased to be a public or other nonprofit facility for persons with developmental disabilities, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of such facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction of such project or projects. Such right of recovery shall not constitute a lien upon such facility prior to judgment. The Secretary, in accordance with regulations prescribed by the Secretary, may, upon finding good cause therefor, release the applicant or other owner from the obligation to continue such facility as a public or other nonprofit facility for persons with developmental disabilities.

"STATE CONTROL OF OPERATIONS

"SEC. 106. Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any facility for persons with developmental disabilities with respect to which any funds have been or may be expended under this title.

"REPORTS

"SEC. 107. (a) By January 1 of each year, the State Planning Council of each State shall prepare and transmit to the Secretary a report concerning activities carried out during the preceding fiscal year with funds paid to the State under part B for such fiscal year. Each such report shall be in a form prescribed by the Secretary by regulation and shall contain—

"(1) a description of such activities and the accomplishments resulting from such activities;

"(2) a comparison of such accomplishments with the goals, objectives, and proposed activities specified by the State in the State plan submitted under section 122 for such fiscal year;

"(3) an accounting of the manner in which funds paid to a State under part B for a fiscal year were expended, including a specification of—

"(A) the total amount of Federal funds paid to the State under such part for such fiscal year;

"(B) the total amount of the non-Federal share for projects under such part for such fiscal year;

"(C) the total amount of Federal funds and the total amount of non-Federal funds obligated to carry out such part during such fiscal year;

"(D) the total amount of Federal funds and the total amount of non-Federal funds expended to carry out such part during such fiscal year; and

"(E) the total amount of Federal funds provided under such part which were not obligated or expended during such fiscal year;

"(4) a specification of the amount and proportion of Federal funds paid to the State under part B for such fiscal year which were allocated to—

"(A) State agencies;

"(B) local governments and local government agencies;

"(C) nonprofit private agencies; and

"(D) academic institutions; and

"(5) a description of the extent to which the individuals who actually attended meetings of the State Planning Council during such fiscal year reflect the requirements for membership on such Council specified in section 124(a).

"(b) By January 1 of each year, each protection and advocacy system established in a State pursuant to part C shall prepare and transmit to the Secretary a report which de-

scribes the activities and accomplishments of the system during the preceding fiscal year.

"(c)(1) By April 1 of each year the Secretary shall prepare and transmit to the President, the Congress, and the National Council on the Handicapped a report which describes—

"(A) the activities and accomplishments of programs supported under parts B, C, D, and E of this title; and

"(B) the progress made in States in improving the independence, productivity, and integration into the community of persons with developmental disabilities and any activities or services needed to improve such independence, productivity, and integration.

"(2) In preparing the report required by this subsection, the Secretary shall use and include information submitted to the Secretary in the reports required under subsections (a) and (b) of this section and section 142(a)(5).

"(d) Within 90 days after receiving from the States the assessments required under section 122(b)(6)(A), the Secretary shall prepare and transmit to the Congress, the Secretary of Education and the National Council on the Handicapped a report which summarizes and analyzes the results of such assessments.

"RESPONSIBILITIES OF THE SECRETARY

"SEC. 108. (a) The Secretary, not later than 180 days after the date of enactment of any Act amending the provisions of this title, shall promulgate such regulations as may be required for the implementation of such amendments.

"(b) Within 90 days after the date of enactment of the Developmental Disabilities Act of 1984, the Secretary of Health and Human Services and the Secretary of Education shall establish an interagency committee composed of representatives of the Administration for Developmental Disabilities of the Department of Health and Human Services, the Office of Special Education and Rehabilitative Services of the Department of Education, and such other Federal departments and agencies as the Secretary of Health and Human Services and the Secretary of Education consider appropriate. Such interagency committee shall meet regularly to coordinate and plan activities conducted by Federal departments and agencies for persons with developmental disabilities.

"EMPLOYMENT OF HANDICAPPED INDIVIDUALS

"SEC. 109. As a condition of providing assistance under this title, the Secretary shall require that each recipient of such assistance take affirmative action to employ and advance in employment qualified handicapped individuals on the same terms and conditions required with respect to the employment of such individuals by the provisions of the Rehabilitation Act of 1973 which govern employment (1) by State rehabilitation agencies and rehabilitation facilities, and (2) under Federal contracts and subcontracts.

"RIGHTS OF THE DEVELOPMENTALLY DISABLED

"SEC. 110. Congress makes the following findings respecting the rights of persons with developmental disabilities:

"(1) Persons with developmental disabilities have a right to appropriate treatment, services, and habilitation for such disabilities.

"(2) The treatment, services, and habilitation for a person with developmental disabilities should be designed to maximize the developmental potential of the person and should be provided in the setting that is least restrictive of the person's personal liberty.

"(3) The Federal Government and the States both have an obligation to assure that public funds are not provided to any institutional or other residential program for persons with developmental disabilities that—

"(A) does not provide treatment, services, and habilitation which is appropriate to the needs of such persons; or

"(B) does not meet the following minimum standards:

"(i) Provision of a nourishing, well-balanced daily diet to the persons with developmental disabilities being served by the program.

"(ii) Provision to such persons of appropriate and sufficient medical and dental services.

"(iii) Prohibition of the use of physical restraint on such persons unless absolutely necessary and prohibition of the use of such restraint as a punishment or as a substitute for a habilitation program.

"(iv) Prohibition on the excessive use of chemical restraints on such persons and the use of such restraints as punishment or as a substitute for a habilitation program or in quantities that interfere with services, treatment, or habilitation for such persons.

"(v) Permission for close relatives of such persons to visit them at reasonable hours without prior notice.

"(vi) Compliance with adequate fire and safety standards as may be promulgated by the Secretary.

"(4) All programs for persons with developmental disabilities should meet standards which are designed to assure the most favorable possible outcome for those served, and—

"(A) in the case of residential programs serving persons in need of comprehensive health-related, habilitative, or rehabilitative services, which are at least equivalent to those standards applicable to intermediate care facilities for the mentally retarded promulgated in regulations of the Secretary on January 17, 1974 (39 Fed. Reg. pt. II), as appropriate when taking into account the size of the institutions and the service delivery arrangements of the facilities of the programs;

"(B) in the case of other residential programs for persons with developmental disabilities, which assure that care is appropriate to the needs of the persons being served by such programs, assure that the persons admitted to facilities of such programs are persons whose needs can be met through services provided by such facilities, and assure that the facilities under such programs provide for the humane care of the residents of the facilities, are sanitary, and protect their rights; and

"(C) in the case of nonresidential programs, which assure the care provided by such programs is appropriate to the persons served by the programs.

The rights of persons with developmental disabilities described in findings made in this section are in addition to any constitutional or other rights otherwise afforded to all persons.

"PART B—FEDERAL ASSISTANCE FOR PLANNING AND SERVICE ACTIVITIES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

"PURPOSE

"SEC. 121. The purpose of this part is to provide payments to States to plan for, and to conduct, activities which will increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"STATE PLANS

"SEC. 122. (a) Any State desiring to take advantage of this part must have a State plan submitted to and approved by the Secretary under this section. Notwithstanding any other provision of law or Executive order, a State may not consolidate the State plan required by this section with any other State plan required for the receipt of Federal assistance or substitute for the State plan required by this section any other plan prepared pursuant to State law or procedures unless the State Planning Council and the State agency or agencies designated pursuant to subsection (b)(1)(B) consent in writing to such consolidation or substitution.

"(b) In order to be approved by the Secretary under this section, a State plan for the provision of services for persons with developmental disabilities must meet the following requirements:

"(1)(A) The plan must provide for the establishment of a State Planning Council, in accordance with section 124, for the assignment to the Council of personnel in such numbers and with such qualifications as the Secretary determines to be adequate to enable the Council to carry out its duties under this title, and for the identification of the personnel so assigned.

"(B) The plan must designate the State agency or agencies which shall administer or supervise the administration of the State plan and, if there is more than one such agency, the portion of such plan which each will administer (or the portion the administration of which each will supervise).

"(C) The plan must provide that each State agency designated under subparagraph (B) will make such reports, in such form and containing such information, as the Secretary or the State Planning Council may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary or the State Planning Council finds necessary to verify such reports.

"(D) The plan must provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of and accounting for funds paid to the State under this part.

"(2) The plan must—

"(A) set out the specific objectives to be achieved under the plan and a listing of the programs and resources to be used to meet such objectives;

"(B) set forth the non-Federal share that will be required in carrying out each such objective and program;

"(C) describe (and provide for the review annually and revision of the description not less often than once every three years) (i) the extent and scope of services being provided, or to be provided, to persons with developmental disabilities under such other State plans for federally assisted State programs as the State conducts relating to education for the handicapped, vocational rehabilitation, public assistance, medical assistance, social services, maternal and child health, crippled children's services, and comprehensive health and mental health, and under such other plans as the Secretary may specify, and (ii) how funds allotted to the State in accordance with section 125 will be used to complement and augment rather than duplicate or replace services for persons with developmental disabilities who are

eligible for Federal assistance under such other State programs;

"(D) for each fiscal year, assess and describe the extent and scope of the priority services (as defined in section 102(11)(C)) being or to be provided under the plan in the fiscal year; and

"(E) establish a method for the periodic evaluation of the plan's effectiveness in meeting the objectives described in subparagraph (A).

"(3) The plan must contain or be supported by assurances satisfactory to the Secretary that—

"(A) the funds paid to the State under section 125 will be used to make a significant contribution toward strengthening services for persons with developmental disabilities through agencies in the various political subdivisions of the State;

"(B) part of such funds will be made available by the State to public or nonprofit private entities;

"(C) not more than 25 percent of such funds will be allocated to a designated agency for the provision of services by such agency;

"(D) such funds paid to the State under section 125 will be used to supplement and to increase the level of funds that would otherwise be made available for the purposes for which Federal funds are provided and not to supplant such non-Federal funds; and

"(E) there will be reasonable State financial participation in the cost of carrying out the State plan.

"(4)(A) The plan must provide for the examination not less often than once every three years of the provision, and the need for the provision, in the State of the three areas of priority services (as defined in section 102(11)(C)).

"(B) The plan must provide for the development, not later than the second year in which funds are provided under the plan after the date of the enactment of the Developmental Disabilities Act of 1984, and the timely review and revision of, a comprehensive statewide plan to plan, financially support, coordinate, and otherwise better address, on a statewide and comprehensive basis, unmet needs in the State for the provision of—

"(i) employment related activities and, except as provided in subparagraph (C), not more than one of the other areas of priority services (as defined in section 102(11)(C)), such other area of priority services to be specified in the plan; and

"(ii) at the option of the State, of one or more additional areas of services for persons with developmental disabilities from the areas of services described in section 102(11)(A)(ii), such area or areas also to be specified in the plan.

"(C) In any case in which appropriations under section 130 for a fiscal year exceed $60,000,000, a State plan may provide for the provision of an area of priority services (as defined in section 102(11)(C)) in addition to the areas of priority services required to be provided by subparagraph (B)(i).

"(D) The plan must be developed after consideration of the data collected by the State education agency under section 618(b)(3) of the Education of the Handicapped Act.

"(E)(i) The plan must provide that not less than 65 percent of the amount available to the State under section 125 will be expended for service activities in the priority areas of services (as defined in section 102(11)(C)).

"(ii) The plan must provide that the remainder of the amount available to the State from allotments under section 125 (after making the expenditures required by clause (i) of this paragraph) shall be used for service activities for persons with developmental disabilities, and the planning, coordination, and administration of, and the advocacy for, the provision of such services.

"(F) The plan must provide that special financial and technical assistance shall be given to agencies or entities providing services for persons with developmental disabilities who are residents of geographical areas designated as urban or rural poverty areas.

"(5)(A)(i) The plan must provide that services furnished, and the facilities in which they are furnished, under the plan for persons with developmental disabilities will be in accordance with standards prescribed by the Secretary in regulations.

"(ii) The plan must provide satisfactory assurances that buildings used in connection with the delivery of services assisted under the plan will meet standards adopted pursuant to the Act of August 12, 1968 (known as the Architectural Barriers Act of 1968).

"(B) The plan must provide that services are provided in an individualized manner consistent with the requirements of section 123 (relating to habilitation plans).

"(C) The plan must contain or be supported by assurances satisfactory to the Secretary that the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under programs assisted under this part will be protected consistent with section 110 (relating to rights of the developmentally disabled).

"(D) The plan must provide assurances that the State has undertaken affirmative steps to assure the participation in programs under this title of individuals generally representative of the population of the State, with particular attention to the participation of members of minority groups.

"(E) The plan must provide assurances that the State will provide the State Planning Council with a copy of each annual survey report and plan of corrections for cited deficiencies prepared pursuant to section 1902(a)(31)(B) of the Social Security Act with respect to any intermediate care facility for the mentally retarded in such State within 30 days after the completion of each such report or plan.

"(6) The plan must provide—

"(A) for an assessment to be submitted to the Secretary twenty-four months after the date of enactment of the Developmental Disabilities Act of 1984 and every three years thereafter, of—

"(i) the need for professionals and paraprofessionals in the field of developmental disabilities in the State and for the training of such professionals and paraprofessionals; and

"(ii) plans to support the training of such professionals and paraprofessionals to maintain the availability of services to persons with developmental disabilities in the State;

"(B) that the State will pay the cost of conducting such assessment from the amount described in paragraph (4)(E)(ii); and

"(C) that the State will, in arranging the conduct of such assessment, give preference to a university affiliated facility or a satellite center.

"(7)(A) The plan must provide for the maximum utilization of all available community resources including volunteers serving under the Domestic Volunteer Service Act of 1973 and other appropriate voluntary organizations, except that such volunteer services shall supplement, and shall not be in lieu of, services of paid employees.

"(B) The plan must provide for fair and equitable arrangements (as determined by the Secretary after consultation with the Secretary of Labor) to protect the interests of employees affected by actions under the plan to provide alternative community living arrangement services (as defined in section 102(11)(D)), including arrangements designed to preserve employee rights and benefits and to provide training and retraining of such employees where necessary and arrangements under which maximum efforts will be made to guarantee the employment of such employees.

"(8) The plan also must contain such additional information and assurances as the Secretary may find necessary to carry out the provisions and purposes of this part.

"(c) The Secretary shall approve any State plan and any modification thereof which complies with the provisions of subsection (b). The Secretary shall not finally disapprove a State plan except after reasonable notice and opportunity for a hearing to the State.

"(d)(1) At the request of any State, a portion of any allotment or allotments of such State under this part for any fiscal year shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Secretary for the proper and efficient administration of the State plan approved under this section; except that not more than 5 per centum of the total of the allotments of such State for any fiscal year, or $50,000, whichever is less, shall be available for the total expenditures for such purpose by all of the State agencies designated under subsection (b)(1)(B) for the administration or supervision of the administration of the State plan. Payments under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

"(2) Any amount paid under paragraph (1) to any State for any fiscal year shall be paid on condition that there shall be expended from the State sources for such year for administration of the State plan approved under this section not less than the total amount expended for such purposes from such sources during the previous fiscal year.

"HABILITATION PLANS

"SEC. 123. (a) The Secretary shall require as a condition to a State's receiving an allotment under this part that the State provide the Secretary satisfactory assurances that each program (including programs of any agency, facility, or project) which receives funds from the State's allotment under this part (1) has in effect for each developmentally disabled person who receives services from or under the program a habilitation plan meeting the requirements of subsection (b), and (2) provides for an annual review, in accordance with subsection (c), of each such plan.

"(b) A habilitation plan for a person with developmental disabilities shall meet the following requirements:

"(1) The plan shall be in writing.

"(2) The plan shall be developed jointly by (A) a representative or representatives of the program primarily responsible for delivering or coordinating the delivery of services to the person for whom the plan is established, (B) such person, and (C) where

appropriate, such person's parents or guardian or other representative.

"(3) The plan shall contain a statement of the long-term habilitation goals for the person and the intermediate habilitation objectives relating to the attainments of such goals. Such goals should include the increase or support of independence, productivity, and integration into the community for the person. Such objectives shall be stated specifically and in sequence and shall be expressed in behavioral or other terms that provide measurable indices of progress. The plan shall (A) describe how the objectives will be achieved and the barriers that might interfere with the achievement of them, (B) state an objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved, and (C) provide for a program coordinator who will be responsible for the implementation of the plan.

"(4) The plan shall contain a statement (in readily understandable form) of specific habilitation services to be provided, shall identify each agency which will deliver such services, shall describe the personnel (and their qualifications) necessary for the provision of such services, and shall specify the date of the initiation of each service to be provided and the anticipated duration of each such service.

"(5) The plan shall specify the role and objectives of all parties to the implementation of the plan.

"(c) Each habilitation plan shall be reviewed at least annually by the agency primarily responsible for the delivery of services to the person for whom the plan was established or responsible for the coordination of the delivery of services to such person. In the course of the review, such person and the person's parents or guardian or other representative shall be given an opportunity to review such plan and to participate in its revision.

"STATE PLANNING COUNCILS

"SEC. 124. (a)(1) Each State which receives assistance under this part shall establish a State Planning Council which will serve as an advocate for persons with developmental disabilities. The members of the State Planning Council of a State shall be appointed by the Governor of the State from among the residents of that State. The Governor of each State shall make appropriate provisions for the rotation of membership on the Council of that State. Each State Planning Council shall at all times include in its membership representatives of the principal State agencies (including the State agency that administers funds provided under the Rehabilitation Act of 1973, the State agency that administers funds provided under the Education of the Handicapped Act, and the State agency that administers funds provided under title XIX of the Social Security Act for persons with developmental disabilities), higher education training facilities, any university affiliated facility or satellite center in the State, the State protection and advocacy system established under section 142, local agencies, and nongovernmental agencies and private nonprofit groups concerned with services to persons with developmental disabilities in that State.

"(2) At least one-half of the membership of each such Council shall consist of persons who—

"(A) are persons with developmental disabilities or parents or guardians of such persons, or

"(B) are immediate relatives or guardians of persons with mentally impairing developmental disabilities,

who are not employees of a State agency which receives funds or provides services under this part, who are not managing employees (as defined in section 1126(b) of the Social Security Act) of any other entity which receives funds or provides services under this part, and who are not persons with an ownership or control interest (within the meaning of section 1124(a)(3) of the Social Security Act) with respect to such an entity.

"(3) Of the members of the Council described in paragraph (2)—

"(A) at least one-third shall be persons with developmental disabilities, and

"(B)(i) at least one-third shall be individuals described in subparagraph (B) of paragraph (2), and (ii) at least one of such individuals shall be an immediate relative or guardian of an institutionalized person with a developmental disability.

"(b) Each State Planning Council shall—

"(1) develop jointly with the State agency or agencies designated under section 122(b)(1)(B) the State plan required by this part, including the specification of areas of services under section 122(b)(4)(B);

"(2) monitor, review, and evaluate, not less often than annually, the implementation of such State plan;

"(3) to the maximum extent feasible, review and comment on all State plans in the State which relate to programs affecting persons with developmental disabilities; and

"(4) submit to the Secretary, through the Governor, such periodic reports on its activities as the Secretary may reasonably request, and keep such records and afford such access thereto as the Secretary finds necessary to verify such reports.

"STATE ALLOTMENTS

"SEC. 125. (a)(1) For each fiscal year, the Secretary shall, in accordance with regulations and this paragraph, allot the sums appropriated for such year under section 130 among the States on the basis of—

"(A) the population,

"(B) the extent of need for services for persons with developmental disabilities, and

"(C) the financial need,

of the respective States. Sums allotted to the States under this section shall be used in accordance with approved State plans under section 122 for the provision under such plans of services for persons with developmental disabilities.

"(2) The Secretary may not revise the basis on which allotments are made under clauses (A), (B), and (C) of paragraph (1) more than once every three years. In any case in which the Secretary determines that changes in the factors described in such clauses warrant such a revision, the Secretary shall, at least six months prior to the date on which the Secretary requires the submission of State plans under section 122 for the next succeeding fiscal year, provide each State with a written notice specifying the basis on which allotments will be made under such paragraph.

"(3)(A) The allotment of a State under paragraph (1) for any fiscal year may not be less than the allotment of such State for fiscal year 1984 under part B of this title (as such part was in effect on September 30, 1984).

"(B) In any case in which amounts appropriated under section 130 for a fiscal year exceed $45,000,000, the allotment under paragraph (1) for such fiscal year—

"(i) to each of American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, or the Trust Territory of the Pacific Islands may not be less than $135,000; and

"(ii) to each of the several States, Puerto Rico, or the District of Columbia, may not be less than $300,000.

"(4) In determining, for purposes of paragraph (1)(B), the extent of need in any State for services for persons with developmental disabilities, the Secretary shall take into account the scope and extent of the services described, pursuant to section 122(b)(2)(C), in the State plan of the State.

"(b) Whenever the State plan approved in accordance with section 122 provides for participation of more than one State agency in administering or supervising the administration of designated portions of the State plan, the State may apportion its allotment among such agencies in a manner which, to the satisfaction of the Secretary, is reasonably related to the responsibilities assigned to such agencies in carrying out the purposes of the State plan. Funds so apportioned to State agencies may be combined with other State or Federal funds authorized to be spent for other purposes, provided the purposes of the State plan will receive proportionate benefit from the combination.

"(c) Whenever the State plan approved in accordance with section 122 provides for cooperative or joint effort between States or between or among agencies, public or private, in more than one State, portions of funds allotted to one or more such cooperating States may be combined in accordance with the agreements between the agencies involved.

"(d) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time, on such date or dates as the Secretary may fix (but not earlier than thirty days after the Secretary has published notice of the intention of the Secretary to make such reallotment in the Federal Register), to other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment under subsection (a) for such fiscal year.

"PAYMENTS TO THE STATES FOR PLANNING, ADMINISTRATION AND SERVICES

"SEC. 126. From each State's allotments for a fiscal year under section 125, the State shall be paid the Federal share of the expenditures, other than expenditures for construction, incurred during such year under its State plan approved under this part. Such payments shall be made from time to time in advance on the basis of estimates by the Secretary of the sums the State will expend under the State plan, except that such adjustments as may be necessary shall be made on account of previously made underpayments or overpayments under this section.

"WITHHOLDING OF PAYMENTS FOR PLANNING, ADMINISTRATION AND SERVICES

"SEC. 127. Whenever the Secretary, after reasonable notice and opportunity for hearing to the State Planning Council and the appropriate State agency designated pursuant to section 122(b)(1) finds that—

"(1) there is a failure to comply substantially with any of the provisions required by section 122 to be included in the State plan; or

"(2) there is a failure to comply substantially with any regulations of the Secretary which are applicable to this part,

the Secretary shall notify such State Council and agency or agencies that further payments will not be made to the State under section 125 (or, in the discretion of the Secretary, that further payments will not be made to the State under section 125 for activities in which there is such failure), until the Secretary is satisfied that there will no longer be such failure. Until the Secretary is so satisfied, the Secretary shall make no further payment to the State under section 125, or shall limit further payment under section 125 to such State to activities in which there is no such failure.

"NONDUPLICATION

"SEC. 128. In determining the amount of any State's Federal share of the expenditures incurred by it under a State plan approved under section 122, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any provision of law other than section 125, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds.

"APPLICATIONS AND CONDITIONS FOR APPROVAL

"SEC. 129. If any State is dissatisfied with the Secretary's action under section 122(c) or section 127, such State may appeal to the United States court of appeals for the circuit in which such State is located, by filing a petition with such court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, or any officer designated by the Secretary for that purpose. The Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based the action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Secretary may modify or set aside the order of the Secretary. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of the fact and may modify the previous action of the Secretary, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this section shall not, unless so specifically ordered by the court, operate as a stay of the Secretary's action.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 130. For allotments under section 125, there are authorized to be appropriated $54,500,000 for fiscal year 1985, $58,300,000 for fiscal year 1986, and $62,400,000 for fiscal year 1987.

"PART C—PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS

"PURPOSE

"SEC. 141. It is the purpose of this part to provide for allotments to support a system in each State to protect the legal and human rights of persons with developmental disabilities in accordance with section 142.

"SYSTEM REQUIRED

SEC. 142. (a) In order for a State to receive an allotment under part B—

"(1) the State must have in effect a system to protect and advocate the rights of persons with developmental disabilities;

"(2) such system must—

"(A) have the authority to pursue legal, administrative, and other appropriate remedies to insure the protection of the rights of such persons who are receiving treatment, services, or habilitation within the State and to provide information on and referral to programs and services addressing the needs of persons with developmental disabilities;

"(B) not be administered by the State Planning Council;

"(C) be independent of any agency which provides treatment, services, or habilitation to persons with developmental disabilities; and

"(D) except as provided in subsection (c), be able to obtain access to the records of a person with developmental disabilities who receives services under this title and who resides in a facility for persons with developmental disabilities if—

"(i) a complaint has been received by the system from or on behalf of such person; and

"(ii) such person does not have a legal guardian or the State or the designee of the State is the legal guardian of such person;

"(3) the State must provide assurances to the Secretary that funds allotted to the State under this section will be used to supplement and increase the level of funds that would otherwise be made available for the purposes for which Federal funds are provided and not to supplant such non-Federal funds;

"(4) the State must provide assurances to the Secretary that such system will be provided with a copy of each annual survey report and plan of corrections for cited deficiencies made pursuant to section 1902(a)(31)(B) of the Social Security Act with respect to any intermediate care facility for the mentally retarded in the State within 30 days after the completion of each such report or plan; and

"(5) the State must submit to the Secretary, within 90 days after the end of each fiscal year, a report in a form prescribed by the Secretary which describes such system and describes the expenditures made by the State from allotments under subsection (d).

"(b) A State may not redesignate the agency of the State which administers the system required by subsection (a) unless the State determines that good cause exists to warrant such redesignation. In any case in which a State determines that such good cause exists, the State shall, prior to such redesignation, give public notice of its intent to make such redesignation and give persons with developmental disabilities or their representatives an opportunity to comment on such proposed redesignation.

"(c) Prior to October 1, 1986, the provisions of paragraph (2)(D) of subsection (a) shall not apply to any State in which the laws of the State prohibit the system required under such subsection from obtaining access to the records of a person with developmental disabilities under the conditions described in such paragraph.

"(d)(1) To assist States in meeting the requirements of subsection (a), the Secretary shall allot to the States the amounts appropriated under section 143. Allotments and reallotments of such sums shall be made on the same basis as the allotments and reallotments are made under the first sentence of subsection (a)(1) and subsection (d) of section 125, except that—

"(A) the allotment of any State under this subsection for any fiscal year shall not be less than the allotment of such State for fiscal year 1984 under section 113(b) (as such section was in effect on September 30, 1984); and

"(B) in any case in which the amounts appropriated under section 143 for a fiscal year exceed $9,500,000—

"(i) the allotment of each of American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands for such fiscal year shall not be less than $60,000; and

"(ii) the allotment to each of the several States, Puerto Rico, and the District of Columbia for such fiscal year shall not be less than $100,000.

"(2) A State may use not more than 5 percent of any allotment under this subsection for the costs of monitoring the administration of the system required under subsection (a).

"(3) Notwithstanding paragraph (1), if the aggregate of the amounts of the allotments for grants to be made in accordance with such paragraph for any fiscal year exceeds the total of the amounts appropriated for such allotments under section 143, the amount of a State's allotment for such fiscal year shall bear the same ratio to the amount otherwise determined under such paragraph as the total of the amounts appropriated for that year under section 143 bears to the aggregate amount required to make an allotment to each of the States in accordance with paragraph (1).

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 143. For allotments under section 142, there are authorized to be appropriated $15,000,000 for fiscal year 1985, $16,100,000 for fiscal year 1986, and $17,200,000 for fiscal year 1987. The provisions of section 1913 of title 18, United States Code, shall be applicable to all moneys authorized under the provisions of this section.

"PART D—UNIVERSITY AFFILIATED FACILITIES

"PURPOSE

"SEC. 151. The purpose of this part is to provide for grants to university affiliated facilities to assist in the provision of interdisciplinary training, the conduct of service demonstration programs, and the dissemination of information which will increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"GRANT AUTHORITY

"SEC. 152. (a) From appropriations under section 154, the Secretary shall make grants

to university affiliated facilities to assist in the administration and operation of the activities described in section 102(13).

"(b) The Secretary may make one or more grants to a university affiliated facility receiving a grant under subsection (a) to support one or more of the following activities:

"(1) Conducting—

"(A) a study of the feasibility of establishing a university affiliated facility or a satellite center in an area not served by a university affiliated facility, including an assessment of the needs of the area for such a facility or center; or

"(B) a study of the ways in which such university affiliated facility, singly or jointly with other university affiliated facilities which have received a grant under subsection (a), can assist in establishing one or more satellite centers which would be located in areas not served by a university affiliated facility.

A study under subparagraph (A) or subparagraph (B) shall be carried out in consultation with the State Planning Council for the State in which the university affiliated facility conducting the study is located and the State Planning Council for the State in which the university affiliated facility or satellite center would be established.

"(2) Provision of service-related training to parents of persons with developmental disabilities, professionals, volunteers, or other personnel to enable such parents, professionals, volunteers, or personnel to provide services to increase or maintain the independence, productivity, and integration into the community of persons with developmental disabilities.

"(3) Conducting an applied research program designed to produce more efficient and effective methods (A) for the delivery of services to persons with developmental disabilities, and (B) for the training of professionals, paraprofessionals, and parents who provide these services.

The amount of a grant under paragraph (1) may not exceed $25,000.

"(c) The Secretary may make grants to pay part of the costs of establishing satellite centers and may make grants to satellite centers to pay part of their administration and operation costs. A satellite center which receives a grant under this section may engage in the activities described in subparagraph (A), (B), or (C) of section 102(13).

"(d)(1) The Secretary may not make a grant under subsection (c) for the fiscal year ending on September 30, 1985, to a satellite center which has not received a grant under such subsection or section 121(c) (as such section was in effect prior to October 1, 1984) unless—

"(A) a study assisted under subsection (b)(1)(A) of this section has established the feasibility of establishing or operating such center, except that such study shall not be required to contain an assessment of the need for such center in the area in which such center will be located; or

"(B) a study assisted under section 121(b)(1) (as in effect prior to October 1, 1984) has established the feasibility of establishing or operating such center.

"(2) The Secretary may not make a grant under subsection (a) or subsection (c) for a fiscal year beginning after September 30, 1985, to a university affiliated facility or a satellite center which has not received a grant under this section or section 121 (as such section was in effect prior to October 1, 1984) unless—

"(A) a study assisted under subsection (b)(1)(A) has been conducted with respect to such facility or center by a university affiliated facility; and

"(B) such study has established the feasibility of establishing or operating such facility or center.

"(e) In any case in which amounts appropriated under section 154 for a fiscal year exceed $7,800,000, the Secretary shall expend the amount of such excess to carry out the activities described in the following clauses in the following order of priority:

"(1) The Secretary shall make grants under subsection (c) to establish satellite centers which have not previously received a grant under this section or section 121(c) (as such section was in effect prior to October 1, 1984) and shall make grants under subsection (a) to university affiliated facilities which have not previously received a grant under this section or section 121(a) (as such section was in effect prior to October 1, 1984).

"(2) The Secretary shall make grants under subsection (a) to satellite centers which—

"(A) have received a grant under this section or section 121(c) (as such section was in effect prior to October 1, 1984); and

"(B) have demonstrated the capacity to become university affiliated facilities,

in order to enable such centers to become such facilities.

"(3) The Secretary shall make grants to university affiliated facilities under subsection (a) and satellite centers under subsection (c) to enable such facilities or centers to carry out a specific activity described in subparagraph (A), (B), or (C) of section 102(13).

"APPLICATIONS

"SEC. 153. (a) Not later than six months after the date of the enactment of the Developmental Disabilities Act of 1984, the Secretary shall establish by regulation standards for university affiliated facilities. Such standards shall reflect the special needs of persons with developmental disabilities who are of various ages, and shall include performance standards relating to each of the activities described in section 102(13).

"(b) No grants may be made under section 152 unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner, and contain such information, as the Secretary may require. Such an application shall be approved by the Secretary only if the application contains or is supported by reasonable assurances that—

"(1) the making of the grant will (A) not result in any decrease in the use of State, local, and other non-Federal funds for services for persons with developmental disabilities and for training of persons to provide such services, which funds would (except for such grant) be made available to the applicant, and (B) be used to supplement and, to the extent practicable, increase the level of such funds;

"(2)(A) the applicant's facility is in full compliance with the standards established under subsection (a), or

"(B)(i) the applicant is making substantial progress toward bringing the facility into compliance with such standards, and (ii) the facility will, not later than three years after the date of approval of the initial application or the date standards are promulgated under subsection (a), whichever is later, fully comply with such standards; and

"(3) the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under programs assisted under this part will be protected consistent with section 110 (relating to rights of the developmentally disabled).

"(c) The Secretary shall establish such a process for the review of applications for grants under section 152 as will ensure, to the maximum extent feasible, that each Federal agency that provides funds for the direct support of the applicant's facility reviews the application.

"(d) The amount of any grant under section 152(a) to a university affiliated facility shall not be less than $150,000 for any fiscal year, and the amount of any grant under section 152(c) to a satellite center shall not be less than $75,000 for any fiscal year.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 154. For the purpose of making grants under section 152, there are authorized to be appropriated $9,400,000 for fiscal year 1985, $10,100,000 for fiscal year 1986, and $10,800,000 for fiscal year 1987.

"PART E—SPECIAL PROJECT GRANTS

"PURPOSE

"SEC. 161. The purpose of this part is to provide for grants for demonstration projects to increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

"GRANT AUTHORITY

"SEC. 162. (a) The Secretary may make grants to public or nonprofit private entities for—

"(1) demonstration projects—

"(A) which are conducted in more than one State,

"(B) which involve the participation of two or more Federal departments or agencies, or

"(C) which are otherwise of national significance,

and which hold promise of expanding or otherwise improving services to persons with developmental disabilities (especially those who are disadvantaged or multihandicapped or who are Native Americans or Native Hawaiians); and

"(2) technical assistance and demonstration projects (including research, training, and evaluation in connection with such projects) which hold promise of expanding or otherwise improving protection and advocacy services relating to the State protection and advocacy system described in section 142.

Projects for the evaluation and assessment of the quality of services provided persons with developmental disabilities which meet the requirements of subparagraphs (A), (B), and (C) of paragraph (1) may be included as projects for which grants are authorized under such paragraph.

"(b) No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such manner, and contain such information as the Secretary shall by regulation prescribe. The Secretary may not approve such an application unless each State in which the applicant's project will be conducted has a State plan approved under section 122, and unless the application provides assurances that the human rights of all persons with developmental disabilities (especially those persons without familial protection) who are receiving treatment, services, or habilitation under

projects assisted under this part will be protected consistent with section 110 (relating to the rights of the developmentally disabled). The Secretary shall provide to the State Planning Council for each State in which an applicant's project will be conducted an opportunity to review the application for such project and to submit its comments on the application.

"(c) Payments under grants under subsection (a) may be made in advance or by way of reimbursement and at such intervals and on such conditions, as the Secretary finds necessary. The amount of any grant under subsection (a) shall be determined by the Secretary.

"(d) The Secretary shall not consolidate the authority to make grants under this section with any other authority to make grants which the Secretary has under any other law.

"STUDY ON INTERMEDIATE CARE FACILITIES FOR THE MENTALLY RETARDED

"SEC. 163. (a) Within six months after the date of enactment of the Developmental Disabilities Act of 1984, the Secretary shall prepare and transmit to the Congress a report containing—

"(1) recommendations for improving services for mentally retarded persons and persons with developmental disabilities provided under an approved State plan under title XIX of the Social Security Act so that the manner in which such services are provided will increase the independence, productivity, and integration into the community of mentally retarded persons and persons with developmental disabilities;

"(2) recommendations for services provided for mentally retarded persons and persons with developmental disabilities under waivers granted under section 1915(c) of the Social Security Act so that the manner in which such services are provided can be improved and expanded to increase the independence, productivity, and integration into the community of mentally retarded persons and persons with developmental disabilities; and

"(3) comments by each of the officials specified in clauses (2) through (5) of subsection (b) on the recommendations included in the report pursuant to paragraph (1), including comments concerning the effect of such recommendations, if implemented, on programs carried out by such officials.

"(b) To assist the Secretary in preparing the report required by subsection (a), there is established a task force composed of:

"(1) the Secretary (or the designee of the Secretary);

"(2) the Administrator of the Health Care Financing Administration of the Department of Health and Human Services (or the designee of the Administrator);

"(3) the Commissioner of the Administration for Developmental Disabilities of the Department of Health and Human Services (or the designee of the Commissioner);

"(4) the Chairman of the National Council on the Handicapped (or the designee of the Chairman); and

"(5) the Assistant Secretary of Education for Special Education and Rehabilitative Services (or the designee of the Assistant Secretary).

"(c) To conduct the study required by this section, the Secretary may expend not more than $75,000 from the amounts appropriated under section 164 for fiscal year 1985.

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 164. To carry out this part, there are authorized to be appropriated $3,200,000 for fiscal year 1985, $3,700,000 for fiscal year 1986, and $4,000,000 for fiscal year 1987.".

EFFECTIVE DATE

SEC. 3. The amendment made by section 2 of this Act shall take effect on October 1, 1984, except that sections 108(b), 153(a), and 163 of the Developmental Disabilities Assistance and Bill of Rights Act (as added by the amendment made by section 2 of this Act) shall take effect on the date of enactment of this Act.

ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR ACT OF 1983

McCLURE AMENDMENT NO. 3374

Mr. STEVENS (for Mr. McCLURE) proposed an amendment to the amendment of the House to the bill S. 746, an act to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois, and for other purposes, as follows:

Strike Title III, as passed by the House, and insert in lieu thereof the following new Title II.

SEC. 201. (a) The Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for other purposes" (68 Stat. 98; 16 U.S.C. 450jj), is amended by inserting after section 3 the following new sections:

"SEC. 4. (a) The Secretary of the Interior is further authorized to designate for addition to the Jefferson National Expansion Memorial (hereinafter in this Act referred to as the 'Memorial') not more than one hundred acres in the city of East Saint Louis, Illinois, contiguous with the Mississippi River and between the Eads Bridge and the Poplar Street Bridge, as generally depicted on the map entitled 'Boundary Map, Jefferson National Expansion Memorial', numbered MWR-366/80,004, and dated February 9, 1984, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The additional acreage authorized by this section is in recognition of the historical significance of the Memorial site to the westward expansion of the United States and the historical linkage of this site on the Mississippi in both Missouri and Illinois to such expansion, the international recognition of the Gateway Arch, designed by Eero Saarinen, as one of the world's great sculptural and architectural achievements, and the increasing use of the Memorial site by millions of people from all over the United States and the world.

"(b) Within the area designated in accordance with this section, the Secretary of the Interior may acquire lands and interests in lands by donation, purchase with donated or appropriated funds, or exchange, except that lands owned by the State of Illinois or any political subdivision thereof may be acquired only by donation.

"SEC. 5. Where appropriate in the discretion of the Secretary of the Interior, he may transfer by lease or otherwise, to any appropriate person or governmental entity, land owned by the United States (or any interest therein) which has been acquired by the Secretary under section 4. Any such transfer shall be consistent with the management plan for the area and with the requirements of section 5 of the Act of July 15, 1968 (82 Stat. 356; 16 U.S.C. 460L-22) and shall be subject to such conditions and restrictions as the Secretary deems necessary to carry out the purposes of this Act, including terms and conditions which provide for—

"(1) the continuation of existing uses of the land which are compatible with the Memorial,

"(2) the protection of the important historical resources of the leased area, and

"(3) the retention by the Secretary of such access and development rights as the Secretary deems necessary to provide for appropriate visitor use and resource management.

In transferring any lands or interest in lands under this section, the Secretary shall take into account the views of the Commission established under section 8.

"SEC. 6. Lands and interests in lands acquired pursuant to section 4 shall, upon acquisition, be a part of the Memorial. The Secretary of the Interior shall administer the Memorial in accordance with this Act and the provisions of law generally applicable to units of the national park system, including the Act entitled 'An Act to establish a National Park Service, and for other purposes', approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467). In the devleopment. management, and operation of that portion of the Memorial which is added to the Memorial under section 4, the Secretary shall, to the maximum extent feasible, utilize the assistance of State and local govenment agencies and the private sector. For such purposes, the Secretary may, consistent with the management plan for the area, enter into cooperative agreements with the State, with any political subdivision of the State, or with any person. Any such cooperative agreement shall, at a minimum, establish procedures for providing notice to the Secretary of any action proposed by the State, such political subdivision, or such person, which may affect the area.

"SEC. 7. (a) There is hereby established the Jefferson National Expansion Memorial Commission (hereinafter in this Act referred to as the 'Commission').

"(b) The Commission shall be composed of twenty members as follows:

"(1) The county executive of Saint Louis County, Missouri, ex officio, or a delegate.

"(2) The chairman of the Saint Clair County Board of Supervisors, Illinios, ex officio, or a delegate.

"(3)(A) The executive director of the Bi-State Development Agency, Saint Louis, Missouri, ex officio, or a delegate.

"(B) A member of the Bi-State Development Agency, Saint Louis, Missouri, who is not a resident of the same State as the executive director of such agency, appointed by a majority of the members of such agency, or a delegate.

"(4) The mayor of the city of East Saint Louis, Illinois, ex officio, or a delegate.

"(5) The mayor of Saint Louis, Missouri, ex officio, or a delegate.

"(6) The Government of the State of Illinois, ex officio, or a delegate.

"(7) The Governor of the State of Missouri, ex officio, or a delegate.

"(8) The Secretary of the Interior, ex officio, or a delegate.

"(9) The Secretary of Housing and Urban Development, ex officio, or a delegate.

"(10) The Secretary of Transportation, ex officio, or a delegate.

"(11) The Secretary of the Treasury, ex officio, or a delegate.

"(12) The Secretary of Commerce, ex officio, or a delegate.

"(13) The Secretary of Commerce, ex officio, or a delegate.

"(14) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the mayor of East Saint Louis, Illinois, and the Governor of the State of Illinois.

"(15) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the mayor of Saint Louis, Missouri, and the Governor of the State of Missouri.

"Individuals nominated for appointment under paragraphs (14) and (15) shall be individuals who have knowledge and experience in one or more of the fields of parks and recreation, environmental protection, historic preservation, cultural affairs, tourism, economic development, city planning and management, finance, or public administration. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

"(c)(1) except as provided in paragraphs (2) and (3), members of the commission shall be appointed for terms of three years.

"(2) Of the members of the Commission first appointed under paragraphs (14) and (15) of subsection (c)—

"(A) two shall be appointed for terms of one year;

"(B) two shall be appointed for terms of two years; and

"(C) two shall be appointed for terms of three years; as designated by the Secretary of the Interior at the time of appointment.

"(3) Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member of the Commission may serve after the expiration of his term until his successor has taken office.

"(d) Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

"(e) The chairperson of the Commission shall be elected by the members of the Commission.

"(f) Upon request of the Commission, the head of any Federal agency represented by members on the Commission may detail any of the personnel of such agency, or provide administrative services to the Commission to assist the Commission in carrying out the Commission's duties under section 8.

"(g) The Commission may, for the purposes of carrying out the Commission's duties under section 8, seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services, received from any source.

"(h)(1) Except as provided in paragraph (2), the Commission shall terminate on the day occurring ten years after the date of enactment of this section.

"(2) The Secretary of the Interior may extend the life of the Commission for a period of not more than five years beginning on the day referred to in paragraph (1) if the Commission determines that such extension is necessary in order for the Commission to carry out this Act.

"SEC. 8. (a) Within two years from the enactment of this section, the Commission shall develop and transmit to the Secretary a development and management plan for the East Saint Louis, Illinois, portion of the Memorial. The plan shall include—

"(1) measures for the preservation of the area's resources;

"(2) indications of types and general intensities of development (including visitor circulation and transportation patterns, systems and mode) associated with public enjoyment and use of the area, including general locations, timing of implementation, and cost estimates;

"(3) identification of any implementation commitments for visitor carrying capacities for all areas of the area;

"(4) indications of potential modifications to the external boundaries of the area, the reasons therefore, and cost estimates;

"(5) measures and commitments for insuring that the development, management, and operation of the area in the State of Illinois are compatible with the portion of the Memorial in the State of Missouri;

"(6) opportunities and commitments for cooperative activities in the development, management, and operation of the East Saint Louis portion of the Memorial with other Federal, State, and local agencies, and the private sector; and

"(7) effective and appropriate ways to increase local participation in the management of the East Saint Louis portion of the Memorial to help reduce the day-to-day operational and management responsibilities of the National Park Service and to increase opportunities for local employment.

"(b) The plan shall also identify and include—

"(1) needs, opportunities, and commitments for the aesthetic and economic rehabilitation of the entire East Saint Louis, Illinois, waterfront and adjacent areas, in a manner compatible with and complementary to, the Memorial, including the appropriate commitments and roles of the Federal, State, and local governments and the private sector; and

"(2) cost estimates and recommendations for Federal, State, and local administrative and legislative actions.

"In carrying out its duties under this section, the Commission shall take into account Federal, State, and local plans and studies respecting the area, including the study by the National Park Service on the feasibility of a museum of American ethnic culture to be a part of any development plans for the Memorial.

"SEC. 9. (a) Upon completion of the plan, the Commission shall transmit the plan to the Secretary for his review and approval of its adequacy and appropriateness. In order to approve the plan, the Secretary must be able to find affirmatively that:

"(1) The plan addresses all elements outlined in Sec. 8 above;

"(2) The plan is consistent with the Saint Louis, Missouri, portion of the Memorial;

"(3) There are binding commitments to fund land acquisition and development, including visitor circulation and transportation systems and modes, in amounts sufficient to completely implement the plan as recommended by the Commission from sources other than funds authorized to be appropriated in this Act; and

"(4) There are binding commitments to fund or provide the equivalent of all costs in excess of $350,000 per annum for the continued management, operation, and protection of the East Saint Louis, Illinois, portion of the Memorial.

"(b) The Secretary shall transmit in writing a notice of his approval and his certification as to the existence and nature of funding commitments contained in the approved plan to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate.

"SEC. 10. Pending submission of the Commission's plan, any Federal entity conducting or supporting significant activities directly affecting East Saint Louis, Illinois, generally and the site specifically referred to in section 4 shall—

"(1) consult with the Secretary of the Interior and the Commission with respect to such activities;

"(2) cooperate with the Secretary of the Interior and the Commission in carrying out their duties under this Act, and to the maximum extent practicable coordinate such activities with the carrying out of such duties; and

"(3) to the maximum extent practicable, conduct or support such activities in a manner which the Secretary determines will not have an adverse effect on the Memorial."

(b) The Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for other purposes" (68 Stat. 98; 16 U.S.C. 450jj) is amended by—

(1) redesignating "Sec. 4." (as so designated prior to the amendments made in subsection (a) of this section) as "Sec. 11. (a)"; and

(2) adding at the end thereof the following new subsections:

"(b) For the purposes of the East Saint Louis portion of the Memorial, there is hereby authorized to be appropriated not to exced $1,000,000 for land acquisition and not to exceed $1,250,000 for development, of which not to exceed $500,000 shall be available only for landscaping and only for expenditure in the ratio of one dollar of Federal funds to one dollar of non-Federal funds: *Provided*, That no funds authorized to be appropriated hereunder may be appropriated prior to the approval by the Secretary of the plan developed by the Commission.

"(c) Funds appropriated under subsection (b) of this section shall remain available until expended.

"(d) Authority to enter into contracts or make payments under this Act shall be effective for any fiscal year only to the extent that appropriations are available for that purpose.

SEC. 202. Any provision of this title (or any amendment made by this title) which, directly or indirectly, authorizes the enactment of new budget authority described in section 402(a) of the Congressional Budget Act of 1974 shall be effective only for fiscal years beginning after September 30, 1983.

SEC. 203. This title may be cited as the "Jefferson National Expansion Memorial Amendments Act of 1984."

NOTICES OF HEARINGS

TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

Mr. QUAYLE. Mr. President, I wish to announce that the Temporary Select Committee to Study the Senate Committee System will hold hearings on July 31 and August 2 at 10 a.m., Russell Senate Office Building, room 301, to consider reform of the Senate committee system as authorized by section 3 of Senate Resolution 127, cited below:

SEC. 3. It shall be the function of the select committee to conduct a thorough study of the Senate committee system, the structure, jurisdiction, number, and optimum size of Senate committees, the number of subcommittees, committee rules and procedures, media coverage of meetings, staffing, and other committee facilities, and to make recommendations which promote optimum utilization of Senators' time, optimum effectiveness of committees in the creation and oversight of Federal programs, clear and consistent procedures for the referral of legislation falling within the jurisdiction of two or more committees, and workable methods for the regular review and revision of committee jurisdictions.

Any person wishing to testify should contact Bob Guttman at 224-2740, Russell Senate Office Building, room SR-B42, Washington, DC 20510.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to hold a joint hearing with the Subcommittee on Energy and Nuclear Proliferation of the Committee on Governmental Affairs, during the session of the Senate on Thursday, June 28, at 9:30 a.m., on Chemical and Biological Weapons Proliferation.

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

SUBCOMMITTEE ON PUBLIC LANDS AND RESERVED WATER

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands and Reserved Water, of the Committee on Energy and Natural Resources, be authorized to meet during the session of the Senate on Thursday, June 28, at 9 a.m., to hold a hearing to consider H.R. 2889, to amend the National Historic Preservation Act, and for other purposes; S. 2692 and H.R. 2982, to exempt water conveyance systems from fees and conditions under the Federal land purposes; and H.R. 2838, to authorize the Secretaries of the Interior and Agriculture to provide assistance to groups and organizations volunteering to plant tree seedlings on public lands, and for other purposes.

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

ADDITIONAL STATEMENTS

S. 1330—WE NEED A NATIONAL COUNCIL

● Mr. STAFFORD. Mr. President, the Senate yesterday agreed to appoint conferees on S. 1330, the Public Works Improvement Act of 1984.

This is an important bill. One of its most significant provision is title I, which establishes the National Council on Public Works Improvement.

The House version of S. 1330 contain no such Council. I believe this Council is an important initiative; many Members of the Senate as well as outside groups, which wrestle with the problems of out Nation's infrastructure, share that view.

I ask that copies of letters on the need for a Council from the National Association of Regional Councils and the National Association of Counties be printed at this point in the RECORD.

The letters follow:

NATIONAL ASSOCIATION OF REGIONAL COUNCILS,
Washington, DC, May 22, 1984.

ROBERT T. STAFFORD,
Chairman, Senate Environment and Public Works Committee, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: This letter is to urge you to stand firm in your support of S1330, a bill to establish a federal capital budget, when this legislation comes to conference with HR1244.

NARC is particularly concerned that the final conference bill include Senate provisions establishing a National Council on Public Works Improvement. This Council, which would include the leaders of the major state and local government associations, is an important part of the capital budgeting process.

Through the Council's assessments, deliberations, and recommendations, the views of state and local governments could be reflected in a manner that would not be possible if this provision is dropped from the bill. Because a federal capital budgeting process necessarily will address allocation of responsibilities between the various levels of government, this access to the decision-making process is especially important.

We urge you to strongly support retention of Senate provisions to create this Council.

Thank you.

Sincerely,

ROBERT RADE STONE,
President.

NATIONAL ASSOCIATION OF COUNTIES,
Washington, DC, May 21, 1984.

Hon. ROBERT T. STAFFORD,
Chairman, Senate Committee on Environment and Public Works, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: The National Association of Counties (NACo) strongly supports the Public Works Improvement Act (S. 1330) which has passed the Senate and is now subject to conference with H.R. 1244, the House passed version. We urge you to insist on retention of the National Council (Title I) of S. 1330, which we view as a valuable forum for dialogue on the broader issues of our nation's infrastructure problems.

We congratulate you on your leadership in moving the legislation through the Senate. Please contact Geoff Trego on the NACo staff if we can be of any assistance in preserving the national council in conference.

Sincerely,

MATTHEW B. COFFEY,
Executive Director.●

SMALL BUSINESS COMPUTER SECURITY AND EDUCATION

● Mr. BUMPERS. Mr. President, on May 24, the Senate considered and agreed to an amendment to H.R. 3075, a bill which passed the House of Representatives amending the Small Business Act to establish a small business computer security and education program. Our committee's action recognized that the use of computers by small business has increased dramatically during the past 5 years. Unfortunately, the increased use and reliance on computer technology has also provided new opportunities for abuse.

Under this bill reported by our committee on May 8, and which passed the Senate, an effort was made to focus on the prevention of computer crime, primarily through educational opportunities for small business. The Senate-passed bill establishes within the Small Business Administration a small business computer security and education program that is designed to provide education, training, and information on these issues. SBA has already taken preliminary steps to address the burgeoning growth of small business use of computers by preparing a short publication on computer security and purchasing copies of a computer training film.

In addition, the Senate-passed bill would permit the Small Business Administration for the first time to take advantage of expertise in the private, for-profit sector in conducting training programs. To date, SBA has been limited to cosponsoring training with not for profits. Under the amendment which the House has approved, certain limitations will be imposed on the SBA's use of cosponsored training with for-profits. In my view, these limitations will ensure that, for a limited test period, the agency carefully controls this type of cosponsored training, and that small businesses are the beneficiary of this relationship. But the House amendment makes no changes to the primary portion of the Senate provisions relating to computer security and prevention.

Mr. President, the action of the Senate by concurring in the House amendment will clear this measure for the President. I hope that the President will approve this legislation. I want to compliment my colleagues on the Small Business Committee, and in particular Senator TSONGAS, for his leadership in introducing a Senate ver-

sion of the House bill and for conducting the hearings in our committee on this matter. Through his leadership, the entire focus of the SBA's efforts for assisting small business will be directed toward prevention and providing critical information about computer security.

However, I am concerned about the SBA's commitment to this program. I recognize that the agency had some reservations about the legislation as introduced. In a June 4 Wall Street Journal article, Jim Thomson, SBA's Associate Administrator for Management Assistance, and the individual who will be responsible for carrying out this law when it is signed, said "I don't think it—computer crime—is a burning issue. Our concern is more in computerization when the small businesses aren't ready for it." I hope that the agency's attitude changes, and that this program will receive better attention in its implementation.●

FREE CHINA DOUBLE CROSSED

● Mr. GOLDWATER. Mr. President, information is regularly filtering through the news media describing details of the new military cooperation agreement reached between the U.S. Government and Communist China. Not only is it reported that Red China will receive artillery shells of a type which could be fired against the offshore islands belonging to the Republic of China and not only has the United States apparently allowed Red China to buy Hawk missiles, which also can be adapted for use against the offshore islands, but it has also been disclosed that our Government has promised to provide Communist China with avionics in order to upgrade its F-8 fighter aircraft. Whether or not improved engines are part of the deal is not clear, but it is well known that Red China wants an improved, more powerful engine for the F-8 and this new defense arrangement will undoubtedly boost Red China's expectation of and demand for jet engines as well.

To top off this arms deal, believe it or not, President Reagan made a formal finding on June 12, that the furnishing of defense articles and defense services to Communist China "will strengthen the security of the United States and will promote peace." His finding was made under section 3(a) of the Arms Export Control Act and he has thereby authorized direct government to government military sales to Red China. The President's determination will have the effect of authorizing U.S. Government sales if Communist China asks to make a large purchase American industry could not supply by itself. His action was not publicized at the time, although it will appear in the Federal Register.

Mr. President, these actions are a complete reversal of President Reagan's pledges when he was campaigning for the Presidency. His actions do not promote peace, but they carry grave risk to the safety of free peoples throughout the Pacific Basin region. The administration's doctrine, if it has one, rests on total ignorance or a blindness to the facts.

The United States should not enter into any form of arms arrangement with Red China. Instead, we should strengthen the American defense force and alliance system in the Pacific. We can assist in further strengthening the self-reliance of non-Communist, private enterprise nations of the Pacific, particularly Japan, the Republic of China, the Asian states, South Korea, Australia, and New Zealand. Security cooperation with these free nations in the Pacific, nations who share similar concerns with us about the Soviet threat and most economic and security matters in the region, is the sensible route to protecting American interests in that part of the world.

Now, I know the President's advisers are telling him that we must help modernize Red China's military as a counter to the Soviet Union. What these advisers do not understand is that Communist China is not, and is incapable of becoming, a major military power in the event of any general conflict with the Soviet Union.

On the other hand, Red China is capable of endangering the Republic of China on Taiwan and other free Asian countries. China is already a regional military power and it appears to be seeking regional maritime supremacy, even over the United States. But there is no realistic way in which the United States can make Communist China into a military power comparable to the Soviet Union. The cost of the weapons and domestic infrastructure that would be needed in such a modernization program is far above what the United States could afford to loan or grant to Red China and the Communist regime certainly lacks the financial resources to buy it.

In particular, I would point out that Red China has never renounced force as a means of reunification. U.S. defense sales to Communist China cannot make her a match for the Soviet Union, but it can threaten the security of the Republic of China in violation and contradiction of the Taiwan Relations Act, and it can have a destabilizing effect on the regional balance of power.

If the President intends to carry out this new arms relationship with Communist China, I appeal to him to also be prepared to make transfers of defensive weapons and technology of higher levels of quality and quantity to the Republic of China and other free states in the region. The time has come to allow the Republic of China to acquire either the F-X and F-16 as well as Harpoon missiles and other defense items essential to its survival in a new situation unwittingly created by one of its closest friends.

Mr. President, I submit for the RECORD an article from the June 28 issue of the Far Eastern Economic Review, which discusses the details of planned weapon sales to Red China.

The article follows:

TOWING THE PEKING LINE

(By Nayan Chanda in Washington)

Following the visit of China's highest-ever military delegation to the United States earlier this month, Washington has taken the first practical steps towards long-term military cooperation. China has become the second socialist country after Yugoslavia to be eligible for US Government military sales and credit.

China has also been promised advanced avionics for its jet interceptors and training for its pilots at US bases. China, on its part, has quietly sold half a squadron of its copied version of the Soviet MiG21 fighter—the F7—to the US to be used in air force exercises. Sources say the price was US$4 million an aircraft, including spare parts.

Chinese Defence Minister Zhang Aiping's 12-day visit to the US, accompanied by the senior deputy chief of staff of the Chinese army, the deputy commanders of the air force and navy and the deputy director of defence research and procurement, marked a new step in growing Sino-American military ties. Since the visit of US Secretary of Defence Caspar Weinberger to China in September 1983, four Chinese military delegations—including one led by Zhang's son, Zhang Pin—have visited the US to take a close look at the defence industry as well as logistics and training.

Although Zhang's visit was a significant culmination of the relationship, because of US domestic as well as China's domestic and foreign-policy considerations the trip was kept at a low key. Concerned about China's image as a non-aligned, Third World power and anxious not to be provocative towards Moscow, Zhang had requested that his discussions with US officials be considered private and that minimum publicity be given to the visit, which took him to some key US defence industries.

At the end of his visit to Washington the Pentagon briefly announced that an "agreement in principle" has been reached for the sale of anti-tank and anti-aircraft weapons. To soften the impact of a burgeoning military relationship, the fact that President Ronald Reagan had signed a document making China eligible for foreign military sales (FMS) and assistance during Zhang's visit—only a logical bureaucratic step—was not immediately divulged.

The Review, however, has learned that during two days of intensive talks with Zhang, Weinberger promised to provide China with avionics in order to modernise its indigenously designed F8 interceptor. Avionics to be installed in the Chinese-built aircraft, sources said, would be of the same level of sophistication as in the American Northrop F5. Radar and fire-control instruments would enable the F8 to engage enemy aircraft head-on and fire missiles with greater efficacy. Weinberger also promised to train Chinese pilots in the use of modern avionics at US bases. Although details of this programme will be worked out later,

sources said that one likely course would be to bring a squadron or two of F8s to the US, fit them with avionics components and then use them to train Chinese pilots.

Sources said that the Pentagon decision to provide avionics to China was taken against the advice of the State Department, which fears that upgrading Chinese air capability, even if for purely defensive purposes, could cause unease in Asia and re-open the debate over any US obligation to maintain Taiwan's security. It is at the insistence of the State Department in particular that the Pentagon has shelved the question of selling jet engines to China. China has been pressing to buy Pratt and Whitney's PW1117 engines for the F8.

However, the Defense Department is said to have taken the decision on avionics after exhaustive study of present Chinese and Taiwanese capabilities and future projections. In April, a US delegation visited China to take a close look at Peking's aviation modernization programme. The team is reported to have learned of China's plan to upgrade the F8 with a more powerful engine and avionics to make it into China's top-of-the-line aircraft.

The delta-wing interceptor, which has copied MiG21 engines, has been described by US specialists as "overweight and underpowered" and as no match for the US-made F5E used by Taiwan. A recent confidential study by the Pentagon concluded that US assistance to China in avionics, if undertaken in 1985, would not affect Taiwan's qualitative superiority over the Chinese air force for at least six years.

However, some congressional and administration sources are apprehensive that involving the US in the sale of avionics may be intended by China as a first step towards a request for jet engines. "While China has produced a few prototypes to keep the production line warm," a source said, "they are not going to start mass production of the aircraft without securing a more powerful engine." In other words, China may hold out on buying avionics until it has clearance to purchase jet engines as well.

Previous secrecy-shrouded collaboration between Washington and Peking may help to explain the increasingly warm relationship between the two despite the public Chinese stance of opposition to both superpowers. In a move that demonstrates China's desire to stengthen the US against Moscow, as well as to earn hard currency, it has secretly sold the US Air Force half a squadron of its MiG21 "look-alikes" These aircraft, painted with Soviet colours, are used as "aggressor" aircraft in the anti-Soviet air-training programme called "Red Flag" at Nellis Air Force Base, Nevada.

The programme began in the early 1970s in a drive to improve the performance of American pilots engaging North Vietnamese MiG19s and 21s, using US F5s as "aggressor" aircraft, similar to the training programme conducted at Clark Air Force Base in the Philippines, in which Singaporean pilots, among others, have joined US crews in simulating anti-Soviet air combat.

The Chinese-made MiG21 are seen as ideal in simulating a dogfight with a Soviet fighter. Sources said that though a private US company has offered to market the Chinese aircraft (which also has been sold by Peking to Iran, Iraq and Egypt), the deal has been handled directly by the Defence Department in order to maintain secrecy.

Meanwhile, China's short- to medium-term shopping list, as approved by Weinberger, is going to include Hawk missiles, air-defence radar and technology to produce antitank TOW missiles and ammunition for long-range artillery. Although the administration is tight-lipped about specific licences, China is believed to have been given permission to buy Hawk surface-to-air missiles, which can shoot down targets at 60,000 ft, and Westinghouse NA/TPS 43 and 63 radar for air defence. The administration has also given permission for China to go into co-production of improved TOW wire-guided anti-tank missiles.

China has engaged in negotiations with Hughes Aircraft, Emerson Electronics and Texas Instruments—the principal manufacturers involved in producing TOW—on the price and terms of co-production. a Defence Department team will soon visit China to inspect the proposed site of the TOW factory. China also has obtained approval to buy technolgy to manufacture rocket-propelled shells and high-explosive, armour-piercing ammunition for its Soviet- and Austrian-made artillery.

It may take several months, or even a year, before official approval is translated into firm contracts with individual suppliers. The first step in Sino-American military supply relations was taken on 12 June when Reagan received Zhang at the Oval Office and signed a so-called presidential determination making China eligible to purchase defence articles and defence services under the Arms Export Control Act.

According to US law, the president has to determine that offering military sales, credit or grant to a country under the FMS programme is in the interest of US national security. While credit or grant aid for purchasing military hardware is subject to congressional approval and Peking may find it difficult to obtain, the FMS eligibility has now established China as a bona fide customer in the American arms market.

Sources said that FMS certification would immediately enable China to buy training films produced by the Defence Department, pay for the training of Chinese military personnel in the US and pay for the visit of a Pentagon team to survey the site of the proposed TOW co-production factory. Sale of military hardware and services under the FMS to China is unlikely to bring any large revenue to the US in the near future, but a framework has now been constructed for slow and steady military cooperation. Among some of the items that the administration has promised to consider are sale of flight simulators, engines for long-range anti-submarine patrol aircraft, electronics for the Chinese navy and testing of Chinese aircraft components in US research stations.

While US defence contractors have high hopes of the potentially vast market of China, defence officials caution against over-optimism in view of its backwardness. Deputy Assistant Secretary of Defence James Kelly pointed out: "The Chinese face enormous needs with limited funds and they must be careful shoppers. In most cases, they do not consider foreign procurement of end [manufactured] items to be a viable option; they want technology with which to manufacture their own weapons.

The US Government, eager to bolster Chinese defence against the Soviet Union and also, in the language of Kelly, "reinforce [these] positive trends in Peking's foreign policy," is willing to permit certain technology transfer, but this will ultimately depend on the readiness of private companies to part with their know-how at a cheap price.

Meanwhile, in an effort to deflect possible criticism by the pro-Taiwan lobby in the Republican Party and the Congress, the Reagan administration has coupled its FMS move with a notification to the Congress that it will sell Taiwan 12 C130H military tranport aircraft for US$325 million.●

ATROCITIES ON ISLAND OF HAITI

● Mr. CHILES. Mr. President, I want to bring to the attention of my colleagues the atrocities that continue to take place on the island of Haiti.

Haiti's President for life, Jean Claude Duvalier, is continuing in the footsteps of his father by aggressively repressing the rights of the Haitian people. In the past, "Baby Doc" has been reprimanded by the United States for his violation of human rights and he has been warned that U.S. foreign assistance to Haiti is being conditioned on his government's protection of the human rights of Haitians. I have personally authored legislation in the past which instructs the President to award foreign assistance to Haiti only if their government has not "engaged in a consistent pattern of gross violations of internationally recognized human rights."

Yet, "Baby Doc" and his government continue to play cat and mouse with our Government.

Yes, they have allowed liberalizations regarding certain rights and freedoms for the Haitian people.

But, at the same time, President-for-life Duvalier is sanctioning the detainment of those who attempt to actually practice freedom of speech and expression. Only recently, the Duvalier government detained the entire staff of L'Information, the island's most outspoken news weekly. Most staff members were eventually released but the government continues to detain the paper's publisher, Pierre Robert Auguste.

In a country where political parties have been prohibited and trade unions are banned from functioning, Mr. Duvalier has continued to exercise these repressions by arresting many lawyers, religious leaders, journalists and intellectuals who dare to speak out against "Baby Doc" and his government. Amnesty International continues to document the grievances against human rights that are routinely practiced by the Duvalier regime.

These recent accounts of repressive activities by the government of Haiti are a blatant violation of the United States' understanding with Haiti. I would like to warn Mr. Duvalier that we are closely watching the actions of his government and we will not stand for such atrocities. His tyrannical practices must be stopped.

Mr. President, it is common knowledge that Haiti is the poorest country in the Western Hemisphere. Much of the U.S. aid to Haiti is for food and health care for the island's poor. My

colleagues can understand that I would immediately call for a suspension of foreign assistance to Haiti if most of the aid were not directed to feed and provide health care for the poor. But now we have reports that these funds are often misspent and ineffective and never reach the intended recipients.

The Senate Appropriations Committee has already expressed its concern about the manner in which the foreign aid to Haiti has been managed. I would like to put Mr. Duvalier on notice that we are watching the actions of his government. If necessary, the Congress will have to reassess its aid to Haiti. As a member of the Appropriations Committee, I will be studying the conditions of assistance to Haiti as we consider the foreign aid appropriations.●

CUBA

● Mr. SYMMS. Mr. President, I ask that three items be printed in the RECORD. The first is a translation of an article from the *Diario Las Americas* of December 29, 1983 entitled "Institutional Violations of Human Rights by Communist Cuba Denounced by Claudio Benedi" by Ariel Remos. Second, another article from *Diario Las Americas* of May 11, 1984, entitled "Introduction of Offensive Nuclear Weapons in Cuba Denounced." Third, a letter from the Junta Patriotic Cubana to Dr. Cesar Sepulveda, Chairman of the Inter-American Commission for Human Rights, Organization of American States, sent by Dr. Claudio Benedi.

The items follow:

[Translation into English of an article printed by Diario Las Americas]

INSTITUTIONAL VIOLATIONS OF HUMAN RIGHTS COMMITTED BY COMMUNIST CUBA DENOUNCED BY CLAUDIO BENEDI

(By Ariel Remos)

The Seventh Report from the Inter-American Commission on Human Rights (acronym in Spanish CIDH) of the Organization of American States, has caused several comments and, in order to obtain an authorized opinion, it being from one of the persons who has worked the most in attaining the condemnation of Cuba by international organizations that deal with violations against human rights, we interviewed Dr. Claudio Benedi, in Washington, DC.

Benedi has been denouncing institutional violation against human rights in Cuba, not only in fact, but by law, from the point of view that its legislation authorizes such violations.

"The Seventh Report from the Inter-American Commission on Human Rights"—Dr. Benedi starts telling us—"condemns institutional violation against human rights in Cuba." In effect, Article 61 of the Cuban Socialist Constitution of 1976 stipulates: "None of the freedoms recognized for the citizenry can be exercised against the regulations in the Constitution and the Laws, nor against the existence and purposes of the Socialist State, nor against the Cuban people's decision to build Socialism and Communism. Violation of this priniciple is punishable."

"And the (Seventh) Report reads thus: 'This way, any possibility of individual defense before the political power is eliminated, because the arbitrary exercise of power upon the citizenry is protected by the Constitution'."

Benedi commented also: "Human rights and their juridical and political structure are thus rendered inoperative."

The (Seventh) Report also maintains that "there is a totalitarian regime in Cuba", in which "Fidel Castro rules in an absolute manner". It also states that "executions by firing squads have been stepped up against political enemies in Cuba, after trying them without any procedural guarantees." The interviewee adds: "The (Seventh) Report also states that political prisoners are tortured; that they have been taken to death in the prisons and that sentences are reimposed that make the term of imprisonment an indefinite one; that they are confined in forced-labor camps and that those who are released get discriminated against, also impeding their leaving the country, as the case is with our countryman Andres Vargas Gomez."

Dr. Benedi has represented the Cuban Exile in the Commission since its inception and he deems as a great step the fact that the (Seventh) Report has acknowledged his thesis on institutional violation of human rights in Cuba, because "it is proof that democratic and political structures of the Judeo-Christian civilization have been supplanted in Cuba, replacing them with others in which all guarantees and any identity of the human being disappear, and the individual is subjected to total control by the State. The Seventh Report has recognized this."

"It has been a difficult and laborious delivery, that has taken 3½ years, during which we have appeared before other distinguished colleagues and organizations formed by Cuban former political prisoners, offering statements and interesting data for the conclusions of the Commission."

Benedi explains afterwards that the (Seventh) Report not only has acknowledged the exile's point of view, but also, albeit in a lesser degree, those ideas prevailing in the Latin-American political spectrum, offering those concessions that the liberal left affords communist regimes in trying to make believe that they are seeking an impossible balance. Benedi refers specifically to those improvements that the (Seventh) Report states there have been in Cuba regarding health, education and feeding, "as if somebody would say such a thing about Hitler, forgetting his monstrosities and the destruction of Germany."

"In order to achieve unanimity among the seven members (of the Commission)"—Dr. Benedi expounded—"concessions had to be made that reflect negatively upon the Report, since they do not conform in full to the reality that prevails at the present time in Cuba, and which we reject because many of them are based on untrustworthy statistics."

"Has education progressed in Cuba?" the interviewer asks to himself. "The Commission ends on two points that demolish concessions to that respect: That there is no freedom for education, instead the educational system is utilized for indoctrination in the Marxist-Leninist system upon the whole of the people, and parents lack the right to educate their own children."

As to any betterment in the feeding of the people, Benedi commented as follows: "In the conclusions of the (Seventh) Report, after saying that (the people) is better fed than before (which is erroneous), it is stated that city dwellers were previously better fed than those who lived in the countryside, but now it is the other way around. What is not stated is the reason: That due to the scarcity of food in the cities, it is easier to get food in the countryside."

Benedi points out another interesting aspect of the (Seventh) Report: It states that labor unions' achievements have disappeared; that there is no right of free organization; that strikes are punishable; that working persons have no right to eight hours limit for their work, and that they are not free to dispose of the proceeds of their work, nor to change jobs voluntarily.

The (Seventh) Report states also that there does not exist any division of governmental authority and that the Judiciary is not independent. It goes on to offer a detailed account on the condition of political prisoners, who are subjected to "severe and degrading" treatment at the Boniato, Tres Maceo, San Ramón and other prisons, especially the "plantados" (those prisoners who have resisted communist indoctrination) and the "tapiados" (prisoners walled up in small cells, who never see the sunlight). It mentions the "drawers" or small cells where three prisoners are held without enough room to move around, and forced to attend to their physical needs within those cells. It also points out several of the physical and psychological tortures to which certain prisoners are subjected.

Dr. Benedi refers, lastly, to those persons and institutions who have struggled with energy on behalf of Cuban political prisoners and contributed their efforts to the Commission in order for it to reflect, as faithfully as possible, the violations against human rights in Cuba: "Factors in the Seventh Report have been the appearances and denouncements by Drs. Humberto Medrano and Guillermo Martinez Marquez from the beginning, the Organization of Political Prisoners, the Presidio Político Histórico Cubano (Association of Former Cuban Political Prisoners), the World Federation of Former Cuban Political Prisoners, the National Association of Former Male & Female Cuban Political Prisoners, the Pedro Luis Boitel World Committee, the Cuban Patriotic Board, the Christian Democratic Organization, among other individual and collective entities.

[From Diario Las Americas]

INTRODUCTION OF OFFENSIVE NUCLEAR WEAPONS IN CUBA DENOUNCED

The introduction of offensive weapons with nuclear capability in Cuba shapes a process of crisis that could lead to an even larger confrontation than that in 1962, according to assertions by Dr. Claudio Benedi at the Fourth Annual Convention of the Cuban Patriotic Board, in which he made known for the first time, as complements of his affirmations, the letters that six Senators (JESSE HELMS, STEVE SYMMS, JAMES MCCLURE, ORRIN HATCH, ROBERT KATSEN and JACK GARN) have sent to the Secretaries of State and Defense, as well as to the President himself, in which they assert that there have passed through Cuba, and some even stay there yet, ASW Bears, Echo- & Golf-type submarines equipped with nuclear missiles, Flogger-type planes (considered in Europe as capable of transporting nuclear missiles), as well as Mig-23 & Mig-25 Floggers, Mig-21 Fishbed, the latter assigned

against NATO forces. Dr. Benedi also stated that the six Senators additionally underscored the fact that it is in the public knowledge that a base for submarines is already operational at Cienfuegos Bay.

On said letters, made known by Dr. Benedi, it is also pointed out that the so-called "understanding" between Kennedy & Khrushchev has been repeatedly violated by Cuba and the Soviet Union, because of which it is not in force any longer; later on he emphasized that President Reagan himself acknowledged, on September 14, 1983, that "as far as I am concerned, that accord has been abrogated many times by the Soviet Union and Cuba, since offensive—and not defensive—weapons have been transported into Cuba."

Dr. Benedi continued saying that the Senators as asking, from the Secretaries of State and Defense, and President Reagan, for a statement of non-existence and nonvalidity about the Kennedy-Khrushchev "understanding" and, in case of this not being attained, those same Senators could submit a proposal for a Resolution to the Full Congress, in order to declare said agreement null and void, "which would open the doors to the adoption of necessary measures to eradicate communism from Cuba."

Dr. Benedi continued informing that those letters from the Senators point out that the Treaty of Tlatelolco (about the prohibition of nuclear weapons in Latin-America) in its Protocal II, signed and ratified by the Soviet Union, has been also violated by the introduction in Cuba of nuclear weapons by the Soviet Union, and that said treaty has not been signed or ratified by Cuba, precisely aiming at the introduction of those nuclear weapons to its territory.

Dr. Benedi also referred to the fact that subversive war and terrorism unleashed by the URSS through Cuba and Nicaragua necessarily lead to confrontation, since there is not other manner to accept and reponse to the communist challenge. Benedi invoked the Rio Treaty, that he has qualified as "the NATO of the Americas", to reiterate that communism is not negotiable in this continent, since—according to said Treaty—Marxism-Leninism is incompatible with the Inter-American System.

"Circumstances are set", Benedi said. "We are now in the process of necessary confrontation."

Upon commenting later on about President Reagan's speech on Wednesday, May 9, that is apparently his answer to the Senator's affirmations in their letters, Dr. Benedi underlined that those affirmations tend to strengthen his statements at the Patriotic Board's event, that is, that he (the President) "shall not tolerate communist colonies in Central, South or North America."

JUNTA PATRIOTICA CUBANA,
Washington, DC, May 15, 1984.

Dr. CÉSAR SEPULVEDA,
Chairman, Inter-American Commission for Human Rights, Organization of American States.

DISTINGUISHED MR. CHAIRMAN: In the capacity that I have accredited since the inception of that Commission, as Coordinator of almost all organizations & associations of former Cuban political prisoners in Washington, and representative of the Cuban Patriotic Board, it is my privilege to address you and, through your intercession the honorable members of that Commission, in order to express our gratitude for the opportunity given to us to appear before you, and also to manifest and denounce the following:

In the first place, Mr. Chairman and Honorable Members, we would like to set a record of our gratitude for two distinguished members of the Commission who are no longer here. We are referring to former Chairman of the Commission, Professor Tom Farer, who was so generous and considerate towards us, who at this same place, upon giving us the floor in one opportunity, said and later repeated: "We are giving the floor to Dr. Claudio F. Benedi, whom we deem as an ex-officio member of this Commission." This symbolic pronouncement has had a very high meaning for me, in my struggle for human rights in Cuba. We would also like to set a record of gratitude for Dr. Carlos Dushee de Abranches, the great Brazilian jurist, who helped us so much in the preparation of several reports and, above all, because he was the one who most stimulated us and contributed in a large measure to the insertion, in the annals of this struggle, my thesis about the Institutional Violation of Human Rights in Cuba, the specific cases of which are recorded in the Seventh Report.

Please allow me, as an action of required acknowledgement and respect, to salute the new members of this Commission, Dr. Luis Adolfo Siles Salinas and Mr. J. Bruce McColm, as we have previously done in the case of the distinguished Brazilian jurist, Dr. Gilda Maciel Russomano.

Due to the increase of persecution, repression and executions by firing squads in Cuba, after the completion of the Seventh report, it is incumbent upon us to denounce before you that the picture of violations of human rights in Cuba nowadays, far from diminishing, has been increased up to its becoming an affront for all free persons in the Americas and the World, and a challenge to the zeal, vigilance and performance of this Commission.

Executions by firing squads, that already surpass the 40,000, are being held daily. Young men who refuse to go to fight in Angola are being secretly executed. The same is true about those who refuse to leave for Ethiopia or other countries in Africa, Asia and Latin-America. Relatives of the victims are told that "they are performing an internationalist mission" and, in the utmost of cruelty, they are not even allowed to bury the dead bodies of their relatives. They shall never learn about them until the totalitarian communist regime in Cuba will be overthrown. Intervention by the Inter-American Commission on Human Rights might be able to slow down these fratricidal actions and at least allow for the victims' relatives to receive the bodies of their beloved ones and bury them in a Christian manner.

As to the relentless persecution by religious motives, besides those who have been sentenced to prison, taken to forced-labor camps and to the so-called "rehabilitation camps", that include all denominations, especially Christians, it is known that three Jehovah's Witnesses were executed by firing squad in June, 1983, and five more of them have been sentenced to the same punishment. There disappearances indicate that they might have already been executed. The Commission could, upon recording this denunciation, to proceed accordingly to try to save the latter five, or to learn what has happened to them. Their dissapearance is an omen for the worst.

Carlos Alberto Gutierrez, a young student from Santiago de cuba, was executed by a firing squad on August, 1983. He had been charged with painting slogans on walls against the totalitarian regime. We request of the Commission to ask for information about this young student from the Cuban communist regime.

Silvino Rodriguez Barrientos was sentenced to 21 years of imprisonment in 1962. He disappeared from the infamous Boniato prison in 1983, and it is not known if he has been executed. We request of the commission to intercede on behalf of Rodriguez Barrientos.

We also denounce before the Commission that five workmen, who had tried to establish a workers's union similar to Solidarity of Poland, had been sentenced to be executed by a firing squad. This sentence was reduced to 30 years imprisonment, just for trying to organize a workers' union under a regime that falsely purports itself as belonging to the working class.

Two hundred peasants, workers in the sugar cane industry, were also arrested and sentenced because of having joined the workers' union. We are told about these that eleven of them have been executed as a lesson, in order to avoid the anxiety for freedom that working persons feel throughout Cuba, because under the communist regime they have lost all achievements obtained previously, such as the right to strike, the right to work for 8 hours a day only, the right to change jobs freely, the right to assemble, the right to submit proposals to their respective enterprises. Under the totalitarian state, any demand regarding salary or of any other nature is deemed as counter-revolutionary.

The attorney who defended those five workers who intended to organize a Solidarity-type workers' union, my old friend and fellow student at the University of La Habana (we both studied Law and Social, Economic and Political Sciences together), Dr. Jorge Bacallao Pèrez, was imprisoned for political reasons and remains yet in the communist dungeons. We are worried about his life. We request of the Commission to petition the Cuban government for his release and permission to leave the island, if he would like to do so.

Dr. Nicasio Hernàndez de Armas was a Judge. He considered that the workers who wished to organize a Solidarity-type union had the right to do so, and interceded on their behalf. He was immediately imprisoned and it is not known what his fate has been. The regime's transgression is even more serious because the prisoner is a member of the Judiciary, but they want to have him become a lesson to frighten other members of the so-called Judiciary Power so they would not follow his example. We request of the Commission to intervene on his behalf, to be released and allowed to go abroad.

Political Prisoner Isaac Gómez Camejo was sentenced to 30 years imprisonment in 1959. He is at the "Combinado del Este" prison. He is suffering from diabetes, muscular atrophy and one of his legs was amputated in 1983. He is only allowed a visit from relatives every three months. He was in the Military Hospital for 17 years, due to his extremely grave condition. After 25 years, he is still imprisoned. That is an excessively long and cruel sentence. We request of the Commission to intercede for him, as a humanitarian case, so he can be released and leave the island.

Over one million Cubans are in exile in the Americas and Europe, and they are not allowed to return to their country; besides,

it would be a suicidal act, considering the nature of the regime that has subjugated Cuba into totalitarianism. In other countries of the Americas it is requested that exiles be allowed to return and given all possible guarantees, while the same is not requested for Cuba, that is, return and guarantees, because it is deemed as totally impossible. We have the case of Orestes González, a Cuban resident in the State of New Jersey, United States of America, who went to Cuba on December, 1981, and has been in prison since. We request of the Commission to intercede for his release. There are some other Cubans who have had the same happening to them. Cubans have been deprived of their citizenship. The Commission could also intercede in order for that human right to be respected.

Nicolás Guillén Landrián, a nephew of the Cuban poet who bears the same name, has been imprisoned after having been produced, as a playwright, "Café Arábigo" and "El Cielo de Toa." He has been sentenced to 10 years imprisonment for "ideological deviation" and "propaganda for the enemy." We request of the Commission to intercede for his release.

Over 10,000 Cubans took refuge in the Embassy of Perú of La Habana, as we stated before this Commission in due time. Since overcrowding was untenable there, the communist regime offered, after a great deal of international pressure, to grant safeconducts to those who could return to their homes, pending the processing of their cases to leave the island. Out of those who accepted safeconduct, some have been able to leave, but 2,500 of them have not. Some of the latter have not been able to leave because the communist regime does not allow them to; some others are imprisoned in the communist dungeons; still others have been executed and some more have disappeared. In order for the Commission to intercede in this case and clarify it, which might be a case of genocide, we request of the Commission, very respectfully, that it will petition the Peruvian Government in order for this to give the Commission a list of all of those who were in asylum at their Embassy in La Habana, to check that list with those who have left and learn exactly how many are supposed to be in Cuba yet. Then, the Commission would be in a position to request from the government of Cuba pertinent information as to the whereabouts of the latter and, in case some of them are still alive, to be allowed to leave.

Political prisoner Omar dèl Pozo tried to seek asylum; he was prevented to do it by the communist authorities and was imprisoned at the Guanajay prison. He was also trying to exercise his right of asylum. We request of the Commission to petition the Cuban government for his release.

Two Cuban young men, one of them a teacher, tried to take refuge in the Embassy of Venezuela, at La Habana, and both were murdered in sight of the Venezuelan diplomats. Is that the way the communist regime of Cuba shows respect for the right to asylum? We request of the Commission to interpose its efforts for the said right to be respected in Cuba.

Dr. Andres Vargas Gomez, a grandson of Generalisimo Maximo Gomez, one of the liberators of Cuba in the last century, was released after a long term of imprisonment, since 1961. He is in ill health and the communist regime does not allow him to leave. We are reiterating our request of the Commission, to petition the Cuban government for the former political prisoner, Dr. Andres Vargas Gomez, to be able to leave.

Poet Jorge Valls, about whom we have formulated denunications previously before this Commission, finished to serve a long sentence on May 8, 1984, but he has not been released. We request of the Commission to petition the Cuban government for the release of Jorge Valls and for him to be allowed to leave.

The communist regime continues to give a "cruel, inhuman & degrading treatment" to Cuban political prisoners, whose numbers exceed 15,000, among them the so-called "Plantados", over 200, and a majority of them in the infamous Boniato prison, where they are isolated, without any medical attention, lacking medicines and with a very deficient nutrition.

All of these political prisoners are given a merciless treatment; they are not considered human beings; their captors try to diminish and humiliate their dignity. They are subjected to physical tortures and psychological tortures, in order to overcome their resistance, because they refuse communist indoctrination.

Many of them are isolated in "drawers" (enclosed spaces where there is room for only one person, and even three are placed); Walled-up cells ("celdas tapiadas") where they cannot see the sun. Both male and female political prisoners are kept in walled-up cells, in the respective prisons. This procedure has continued even after the Seventh Report, because of which we request of the Commission to petition the Cuban government to cease that "cruel, inhuman and degrading treatment" for all Cuban political prisoners.

Pre-determined and fabricated sentences continue to be imposed by so-called "tribunals", incompetent courts made up by communist fanatics, who boast about their unheard-of cruelty. There are no procedural guarantees whatsoever, nor is there an independent Judicial Power. There is no State of Law nor there are the three separate powers, which exist in all civilized nations, as recommended by Montesquieu.

Dr. Orlando Bosch and his three colleagues are still imprisoned in Venezuela. Their summary has been repeatedly transferred from the military jurisdiction to the civilian one and back to the former. They have been imprisoned for the last seven years. Their charges have not been proven and they have been declared not guilty. Procedures followed in the case of these political prisoners have violated their human rights, as both Mrs. Adriana Bosch and the undersigned have denounced before this Commission, because of which we request of the Commission to intercede with the Government of Venezuela for the respect of the human rights to which Dr. Orlando Bosch and his colleagues are entitled.

We have left for the end our remarks about the Seventh Report, whose preparation was resolved four years ago, and the delay for same to be approved took an excessively long period of time, so much so that it could not be submitted to the XIII General Assembly of the OAS for its presentation to same, which we deplore.

The Sixth Report, approved at the same time as the Seventh, would have referred preferably to Cuban political prisoners, and the Seventh would emphasize our thesis about Institutional Violation of Human Rights in Cuba, and the violation of all other human rights defacto.

The replacement of Dr. Cristina Cerna, who has been intervening in the Cuban cases and had some experience and knowledge about the pertinent facts of same, by Dr. Luis Jimènez, worried us, because regardless of his capabilities he was new to that field and lacked the experience and knowledge about the Cuban cases that Dr. Cerna had, which could cause a delay in the preparation of the Report.

The Seventh Report included the Institutional Violations of Human Rights in Cuba, albeit they are not qualified or mentioned under that title, but they are sufficiently detailed, which pleases us.

The circumstances of Cuban political prisoners and the "Cruel, inhuman and degrading treatment" to which they are subjected, were also included with a sufficient degree of accuracy, although it was not mentioned, as it was done in the Fifth Report, that Cuban political prisoners received that "cruel, inhuman and degrading treatment."

We were surprised to read on the Seventh Report about human rights in the social, economic and cultural aspects, when there was a Resolution, that we precisely brought to the attention of this Commission, and even distributed copies of same, in which the XII General Assembly of the OAS resolved: "To direct the General Secretariat to prepare a pro-forma of an Additional Protocol to the American Convention on Human Rights, also known as the "San José Pact", which would define the social, economic & cultural rights referred to by the resolutive paragraph No. 9 of the AG/RES Resolution. Once prepared the pro-forma of the Protocol, the General Secretariat should send it to the respective government of the Member States, for these to submit their observations & recommendations, and for said pro-forma to be taken up during the XIII Ordinary Period of Sessions of the General Assembly." We believe that the XIII General Assembly resolved to transfer it to the consideration of the Member States, which means that the Additional Protocol has not yet been approved and hence it has not been defined either, in an express and clear manner, the scope of those rights and what would be their final definition. This important matter was, then, sub-judice, and we felt then and still feel now that it should not have been included in the Seventh Report.

Due to the reasons listed above, the Seventh Report incurred three appreciation errors about those rights, whatever the statistics or sources may have been that were utilized to mention them. The first error was to state that the Cuban people was "one of the best fed" in Latin-America, with the exception of Argentina, when it is common knowledge that the levels of feeding of the Cuban people have decreased to their lowest levels ever, basic staples have been rationed, people must file in lines ad nauseam and many of them are of an inferior quality. That is why the Cuban people is now malnourished, suffering of anemia and other illnesses.

The Report affirms that "there have been progresses in education", grossly overlooking a basic element of any kind of education, that is, freedom for same. There is no freedom of education in Cuba. The Cuban people had, before the communist takeover, one of the lowest indexes of illiteracy in the whole of the Americas, and the plans then existing and being implemented were intended to eradicate illiteracy in full by the '70s. Those educational systems built by our Western Judeo-Christian civilization along the centuries have been destroyed, and a Transculturation has taken place, with values and principles alien to those traditions, history and culture of the Cuban

people, all of which eliminates any argument wielded in favor of the communist teachings or education, which in turn has steadily destroyed the Cuban National Spirit.

It is also affirmed, without any solid foundations, that there has been an advancement in medicine, when it is common knowledge as well that in Cuba there have come back some infirmities that had already been eradicated, some of them during the last century, as the so-called "dengue" (a kind of undulant fever), that has caused countless deaths. Medicines are scarce, low in quality, expensive and out of the reach of a majority of the population. Medicines are rationed too. Training received by Cuban M.D.'s, before the advent of communism, was one of the best, not only in the Americas, but also in the world, as it has been recognized in the major medical organizations worldwide. Nowadays, many physicians are improvised; they graduate from the learning centers without a sufficient degree of training and the Western medical technology, the most advanced in the world. Formerly, Cuba enjoyed that technology, that communist-subjugated nations lack. Even some Cuban communist leaders have come to the United States, or have gone to Europe, to get operated on. Cuban exiles have had to send medicines, medical instrument and instructions from the United States to their relatives in the island, and also from Europe, to help the infirm to recover. Children's hospitals, maternity hospitals, the Spaniard Regional Clinics (Asturian, Galitzian, Center for Tradesmen and others) the latter which for three or five dollars a month rendered internal & external medical assistance, plus medicines and hospitalization, were far better than those existing today, 25 years later.

It is really regrettable that a Seventh Report, that could be a landmark in the struggle for human rights in the Americas, because of having recorded among other items the Institutional Violation of Human Rights in Cuba, the principal and distinctive characteristic of communism (Marxism-Leninism), could not attain that goal.

We want to mention as well, regarding religious freedom, what the International Association of Cuban Priests in the Diaspora stated, and it was published on "Diario Las Amèricas", April 29, 1984: "The priests who assembled under the guidance of Cuban Bishops Eduardo Boza Masvidal and Agustin Romàn, openly condemned the communist regime of La Habana for keeping a 'gagged Church', that cannot speak up, that is not allowed to open new temples, that is systematically decimated and working in Cuba in the midst of unspeakable obstacles".

Those priests also stated that "the Church in Cuba is subjected to great sacrifices and attacks on the part of the communist regime, and that they send a fraternal salutation to their brethren living in Cuba and who, under crushing pressures by the regime, even lack the right to tell the world that they are oppressed."

Therefore, communist-subjugated Cuba is a clear case of anti-judiciary procedures or, rather, of lack of judiciary procedures, where a State of Law does not exist, and the Power of the Law does not exist in Cuba.

We request of you, Mr. Chairman, and the other members of that Honorable Commission of Human Rights, of the Organization of American States, to please consider all of the statements herein comprised and all of the denunciations effected, with the same elevation, consideration and respect that have been always afforded us, and that we may receive from you the same generous esteem granted us previously.

Yours very considerately,

DR. CLAUDIO F. BENEDI,

Coordinator and Representative of the Majority of Former Cuban Political Prisoners Organizations, and of the Cuban Patriotic Board.●

MARIE NEWTON SEPIA

● Mr. CHILES. Mr. President, I would like to recognize an exceptional person, Marie Newton Sepia. She was an educator and a patriot, a woman dedicated to assuring a progressive future by enlightening our children. A thinker and a doer, Marie showed many of us just how great is the potential of an individual determined to better the world around her.

Mrs. Sepia graduated from the University of Michigan with a Bachelor of Arts degree in Music and a Masters in Business Administration. Her first career area encompassed both of these accomplishments. She worked as supervisor of music in her home State of Indiana and continued in this line of work after relocating to Virginia. Shortly prior to WWII, Mrs. Sepia changed positions to become a confidential secretary at the Newport News Shipbuilding & Dry Docking Co. Her transfer to Florida in 1942 brought her to the community she would remain a vital part of for 40 years.

Marie Sepia's commitment to service can be seen through her participation in many activities. She was a member of the Jacksonville Chamber of Commerce, the League of Women Voters, the Mandarin Garden Club, and the Episcopal Church. Marie is most recognized for her unflagging efforts with the Pilot Club of Jacksonville and its parent organization, Pilot International. Marie's contributions through both her local Pilot Club and Pilot International were phenomenal. In 1950, Marie founded the Robert Newton Fund—in the name of her late husband—of the Pilot Club of Jacksonville. The fund sponsors the participation of several Florida teachers at a workshop on teaching children with learning problems in Syracuse, NY. This fund exemplifies the commitment Marie Sepia held to education. It foreshadowed Marie's most amazing contribution to the education of tomorrow's leaders. Although Marie was involved in aiding the handicapped and the elderly, she felt that society's hope and assistance are best invested in our children.

A favorite quotation of Marie Sepia's was Edmund Burke's definition of leadership, "to use and guard jealousy the achievements of those who have preceded you, to work earnestly for the welfare of those who now depend on you; and to do all of this so as to leave a richer heritage for those who come after you." She more than supported the endeavors of the interested students. She made opportunities for those who had been without Hope. During her term as president of Pilot International, Marie established a program that resulted in much more than the Distinguished Services Award that she received in 1979, presented to her by then Governor Ronald Reagan. Marie's program was the realization of a dream. Through CARE she made education available to thousands of underprivileged children in Guatemala. The slogan of her presidency was "Service—The Pulse of Progress," and she not only believed this statement, she proved it.

Marie Newton Sepia is gone, but what she believed should not be forgotten. The Marie Newton Sepia Scholarship Fund "to Teach the Educators of Disabled Children" was set up through the Pilot International Foundation. This fund was established to assist Florida teachers in continuing their education. The initial contribution was made by Marie's husband Fred Sepia. He feels that Marie's memory can best be preserved through action. A fund to promote education and assist in developing our most important natural resource is a fitting tribute to the ideals for which Marie Newton Sepia stood for and to her marvelous achievements.●

THE AMERICAN STEEL INDUSTRY: MYTH VERSUS REALITY: VII

● Mr. HEINZ. Mr. President, today I present the seventh in a series of brief statements which will appear periodically in an effort to elevate the level of debate on the crisis in the American steel industry.

I would like to discuss the attempts of the domestic steel industry to undertake the modernization efforts necessary to compete with foreign producers. Too often, opponents of import quota relief for steel producers have cited the lack of effort by the industry to rationalize outdated capacity and modernize effectively. This assumption is refuted by David Cantor in a recent CRS study, "America's Steel Industry: Modernizing to Compete." Mr. Cantor outlines the recent efforts of steelmakers to implement aggressive modernization and efficiency policies.

The recent determination of injury, due primarily to imports, by the International Trade Commission for much of the American steel industry has made the seriousness of the situation clear to many. Yet critics remain who would deny an effective remedy on the basis of the industry's alleged unwillingness to help itself. In order to dispel such a false impression, I am offering some further myths and reali-

ties about the modernization efforts of the American steel industry.

Myth: The American steel industry has refused to eliminate its inefficient and obsolete open-hearth steelmaking equipment.

Reality: According to a recent CRS study by David Cantor, U.S. steelmaking capacity has declined by nearly 22 million tons since 1979 or about 12.8 percent—from 172 million tons in 1979 to 150 million tons in 1983. This reduction in American capacity accounts for over 54 percent of the worldwide decrease of 40 million tons between 1979 and 1983. An important cause of the drop in American and world steelmaking capacity is the determination of American producers to rationalize obsolete and inefficient open-hearth capacity is the determination of American producers to rationalize obselete and inefficient open-hearth capacity. In 1980, open-hearth furnaces accounted for 22 percent of world steel production capability or about 255 million tons. By 1983, open-hearth furnace capability had dropped 197 million tons of crude steel or about 18 percent of world capacity. Worldwide, open-hearth capability declined by 23 percent or 58 million tons.

In the non-Communist world, open-hearth capacity fell from 70 million tons in 1980 to only 35 million tons in 1983, a decrease of 50 percent. The U.S. contributed the most among non-Communist states to the rationalization of open-hearth furnace capacity. In 1980, U.S. open-hearth capability equalled 20.5 million tons, falling by 9 million tons to 11.4 million tons in 1983 or by 45 percent. However, these furnaces still account for 7.6 percent of total U.S. steelmaking capacity which is greater than most other non-Communist countries and a primary target for further reductions.

Myth: Basic oxygen furnaces [BOF], which essentially replaced open-hearth furnaces and have been in use in the United States for over 30 years, have not been replaced in the United States by more modern, technologically advanced equipment.

Reality: The American steel industry has reduced its capacity in basic oxygen furnaces. Between 1980 and 1983, basic oxygen furnace capacity fell from 96.5 million tons in 1980 to about 88.6 million tons in 1983. This 8-million ton decrease represents a percentage decline in BOF capability of about 8.2 percent. Other industrial nations have eliminated large amounts of their BOF capacity—during this period, Belgium and the Netherlands showed a decrease of 3 million tons or 9.4 percent and Japan, a reduction of 4 million tons or 2.6 percent.

In response to the prospect of slow growth in demand, steel producers in Western Europe, Japan and the United States have rationalized their older BOF furnaces which are relatively inefficient since they do not embody the latest state of the art technological advances. Worldwide, BOF capacity has increased as Communist states replace open-hearth furnaces and Third World nations expand their use of this process. In order to remain competitive, U.S. producers have attempted to eliminate their most inefficient capacity and replace it with more technologically advanced equipment.

Myth: The American steel industry has not made positive progress by installing the latest technology available on the market.

Reality: Efforts in the industry to increase competitiveness have included modernization in the form of capital widening. U.S. steel capability overall has been enhanced by greater use of the most widely used and newest steelmaking process, the electric furnace. From 1980 to 1983, U.S. electric furnace capacity grew by about 3.5 million tons or 7.5 percent. In the non-Communist world, the U.S. electric furnace capability is larger than any other state. Although limited in the range of products and the control of the scrap used, electric furnaces are more efficient than the BOF process since they use scrap as their basic raw material input. Savings in energy and total labor input increase the competitiveness of American steel by lowering production costs.

American producers have also invested in continuous casters, which allow molten metal to be processed directly into semifinished shapes rather than being first cast into ingots. Although U.S. producers were slower moving into this new technology than their competitors abroad, recent years have witnessed one of the highest rates of growth of output produced. Over the period from 1979 to 1983, the output of continuously cast steel increased by over 3 million tons, growing at an annual rate of 3.4 percent. The American share of total output from this process increased from 16.9 percent to 26.3 percent. According to Cantor's study, since 1981, only emerging Third World nations had higher rates of growth of continuously cast output than the United States. Thus, accelerated use of continuous casting in the U.S. is helping the steel industry to overcome the technical advantages once held by foreign competitors.

Myth: U.S. producers are not working to improve the efficiency of production processes or the quality control techniques relating to existing equipment.

Reality: Producers are actively seeking to increase productivity by improving yield and to enhance efficiency by reducing the rejection rate of steel products by their users. For example, ladle refining is being actively used by American steel firms, a process which refines steel while in the ladle rather than in the smelting furnace. United States Steel Corp. and Bethlehem Steel Corp. recently received funds from the Department of Energy to aid in the development of new strip-casting techniques. These are just two examples of steel producers developing and using new technologies to produce better products.

U.S. steel firms are increasingly moving toward improvements in quality control. Presently, robotics are being employed in American plants for some processes. Foreign competitors in Japan are using optical and electronic devices to monitor quality and in West Germany, lasers are being used to discover defective products. The American industry is moving to adopt such measures to achieve competitiveness with the rest of the world.

Quota relief from imports would supplement the modernization efforts presently being made by the steel industry. For this reason, support is needed for S. 2380, the Fair Trade in Steel Act, which would provide a comprehensive policy geared toward helping the American steel industry compete against unfairly priced and traded imports.●

IMPORT PROTECTION FOR DOMESTIC AUTOMOBILE INDUSTRY

● Mr. CHAFEE. Mr. President, I have maintained for some time that import protection for the domestic automobile industry is no longer needed because of the harm to the consumer and the distortion caused to the international trading system. One would assume that voluntary restraints by the Japanese on their car sales here were indeed helping the U.S. auto industry to revive and become more competitive, albeit at the expense of the consumer.

However, a recent study by a Brookings Institution economist has concluded that the voluntary restraints have helped the Japanese auto makers more than the American producers. The economist, Robert W. Crandall, has determined that major Japanese auto companies made more money from 4 years of limited sales than American producers the quotas were designed to help.

In fact, Japanese companies increased their earnings by about $2 billion annually because of higher prices they charged for their cars sold here, while Detroit car makers earned about $1.42 billion in extra sales.

Mr. Crandall's study which I submit for the RECORD documents the exorbitant costs to consumers—about $4.3 billion last year—because of increased prices of both American and Japanese cars.

We are now examining the benefit of 4 years of protection for the domes-

tic automobile industry and debating controversial domestic content legislation or continued protection. This study demands our careful review and attention.

I request that Mr. Crandall's report, "Import Quotas and the Automobile Industry: The Costs of Protectionism," be included in the RECORD at this point.

The report follows:

IMPORT QUOTAS AND THE AUTOMOBILE INDUSTRY: THE COSTS OF PROTECTIONISM

(By Robert W. Crandall)

The American automobile industry had a very good year in 1983: New car sales jumped up by nearly one million units, and, as has been well-publicized, after-tax profits soared to a record $6.2 billion. But the industry is not quite as robust as these statistics suggest. U.S. automobile companies have been playing with a home-field advantage—quotas on Japanese imports, negotiated in 1981 and now extended through 1985.

This article explores the effects of the quotas—on automobile prices and on the profits of domestic manufacturers. The essay begins, however, by tracing the recent history of the automobile industry; it is important, in assessing the impacts of the quotas, to understand why they were sought in the first place.

THE PAST AS PROLOGUE

Sales.—Before the 1958 recession, the U.S. automobile industry appeared to be a stable, invincible oligopoly. From time to time, ardent trustbusters would suggest that the government should initiate antitrust proceedings against General Motors in order to increase competition in the industry. It seemed highly unlikely that foreign producers would ever be able to capture a substantial share of the U.S. market. Although Volkswagen enjoyed some success in the late 1950s, import sales then tapered off—dropping below five percent of total sales by 1962, as Table 1 indicates.

That decline proved to be short-lived; in the next eight years, the proportion of U.S. sales accounted for by imports tripled, settling at about 15 percent for the years 1970-74. Ford and General Motors responded to the stepped-up competition from small imported cars by launching their Pinto and Vega model lines, but neither of these proved particularly successful. When the second oil shock occurred in 1978-79, fuel-efficient foreign cars became more popular than ever; in 1980, 28 percent of the new cars registered were imports.

While the sales of imports have increased since 1965, growth in the demand for new cars has decreased. From 1965 through 1970, sales were essentially flat, deviating little from an annual rate of nine million cars; this leveling-off came after more than a decade of substantial sales growth. Sales were at a higher plateau between 1971 and 1979, averaging about ten million cars per year, but most of this increase was absorbed by imports, particularly those from Japan. As a result, even during the relatively prosperous period of 1976-79, the demand for domestic cars was about the same as it has been in 1965-66. That demand then plummeted during the first four years of the 1980s, as U.S. manufacturers managed to sell only about 6 million new cars per annum—far below their totals in the recession-plagued years of 1970 and 1975.

As Table 2, shows, the profit rates of U.S. automobile manufacturers fluctuated wildly during the 1970s, ranging between 6.1 percent and 18.7 percent on equity. Then, in 1980, the bottom fell out; the firms lost $4 billion on sales of 6.3 million cars. This was the worst year in the industry's history; its profit rate of −9.3 percent was 23.2 percent below the average for all manufacturing. When sales had declined sharply in 1970 and again in 1975, U.S. manufacturers had managed to earn positive rates of return. In 1961, with sales of only 5.2 million cars, the companies had earned 11 percent on equity. Clearly, the industry's difficulties in 1980—and in the two years that followed—reflected more than just cyclical swings in the economy. What had gone wrong?

Regulation.—One source of vexation has been the federal government, which has saddled the industry with a succession of new regulatory requirements. Safety regulation began in 1966, federal emissions controls in 1968, and fuel-economy regulation in 1978. The costs of safety and emissions regulation have been substantial; as Table 3 shows, they reached nearly $2000 per car by the early 1980s.

Prior to 1972, emissions control costs were negligible, and safety equipment costs were less than $200 per car. Both categories of costs then rose sharly, however. Automobile manufacturers struggled with the technology of emissions control while trying to convince the government that its timetable for control was much too stringent. For at least two years and perhaps longer, the companies used relatively inefficient fixes to constrain emissions. The results were poor performance, severely depressed fuel economy, and widespread customer dissatisfaction.

At about the same time, the Department of Transportation was imposing two major new safety regulations on the industry—requirements for seat belt interlocks and energy-absorbing bumpers. The interlock requirement was quickly repealed by Congress in response to bitter complaints from new-car buyers, but manufacturers had already spent time and money on the design and fabrication of interlock systems. The bumper requirement was surely a masterstroke of bad timing; it added substantially to the weight of the cars—and detracted significantly from their fuel economy—just as the Arab oil embargo was driving gasoline prices up.

The second big regulatory surge came in 1980-81. The industry managed to stave off a new requirement for passive occupant restraints, but only at the last minute. Product planners had to be prepared to install passive seat belts or air bags in some models in 1982 before the Department of Transportation relieved them of this requirement in mid-1981. In addition emissions standards were tightened substantially in 1980-81 necessitating major changes in ignition systems and control devices.

Unfortunately, these regulatory initiatives came right after the second oil shock and an attendant surge in the sale of Japanese imports. At the same time that U.S. manufacturers were struggling to redesign and downsize their cars as quickly as possible, they had to introduce new emissions-control technologies and to develop passive restraint systems. The Japanese car companies appear to have adjusted to the regulatory requirements more readily than their American rivals, perhaps because they did not need to downsize their product line simultaneously.

Many of the safety equipment requirements, and at least the early phases of emissions controls, appear to have been effective, but the gains they produced have not been without their costs. For consumers, safety and emissions standards have increased the prices of new cars by at least $1000 and reduced both fuel economy and performance; for automobile companies, as a result, they have reduced the demand for new cars. Had emissions controls been kept at 1979 levels and the energy-absorbing bumper left a matter of market choice, new car sales would have been higher and regulatory headaches fewer for an increasingly besieged Detroit.

More recently, the Corporate Average Fuel Economy (CAFE) standards, legislated by Congress in 1975 and implemented by the Department of Transportation, have placed U.S. companies in the difficult position of trying to meet the resurgent demand for larger cars while still making progress towards the 1985 goal of 27.5 miles per gallon for their fleets.

Product Quality. An unfortunate consequence of the turbulence of the 1970s was a sharp decline in the product quality of U.S. automobiles relative to that of Japanese imports. This decline was reflected not only in the "fit and finish" of cars—that is, the fit of body panels and the general quality of exterior finish—but also in the frequency of repairs. In 1970, as Table 4 shows, the repair records of U.S. cars were only marginally worse than the records of Japanese imports in the first few years of service. These differences may have narrowed or disappeared in later years of service. By 1976, however, Japanese cars had much better repair records than their American counterparts—and this gap has persisted and even widened in the years since then. It should be noted that the continuing declines in quality reported in Table 4 are not confined to the new downsized front-wheel drive models, but have occurred across the entire model lines of the U.S. companies.

Production Costs.—The quality advantage of Japanese cars was no doubt one factor in the shift of American buyers toward imports; another factor was the loss of U.S. competitiveness in the production of smaller cars. Since 1980, there have been numerous attempts to quantify the differences between U.S. and Japanese production costs for subcompact cars. Estimates of the Japanese advantage range from $1,300 to $2,500 per car, a substantial fraction of the average delivered price of these models. Those who have studied this question agree that the main sources of the cost disparity are differences in wage rates, labor productivity, management practices, and inventory costs.

Part of the U.S. industry's problem derives from its own collective bargaining; it has granted large wage increases to its unionized workers rather than risk strikes or labor unrest. As indicated in Table 5, the result has been hourly employment costs that are about 60 percent above the average for all U.S. manufacturing firms. In Japan, by contrast, automobile companies pay their workers only 25 percent more per hour than what the average Japanese industrial worker receives. Moreover, the differences between the hourly employment costs of U.S. and Japanese car manufacturers has been widening—from about $6 in the mid-1970s to about $11 now—even though productivity growth in the Japanese firms has been more rapid.

In 1982, the UAW agreed with Ford and GM to forgo some wage increases in order to stem the flow of red ink from these companies' domestic financial statements. These agreements followed similar, but larger con-

cessions granted to Chrysler in previous years. In addition, the industry has attempted to increase productivity by investing in labor-saving equipment and improving worker morale. At this juncture, there is insufficient evidence to judge the success of these attempts. Indeed, General Motors' decision to produce subcompacts jointly with Toyota in California appears to be an attempt to break out from the restrictive work rules with which it is saddled in other plants.

PAYING FOR PROTECTION: THE IMPORT OF QUOTAS

In 1980, the U.S. industry began to appeal for temporary protection from Japanese imports. In July, 1980, the International Trade Commission initiated an investigation under Section 201 of the Trade Act of 1974. This proceeding did not result in an ITC decision to recommend trade relief measures. In 1981, however, President Reagan announced that agreement had been reached with Japan on a voluntary export restraint (VER) that would limit Japanese automobile exports to the United States, beginning that April, to 1.68 million cars per year.

The Reagan decision did not arouse much opposition since it followed a year in which U.S. automobile manufacturers lost approximately $4 billion. Employment in the industry had fallen by more than 20 percent; approximately a third of that decline was due to a sharp rise in import sales. Moreover, the Chrysler Corporation had recently been saved from bankruptcy by federal loan guarantees, and Chrysler workers had taken substantial pay cuts.

The voluntary export restraint negotiated with Japan was renewed in 1983 for the 1984-85 period, but with a slightly higher limit of 1.85 million cars per year. By 1983, however, the industry had returned to at least the appearance of financial health, generating more than $6 billion in after-tax profits. The price of Japanese cars surged, U.S. manufacturers paid substantial bonuses to their executives, and commentators began to question the wisdom of continuing the restraint agreement with Japan.

The Rationale.—The Reagan administration obtained temporary quotas on Japanese imports in order to buy the U.S. automobile industry and its workers time to adjust to the new rigors of world competition. It anticipated that during this adjustment period, car companies might undertake the substantial tooling required for the manufacture of new models, launch major investment programs designed to lower productions cost in existing plants, establish new plant configuration, reduce inventory costs, and seek changes in union work rules and wage agreements. After a few years, the industry would be able to compete effectively once again—unless its cost disadvantages were rooted in fundamental economic forces beyond its control, such as exchange rates, raw material costs, or a shift of comparative advantage to lower-wage countries.

There was and is another possible outcome: Trade protection might simply provide an opportunity for increases in automobile prices, wages, and company profits. A reduction in the availability of imports inevitably increases the demand for U.S. automobiles, opening the door for price hikes. The resulting increases in profits could provide an enticing target for union negotiators in the next round of bargaining. With foreign competition temporarily (or permanently) reduced, workers have less incentive to moderate their wage demands or to allow fundamental changes in work rules.

Which of these outcomes seems more likely? Past experience with trade restrictions hardly suggests that they offer a guarantee of industrial renaissance. The steel industry has enjoyed some form of protection over most of the past fifteen years, but it has not recovered. Trade protection for manufacturers of television receivers or shoes have hardly returned the U.S. to a dominant position in these industries. If past experience is any guide, one should not expect the Japanese VERs to be a miracle cure for the U.S. automobile industry.

The Industry's Adjustment.—In fact, U.S. companies had begun to adjust to the new world of high gasoline prices and international competition some time before the VERs took effect. There is every reason to believe that the industry was well on its way to renewed competitiveness. Manufacturers had focused more on small cars since the two oil shocks, and by 1981 had reduced the average weight of a domestic car 30 percent from its 1972-73 high. Similarly, by 1980 the industry was selling 40 percent of its cars with four-cylinder engines, up sharply from 9 percent in 1972-73. Fuel economy was up by more than 25 percent over what it had been in 1972-73 for cars of the same weight and horsepower; actual fuel economy increased much more than that, as buyers shifted to smaller cars.

The investment expenditures of the automobile companies are further evidence of their pre-1981 adjustment efforts. Between 1975-76 and 1979-80, as Table 6 shows, real investment outlays increased by more than 88 percent. More focused census data show that investment in plant, equipment, and special tooling rose more than 87 percent over the same period. In short, the industry had invested enormous sums in new models before the establishment of quotas. Since 1981, real investment expenditures by the automobile industry have fallen by 30 percent. Buyers have begun once again to demand larger cars; eight cylinder cars accounted for 31 percent of 1983 sales, up from 24 percent in 1981. New or modified models abound: Ford has introduced a new series of front-wheel drive cars and a modified version of its older rear-wheel drive Thunderbird; Chrysler has added a new sports car and a series of vans to its product line; and General Motors has downsized its larger cars. But the major changes were in place before the quotas were; by March, 1981, Ford's Escort, Chrysler's Aries-Reliant, and General Motors' X-, J-, and A-body cars were either on the market or nearly ready for introduction. It is difficult to trace any differences in product offering to the quotas.

Nor has productivity soared as a result of the quotas. Between 1977 and 1982, productivity growth in the motor vehicle industry was 0.4 percent, as compared with 0.2 percent in the nonfarm business sector. From 1980 to 1982, the industry outperformed the rest of the nonfarm business economy, but, given the depth of the 1982 recession, it is difficult to draw any firm conclusions from these data. When 1983 data become available, we may be able to say a little more about the impact of recent attempts to streamline automobile production processes.

Effects on Automobile Prices.—There is no doubt but that by creating an artificial scarcity of Japanese imports, the voluntary restraints have increased the prices charged for these cars; the only question is by how much. A 1983 Wharton Econometrics study estimated that as a result of the quotas, the prices of Japanese imports jumped up an average of $920 to $960 per car in 1981-82 alone. With the surge in demand that took place in 1983, this price effect has surely increased substantially—which means that our assistance for the U.S. industry has benefited Japanese producers and their dealers by at least $2 billion per year in price enhancement! From the standpoint of American taxpayers, a tariff clearly would have been a better policy choice than the voluntary restraints.

The effect of the restraints on the prices of U.S. cars is more open to dispute. It is not easy to estimate this effect because the mix of automobiles is constantly changing. Indeed, some industry officials believe that any recent price increases above the cost of producing cars have been due to mix changes, not imports. But if the VERs reduce the potential supply of new Japanese cars in the United States (and they surely do), they must increase the demand for American automobiles. Historically, the average price of automobiles in the United States has varied directly with the strength of demand; therefore, one would expect the VERs to increase the prices of domestic cars.

Assume for a moment that the VERs have simply increased the U.S. industry's market share by 5 to 8 percent, without increasing prices; given the trend in import sales between 1978 and 1981, this range probably represents the maximum effect of the quotas on market shares. In 1983, a 5 to 8 percent shift would have meant the purchase of an additional 445,000 to 712,000 domestic cars, assuming no effect on total car sales. My current research suggests that the marginal profit on these cars, before taxes, would have been about $2,000 per car—for a total of $0.89 to $1.42 billion, less than the gain realized by Japanese companies and their dealers. (Of course, if the VERs have increased domestic car prices, then the additional profits made by U.S. manufacturers would be substantially higher.)

I used several techniques to estimate the impact of the quotas on domestic car prices, and while I would not claim that the results of any one of the tests are definitive, the fact that the outcomes are so similar does suggest that the price effect of the quotas is in the range indicated.

One way to gauge that effect is to relate U.S. car prices to costs and demand over a substantial period of time and then to use the resulting equation to predict prices under the VERs in 1981-83. I developed a pricing model for the period 1961-80, incorporating labor costs, capital costs, regulatory requirements, the price of steel, the strength of demand, and dummy variables for years of price controls. As indicated in part 1 of Table 7, the model tracks the annual average prices of new cars in this 20-year period with an average error of only about $56. However, the equation underestimates prices for 1983 by more than $800 per car and for 1981-83 by a yearly average of $430. Since the model was built using the Commerce Department's series on actual transactions prices, it reflects discounts from list prices. It does not, however, standardize for changes in the mix between small and large cars or in the mix of options. These changes occurred in the 1960s and 1970s, and the equation tracked prices very well for those two decades. The only major difference between the 1970s and, say, 1983 is the presence of an import restraint; it seems reasonable to infer that the VER must account for a substantial share of the excess of actual prices over predictions.

A second method for analyzing shifts in automobile prices is the use of a so-called hedonic model that reflects the qualitative attributes of each car. I gathered data on 176 domestic models tested by *Consumer Reports* from 1970 through 1983; complete data were available for 172 of these cars. The following factors were included in the model: weight, acceleration, the estimated quality of ride, the estimated handling capability, the cost per mile of gasoline consumed, and the size-class of the car (subcompact, compact, intermediate, full size, or luxury). When specific dummy variables are used for each year, the model estimates that the real list price of small cars increased by 2 percent, or $826 per car, in the 1981-83 period. These increases in the real price of cars, holding the qualitative attributes constant, include the effects of tighter emissions control standards set by the government in 1980-81. These standards added $454 (1982$) to the cost of small new cars, which must be deducted from the estimated increase in the real, quality-adjusted price. Thus, as shown, in part 2 of Table 7, the hedonic model estimates that the quotas increased list prices by an average of about $370 per car in 1981-83. This calculation does not reflect changes in dealer discounts and rebates; inasmuch as rebates have narrowed substantially since March, 1981, the estimate is undoubtedly biased downward.

Finally, one can assess the impact of the VERs by examining the behavior of the Consumer Price Index for new cars since March, 1981. Historically, the CPI for cars has risen less rapidly than the total CPI. Part of the reason for this differential is that the Bureau of Labor Statistics deducts estimated improvements in quality—including regulatory costs—from price increases for automobiles. The total adjustment for quality improvements in 1981-83 was nearly $850, of which about $700 reflects regulatory costs. Since most other components of the CPI are not similarly adjusted, the new-car CPI should rise less rapidly than the total index, *ceteris paribus*.

The new-car component of the CPI increased by only 0.3 percent per year in the 1960s while the CPI as a whole rose by 2.7 percent per year. In the 1970s, the corresponding figures were 5.1 percent and 7.5 percent. But since the inception of import quotas, the difference has narrowed remarkably. From March, 1981 through December, 1983, the new-car component of the CPI increased by 4.5 percent per year and the overall CPI by 4.9 percent. Had the 0.68 ratio of the 1970s persisted, we would have expected the new-car component to advance only 3.3 percent per year during this period—1.2 percent less than actually observed. If the prices of domestic cars had risen at this lower annual rate, then, as part 3 of Table 7 indicates, they would have been an average of $368 less than they were.

Equally striking is the behavior of the new-car CPI in the period just after the import quotas were introduced. From April through December, 1981, the new-car CPI increased at a 10.3 percent annual rate, after rising at a 4.1 percent rate for the preceding 14 months. This surge occurred during a continuing decline in demand.

The various calculations just discussed are likely, for three reasons, to underestimate the impact of the quotas. First, they do not take into account the sizable interest rate subsidies that were offered in 1981. Second, the continued appreciation of the dollar and the improvement in the relative quality of Japanese automobiles would have placed relatively more downward pressure on U.S. car prices in 1981-83 than in previous periods. It there had been no quotas, we surely would have expected U.S. car prices to reflect increasing import competition. Finally, wage rates paid by U.S. automobile producers grew somewhat less rapidly than average U.S. wages in 1980-83, after having increased more rapidly in 1975-80. Absent the quotas, these lower wage costs would have been reflected in new car prices.

Profits.—As a check on these estimates, one might look at the before-tax profits of the companies. If prices increased abnormally relative to costs, profits should have risen relative to their historical relationship with volume. To test for this outcome, I used the Commerce Department's estimate of domestic profits (before taxes) in the motor vehicle industry, adjusted for changes in inventory valuation. Table 8 shows the very strong recovery in pretax profits since 1980. Despite much lower sales volumes, the real profit per domestic vehicle produced has rebounded to 1978-79 levels. In fact, on the sale of fewer vehicles than were sold in 1975, real profits per vehicle in 1983 were more than double what they had been in that earlier year. When before-tax profits, deflated by the CPI, are fitted to total vehicle sales (including trucks and buses), the import share, a dummy variable for the 1973-74 price controls, and a dummy variable for the 1981-83 period, the results show that profits have risen by 50 percent over 1960-80 levels for the same levels of vehicle production. This translates into $280 per vehicle, including large cars, trucks, and buses. Since import restraints have not raised truck and bus prices and have had less of an impact on the prices of large cars than on those of small cars, the effect per small car must have been substantially greater than $280. These increases in profits may have been due in part to productivity gains, but a substantial share of the explanation must be the price effects of import restraints.

Employment.—It is difficult to see how the VERs could have shifted more than 5 to 8 percent of the U.S. market from Japanese imports to U.S. cars in 1981-83. At most, a market share increase of this magnitude might have saved 46,000 jobs in the domestic automobile industry. (The total number of factory workers would have risen by about 7.7% from the 1983 level of 600,000, or about 46,200. The 7.7% figure is based upon a 0.7 elasticity of employment with respect to output.) Unfortunately, the cost of preserving these jobs through trade protection has been extremely high.

What that cost has been depends upon the extent of relative-price effects, welfare losses in production, and welfare losses in consumption caused by constrained consumer choice. Concentrating only on the price effects, if the average price of U.S. cars has risen $400 and the average price of Japanese imports has gone up $1,000, the cost to consumers in 1983 was $4.3 billion plus additional losses in consumer welfare due to the VERs constraint on the choice of cars. The cost per job saved, therefore, was nearly $100,000 per year. Employment creation at this cost is surely not worth the candle.

It is possible that the number of jobs saved was substantially less than 46,000 and that the per-job cost estimate just presented is overly conservative. Falling gasoline prices and the increasing demand for larger cars should have offset some of the rising pressure on small-car sales caused by a depreciation of the yen against the dollar in 1981-83. An eight percentage point shift in market share translates into an import share of 35.5 percent in 1983 without the quotas. This would have required Japanese imports of 40 percent more than the quota level in 1983. While it is conceivable that Japanese imports would have risen by this much, it seems unlikely; such an increase would have required a very high price elasticity of demand for these cars, little reduction in U.S. auto prices to meet the competition, or both. Without the quotas, it is likely that U.S. automobile prices would have been lower, thus restraining the shift to the Japanese models.

CONCLUSION

As this article is being completed, the Japanese government is beginning to express support for the restraints on automobile exports to the United States. This support has come as a "surprise" to U.S. trade officials, according to news reports. If the restraints raise the price of Japanese cars in the United States by $1,000 per vehicle or more, the Japanese should be pleased indeed—unless, of course, a slightly tighter or looser restraint would increase their profits even more.

Given the scant evidence that these quotas are advancing the competitiveness of the U.S. automobile industry, their desirability turns on whether Americans wish to pay large premiums on their cars in order to increase the employment of auto workers at wages far above the manufacturing average. Indeed, because they have produced high profits in the industry, the VERs may actually lead to a widening of this wage differential in the 1984 contract negotiations. If that happens, the political necessity for quotas will increase, and future presidents will have difficulty arguing that the domestic automobile industry should once again face the rigors of international competition.

TABLE 1.—U.S. NEW CAR REGISTRATIONS, 1960-83

[In millions]

	Domestic cars	Imports	Total	Import share (percent)
1960	6.1	0.5	6.6	7.6
1961	5.2	.4	5.6	6.5
1962	6.6	.3	6.9	4.9
1963	7.2	.4	7.6	5.1
1964	7.6	.5	8.1	6.0
1965	8.7	.6	9.3	6.1
1966	8.3	.7	9.0	7.3
1967	7.6	.8	8.4	9.3
1968	8.4	1.0	9.4	10.5
1969	8.3	1.1	9.4	11.2
1970	7.2	1.2	8.4	14.7
1971	8.5	1.3	9.8	15.1
1972	9.0	1.5	10.5	14.5
1973	9.7	1.7	11.4	15.2
1974	7.3	1.4	8.7	15.7
1975	6.8	1.5	8.3	18.2
1976	8.4	1.4	9.8	14.8
1977	8.8	2.0	10.8	18.3
1978	9.0	1.9	10.9	17.8
1979	8.0	2.4	10.4	22.7
1980	6.3	2.5	8.8	28.2
1981	6.0	2.4	8.4	28.8
1982	5.5	2.3	7.8	29.3
1983	6.4	2.5	8.9	27.5

Source: Automotive News.

TABLE 2.—AFTER TAX RATE OF RETURN ON EQUITY—U.S. AUTOMOBILE COMPANIES, 1960-83

	Motor vehicles	All manufacturing
Year:		
1960	13.5	9.2
1961	11.4	8.8

TABLE 2.—AFTER TAX RATE OF RETURN ON EQUITY—U.S. AUTOMOBILE COMPANIES, 1960–83—Continued

	Motor vehicles	All manufacturing
1962	16.2	9.8
1963	16.7	10.2
1964	16.9	11.6
1965	19.5	13.0
1966	15.9	13.4
1967	11.7	11.7
1968	15.1	12.1
1969	12.6	11.5
1970	6.1	9.3
1971	13.0	9.7
1972	14.6	10.6
1973	15.3	13.0
1974	7.0	14.9
1975	6.2	11.6
1976	17.0	14.0
1977	18.7	14.2
1978	17.0	15.0
1979	10.9	16.5
1980	−9.3	13.9
1981	−.7	13.7
1982	.9	9.2
1983	16.7	10.1

Source: Federal Trade Commission.

TABLE 3.—THE COST PER AUTOMOBILE OF FEDERAL SAFETY AND EMISSIONS REGULATION, 1966–81

[Current dollars per car]

	Equipment costs			Total costs [1]
	Safety	Emissions	Total	
Year:				
1966	40	0	40	40
1967	73	0	73	73
1968	115	14	129	129
1969	129	15	144	144
1970	157	24	181	181
1971	166	25	191	191
1972	171	25	196	366
1973	258	44	302	790
1974	380	49	429	970
1975	358	119	477	664
1976	373	126	499	696
1977	384	123	507	850
1978	393	133	526	895
1979	421	148	569	980
1980	467	222	689	1,373
1981	494	600	1,094	1,894

[1] Including maintenance and fuel economy penalty.

Source: Crandall, et. al., ch. 3.

TABLE 4.—AVERAGE CONSUMER REPORTS QUALITY RATINGS FOR UNITED STATES AND JAPANESE CARS

	Japanese imports	GM	Ford	Chrysler
Year:				
1970	2.33	2.81	3.18	3.85
1976	1.13	3.03	2.80	3.91
1981	1.05	4.33	3.17	4.50

Note: 1—much better than average; 2—better than average; 3—average; 4—worse than average; and 5—much worse than average.

Source: "Consumer Reports," April 1972, April 1978 and April 1983.

TABLE 5.—TOTAL HOURLY COMPENSATION IN THE MOTOR VEHICLES INDUSTRY AND ALL MANUFACTURING—UNITED STATES AND JAPAN

[Dollars per hour]

	United States		Japan	
	Motor vehicles	All manufacturing	Motor vehicles	All manufacturing
Year:				
1975	9.44	6.35	3.56	3.05
1976	10.27	6.93	4.02	3.30
1977	11.45	7.59	4.82	4.03
1978	12.67	8.30	6.85	5.54
1979	13.68	9.07	6.90	5.49
1980	16.29	9.89	6.89	5.61
1981	17.28	10.95	7.65	6.18
1982	18.66	11.68	7.18	5.70
1983	19.02	12.31	7.91	6.24

Source: Bureau of Labor Statistics.

TABLE 6.—U.S. MOTOR VEHICLE AND EQUIPMENT PRODUCERS GROSS INVESTMENT EXPENDITURES, 1970–83

[In millions of dollars]

	Current	1972 [1]
Year:		
1970	3,050	3,341
1971	2,420	2,516
1972	3,000	3,000
1973	3,830	3,630
1974	4,300	3,726
1975	3,350	2,534
1976	3,620	2,612
1977	5,820	3,978
1978	7,215	4,590
1979	8,305	4,862
1980	9,060	4,866
1981	10,078	4,992
1982	7,920	3,777
1983	7,233	3,496

[1] Using BEA implicit price deflator for nonresidential plant and equipment.

Source: U.S. Department of Commerce.

TABLE 7.—3 ESTIMATES OF THE EFFECT OF QUOTAS UPON U.S. CAR PRICES

	Effect
1. Average price of new domestic cars sold—(labor cost, capital cost, regulatory cost, price of steel, 1972–74 price controls, vehicle sales).	
Period of estimation: 1961–1980. Standard error: $56. Excess of actual prices over predicted prices:	
1981	$237
1982	$236
1983	$829
2. Hedonic model: Price of a new domestic car—(weight, ride, handling, acceleration, size class, gasoline cost, dummy variables for various years).	
Period: 1970–83 models, 172 cars. Increase in estimated value during quota years for small cars—1981–83:	
Total	$826
Additional regulatory costs	$454
Net value	$372
3. Annual increase in Consumer Price Index:	
Total CPI (percent):	
1960–70	2.7
1970–80	7.5
March 1981 to December 1983	4.9
March 1981 to December 1983 (at 1970's ratio)	4.9
New car CPI (percent):	
1960–70	0.3
1970–80	5.1
March 1981 to December 1983	4.5
March 1981 to December 1983 (at 1970's ratio)	3.3
Ratio:	
1960–70	0.11
1970–80	0.68
March 1981 to December 1983	0.92
March 1981 to December 1983 (at 1970's ratio)	0.68

Note: Difference in behavior of new car CPI relative to total CPI in March 1981 to December 1983 compared with 1970's: 4.5 minus 3.3 equals 1.2 percent per year. Effect on new domestic car prices of 1.2 percent greater increase per year: Actual 1983 average price, $10,484; predicted 1983 average price, $10,116; difference, $368.

TABLE 8.—PROFITS BEFORE TAXES, 1970–83 [1]

	Before-tax profits (billions of dollars)	Before-tax profits (billions of 1972 dollars)	Before-tax profits per vehicle (1972 dollars)
Year:			
1970	1.2	1.3	160
1971	5.0	5.2	490
1972	5.9	5.9	520
1973	5.7	5.3	423
1974	.1	0	472
1975	1.9	1.5	165
1976	7.2	5.3	461
1977	9.4	6.5	513
1978	8.9	5.7	443
1979	4.7	2.7	235
1980	−3.8	−1.9	−239
1981	−.6	−.3	−37
1982	.9	.2	27
1983	7.7	3.2	353

[1] With inventory valuation adjustment.

Source: Department of Commerce, Motor Vehicle Manufacturers Association.●

BUDGET STATUS REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1984 pursuant to section 311 of the Congressional Budget Act.

Since my last report, the Congress has cleared for the President's signature H.R. 4170, the Deficit Reduction Act.

This communication supersedes my report made earlier this day.

The report follows:

REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET, STATUS OF THE FISCAL YEAR 1984 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 91, REFLECTING COMPLETED ACTION AS OF JUNE 28, 1984

[In millions of dollars]

	Budget authority	Outlays	Revenues
Second budget resolution level	922,125	852,125	679,600
Current level	920,494	854,531	666,378
Amount remaining	1,631		

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $1,631 million for fiscal year 1984, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in House Concurrent Resolution 91 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which result in outlays exceeding $0 million for fiscal year 1984, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in House Concurrent Resolution 91 to be exceeded.

REVENUES

Any measure that would result in revenue loss exceeding $0 million for fiscal year 1984, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in House Concurrent Resolution 91.●

PROTECTING INTELLECTUAL PROPERTY

● Mr. LAUTENBERG. Mr. President, I should like to invite my colleagues' attention to an article entitled "Protecting Intellectual Property" written by David S. Guttman, U.S. Patent Attorney for Welth, Shimeall & Kasari. This article, which appears in the May 1984 issue of Speaking of Japan, is a transcript of a speech delivered to the Licenses, Patents and Trademarks Committee of the American Chamber of Commerce in Tokyo, Japan. While acknowledging some progress, the article points out several provisions of Japanese intellectual property law which make it difficult for foreigners to receive fair and full compensation in a timely fashion for use of their

patents, trademarks, and trade secrets by the Japanese.

It is precisely this kind of problem that caused me to introduce S. 2549, the "Intellectual Property Rights Protection and Fair Trade Act of 1984." In that act, I proposed that the President undertake a comprehensive review of the various practices by foreign countries which lead to inadequate protection of intellectual property rights. We need to have better knowledge of these practices so that we might develop better strategies for dealing with the crucial problem of protecting our patents, trademarks, and copyrights in a time when lack of adequate protection can vastly impact on our trade balances and our long-term economic well-being.

I ask that the article be printed in the RECORD.

The article follows:

PROTECTING INTELLECTUAL PROPERTY: I

AN AMERICAN VIEWPOINT

(By David S. Guttman)

(Delivered before the Licenses, Patents and Trademarks Committee of the American Chamber of Commerce in Japan, Tokyo, February 28, 1984. These remarks were included in an 1983 ACCJ report, ACCJ Trade/Investment Barrier Survey Follow-up. A response from the Japanese Patent Office appears on pages 22-23.)

Among the most important assets to a foreign company beginning or maintaining trade or investment in Japan are its intangible business and product know-how and reputation. To protect these assets in Japan, such a company must rely on laws protecting patents and utility models (for inventions), design registrations (for product styling), trademarks and servicemarks (for brand recognition and reputation), and trade secrets (for confidential information), these being referred to generally as "intellectual property laws." Closely related will be those laws governing licensing and the court system available for enforcement of such intangible rights.

Although Japanese industry has shown spectacular export success in certain product industries, it is a mark of today's general international economic interdependence that Japan is neither self-sufficient in technology nor even a net exporter in the trade of such technological ideas. For example, many of the famous robots automating Japanese auto assembly are produced under license from U.S. companies; the lasers used to make video disks for TV display may come from the United States; and the master program in a Japanese personal computer is likely to have been written by a U.S. West Coast software designer. If Japan enjoys a trade advantage in certain products, this is from maximizing its strong points in production and some specific technology rather than from being able to maintain an across-the-board lead in all technology related to such products. For example, in 1980, the Bank of Japan reported that about $1,439,000,000 was paid overseas to import technological know-how, while only about 26 percent of this amount was recovered by receipts from abroad for countertransfers of Japanese technology. In Japan, technology import contracts are classified as "A" (long term, more than one year) or "B" (short term, less than one year), but in either case, it is the U.S. that is providing about half of this royalty-earning information.

It is on the basis of such technological strength that foreign companies have the opportunity to enter the Japanese market, alone or with a Japanese partner, and to finance further technological advances in part using revenues earned from licensing or operations in Japan.

Similarly, as Japan has internationalized its tastes in food and fashion, enormous royalties have been paid for the privilege of producing Japanese versions of famous brand foreign foods and clothes, or the brand owners themselves have entered the Japanese market to sell to its 120 million consumers.

While leading foreign companies remain confident that they can continue to produce intellectual property that will be eagerly imported and used by Japan, they have become alarmed that certain deficiencies in the Japanese intellectual property system may permit them only partial compensation for use of these valuable assets in Japan. They say these legal deficiencies existed in the past too, but that they are a more serious drain on foreign trade and investment now that Japan has become the world's second largest non-Communist economy with a comprehensive and efficient global information-gathering network. They point to such danger signals as the Prime Minister's Office report that, for new technology agreements since 1972, Japan's technology trade has been in the black, the receipts/payments ratio reaching 1.94 in Japanese FY 1979. Other examples are that, in 1980, Japanese companies obtained 7,173 patents in the U.S., while U.S. companies only obtained 3,698 patents in Japan, even though the U.S. has twice the population and 2.5 times the GNP of Japan.

U.S. companies complain that it takes much longer to get a patent or trademark in Japan than it takes their Japanese competitors to get patents or trademarks in the United States, and that, while the U.S. and most industrialized countries have laws to register servicemarks and protect trade secrets, Japan has not provided equivalent protection. In recent years, Japanese industry has swamped the Japenese Patent Office with about 400,000 patent and utility model applications per year, and the Japanese Ministry of International Trade and Industry (MITI), to which the Patent Office belongs, has not provided sufficient additional funds to remove the resulting giant application examination backlog.

Of course, the Paris Convention for the Protection of Intellectual Property (1967 Stockholm text) does not require Japan to grant foreign companies rights reciprocal to those Japanese companies receive abroad; the treaty only requires that the Japanese Patent Office treat foreign companies the same way, delays and all, it treats Japanese companies. And it is a fact that Japanese patent people have worked harder to understand other intellectual property systems, particularly the U.S. and European systems (learning English, studying abroad, translating manuals and books), than foreign patent attorneys to date have worked to understand the Japanese system.

But the Japanese intellectual property system is a particularly difficult one for non-Japanese to be successful in. The reasons include the problems of being a foreign applicant, language factors, inefficiency, and cultural factors. And, as will be illustrated with examples below, the effectiveness of Japan's intellectual property laws could be greatly improved; therefore those who wish to see world trade grow in a way that increases mutual efficiency and cooperation will find here some suggestions that could benefit both Japan and its trading partners.

In spite of the Paris Convention's requirement that each country treat domestic and foreign applicants alike, every country's law has certain provisions (such as proof of invention, publication, or filing abroad) that in practice apply differently or only to the foreign applicant. If such provisions have defects, there is unlikely to be any great pressure in the local legislature to amend them, whereas problems that affect the typical domestic applicant are most likely to get legislative attention. Also, those provisions of local law that differ markedly from what is typical in other countries are soon known to domestic applicants but likely to repeatedly trip up foreign applicants.

An example of such a provision is Japanese Patent Act, Article 124: "Where a patent has been granted for an invention already described in a publication distributed in a foreign country prior to the filing of the patent application (or for an invention which could easily have been made on the basis of such publication by a person having ordinary skill in the art) an invalidation trial under Section 123(1) may not be demanded after five years from the registration of the patent."

Generally, the best defense for a foreign company charged with infringement of a Japanese patent is to show, if possible, that the patent is invalid because the patented invention was already described in a printed publication (journal article, service manual, company brochure) distributed to the public before the effective filing date of the patent. This defeats the novelty of the invention and provides a basis for formal invalidation of the patent.

Although, generally, Japanese patent law treats publications distributed in Japan and abroad equally, Article 124 cuts off the defensive use of foreign publications to defeat a Japanese patent five years from the patent's registration date. Thus, a publication circulated abroad but not in Japan cannot be used as the basis of an invalidity trial against a Japanese patent five years from its registration, even if such a foreign publication clearly shows that the "patented" invention was already described in published literature available to the public abroad when the patent application was filed in Japan (i.e., lack of absolute novelty).

Another example of such problems for foreigners is Japanese Patent Act, Article 43, paragraph 2: "A person who has declared a priority claim under the Paris Convention shall, within three months of the filing date of his corresponding Japanese patent application, submit a written statement setting forth the filing date of the foreign application upon which the priority claim is based, certified by the Paris Convention country in which the foreign application was first filed, . . . together with a copy of the specification and drawings of the foreign application (or a copy of the official gazette or a certificate having the same contents) issued by the government of the Paris Convention country."

Paragraph 2 of the same article specifically provides that: "The priority claim of a person who has failed to submit the documents required by paragraph 2 within the time limit prescribed shall lapse."

Article 43 is used by foreign companies filing applications in Japan to get the bene-

fit of the filing date of their earlier home country applications under the Paris Convention. This article's priority claim procedure is unduly rigid, a deficiency which often causes loss of priority rights to foreign companies but has little effect on Japanese companies since it does not apply to Japanese domestic inventions. In practice, for U.S. companies what the article requires is that to make a priority claim a certified copy of the U.S. application must be submitted within three months of the U.S. company's Japanese filing date. On occasion the U.S. Patent and Trademark Office has been slow in issuing the certified copy or has issued a defective copy. But even then, the Japanese Patent Office refuses to allow an extension of the deadline, although the delay is no fault of the applicant and there is no harm caused to anyone by the delay. The result can be a catastrophic loss of all rights in Japan to the invention concerned.

By comparison, the U.S. rule for the same situation, 35 CFR 1.55(b), does not require submission of the certified copy of a foreign application until it is actually needed during examination by the U.S. patent examiner, often years after the application is filed: "The claim for priority and the certified original copy of the foreign application . . . must be filed in the case of an interference procedure, when necessary to overcome the date of a reference relied upon by the examiner, or when specifically required by the examiner. In all other cases they must be filed not later than the date the issue fee is paid. . . ."

Although Japanese is not a more difficult language than English, it does have a more difficult to learn writing system based on some 3,000 Chinese characters read in a way that even the Chinese find puzzling. A Japanese person who learns English can then use it as a trade language throughout the world, but a foreigner who learns Japanese can only use it in Japan. The result is that a reading knowledge of English is in practice a requirement for most Japanese who do patent and trademark work, but few foreign patent attorneys, perhaps less than 10, can read Japanese.

Under Japanese patent and trademark procedure, before an application can be finally approved, it must be published in the official gazette so that the applicant's competitors will know about it and can, if necessary, oppose granting of the application by offering proof that it is deficient in some manner. But the present law only allows the competitors, both Japanese and American, two months in which to read the published application and find evidence to oppose it. Since the publication is entirely in Japanese, it is expensive and difficult for foreign applicants to obtain translations and reach an informed decision on whether to file an opposition within the allowed time.

It would be more realistic for the law to allow four to six months for filing an opposition, and this would greatly benefit foreign applicants without depriving any properly allowable Japanese application of registration. Also, it would be reasonable for the Japanese Patent Office to require Japanese applicants to give such basic information about the invention as the inventor's and applicant's names, addresses, and title in English as well as Japanese. Such a realistic English notice requirement would then also make Japanese applications easy to enter into the world's international English language computerized database systems as soon as the application is published.

With respect to the names of foreign inventors and applicants, the present Japanese patent record system is the same as in the Edo period made famous by the "Shogun" film series. All foreigners' names are entered into the record-keeping computers in Japanese katakana script so that their original pronunciation is irretrievably lost. Not even a Japanese native speaker can be confident in reading these entries as to the actual name or address of the inventor or applicant. Further, the names of foreigners are all indexed together by their first names rather than their family names; i.e., all inventors and applicants named "Tom" appear together in the same place. In practice, this means that both Japanese and foreigners encounter great difficulty in using the inventor and applicant indexes of foreigners' applications. This problem would be removed if the Japanese Patent Office additionally entered such information (already in the file anyway on the power of attorney and priority documents) in roman letters as well as Japanese script.

Although Japan is famous throughout the world for its efficiency in building autos, ships, and electronics, the competitive drive which made these industries improve their procedures and equipment is absent from the Japanese Patent Office, which after all, is not in competition with anybody. An enormous backlog of unexamined applications has built up and the total processing time from filing to registration of a patent or trademark is many times that needed for the actual examination and processing performed.

Each year, the Patent Office publishes a 300-page book of statistics of its activities, but the important statistic of how long it takes the average patent or trademark to move from application to registration is not available. The Patent Office only publishes statistics of the processing time for intermediate steps of procedure, such as from request for examination to disposal by the examiner, which may only take two or three years. But intermediate statistics do not include various usual delays in the total processing time such as the time initially needed for formality examination and laying open when an application is first filed. Following a decision to permit registration, there are overly long delays in acually issuing the registration certificate (often six to nine months from the decision to permit registration). Other delays occur in deciding oppositions (a year or more) and routine appeals (two to three years). From filing to registration, a random check of the patent registrant's index indicates that six years is typical in patent prosecution. Trademark prosecution varies somewhat with the class of goods, but four years or more would be typical. Another delay is the time it takes the Patent Office to record a simple annuity payment on a patent, a procedure about as complex as paying an electric bill. Often, the Patent Office has not completed this procedure six months after the annuity has been paid.

By contrast, the U.S. Patent Office, itself no model of efficiency, is currently issuing patents in about 23 months and has the funds and commitment to reduce the issuing process to 18 months by 1987. In the trademark area, a current average processing time of about 22 months will be reduced to a 13-month registration procedure by 1985.

Although the Japanese Patent Office says the cause of its multiyear backlogs is too many filings by Japanese applicants, the Patent Office's own procedures and rules encourage such overfiling. For example, the Patent Office discourages related inventions from being filed in the same application, preferring to examine each in a separate application. The result is that Japanese companies file several applications to cover a single inventive concept. Patent Office rejections are often laconic and consist of mere checking of a box on a rejection form, resulting in a flood of appeals to the Board of Appeals, itself understaffed. And existence of a separate utility model system in addition to the patent system is a needless duplication.

A visit to the Patent Office reveals that though it is staffed with bright, energetic MITI personnel and technical experts, its own office procedures and equipment are hardly in the forefront. For example, after an office action is finally prepared, it goes to another official who issues a certified copy for sending to the applicant, which delays mailing another month or two. And, although in principle, patent and trademark files are not secret (in the case of patents laying open of the file takes place 18 months from filing), when such files are in use by the examiners, requests to view their contents are refused for long periods of time with the result that competitiors (and sometimes the applicant himself) cannot follow the progress of the case.

The differences in law and performance between the U.S. and Japanese intellectual property systems are significant enough to permit an inference that the systems have different roles in the two societies. In the United States, patents are rewards to inventors and investors, playing a primary role in obtaining venture capital to develop new ideas. Hence it is thought important to give the applicant every chance, even a second chance, to obtain his reward, even if he initially makes some procedural errors. Patents are issued with individually enforceable multiple claims so that a mere error in wording will not vitiate the inventor's right to exclude others from using his invention. Enforcement, though expensive and tedious, is assisted by the courts which issue discovery orders to help the patent owner learn if his invention is being infringed in his competitor's factory.

Trademarks, which define boundaries between competitors, can be relatively rapidly and absolutely enforced (by preliminary injunction), hence, the Patent Office and the courts are careful to inquire into and limit a trademark owner's rights to his actual marketplace use of his mark, with some allowance for natural expansion.

The present Japanese patent and trademark system is largely a foreign import of German civil law, albeit with Japanese fine tuning. Keeping in mind its non-Japanese origins and the Japanese aversion to settling disputes according to absolute legal rights, perhaps the delay and uncertainties of the present system are themselves the fine tuning that has been used to adapt this foreign legalistic system to Japan. Under the patent law, all patent applications are automatically disclosed to the public after 18 months from the priority date, but the reciprocal reward due the inventor is slow in coming. So there is little danger that some smart newcomer will immediately galvanize an industry with a promptly granted and easily enforceable patent right to a new invention; the system favors larger, established organizations that can let sleepy portfolios of individually uncertain patent applications mature with time.

The trademark system also favors organizations who can strategically finance and file massive numbers of proposed trade-

marks in a number of classes years in advance of use, not the impulsive newcomer with the need for an immediate registration.

Thus, it may be that before Americans can expect the Japanese to reform their intellectual property system in a way that encourages newcomers to risk initiating trade and investment, they will first have to convince Japanese business leaders that the patent and trademark system should play a primary, not secondary, role in attracting capital for efficient economic development.

The most serious problems for foreign patent applicants are the sporadic, rigid examination process in the Patent Office and the uncertainty of enforement in the courts. For example, after the application is filed, if some formality error is detected by the Patent Office, such as an inconsistency in the spelling of the applicant's address, a corrective response is called for in just 30 days (with no extensions), even though the applicant may be on the other side of the world (a boon to private air couriers). But once past the formality examination, there is often a dead silence from the Patent Office for four or five years, even if substantive examination has been requested, because there is a backlog of unexamined prior applications in each field. Once examination on the merits begins, the applicant is given three months to respond to each office action, extendable for an additional month. Considering that a response will involve two translations, one of the office action into English and one of the applicant's response into Japanese, the time for response is rather short compared with, for example, the maximum of six months allowed in the United States. Having rushed to respond, the applicant is often surprised not to hear from the Patent Office for another year or so, by which time the examiner in charge may have changed.

Not only do many examiners issue rejections with only the briefest explanation (a check in a box) as to why a certain prior publication makes all claims obvious, but if they are not satisfied with the applicant's guess as to a proper response, their next office action is a final rejection: the procedure then comes to an unfavorable halt unless the applicant files an expensive appeal to the Patent Office Board of Appeals. Considering that the applicant has waited several years for the examination, it would seem fairness requires at least a couple of chances to reply to the examiner before a final rejection is issued. Not surprisingly, the Patent Office is concerned at the large number of appeals filed to the Board of Appeals, which is understaffed for its caseload.

Enforcement of patents is a headache because the courts require a large official fee to file a case, but then, because there is no discovery process, can be of little help to the patent owner in obtaining proof of infringement, particularly of process patents which can be secretly used in the infringer's factory where the patent owner has no right of access. Further, even where the patent owner has taken care to use both independent (broad) claims and dependent (successively narrower) claims to define his invention, the dependent claims are not separately enforceable as in many other countries, such as the United States. Hence, even if a patent has several allowable dependent claims, if the broadest (independent) claim of the patent is found unenforceable, the patent is unenforceable until the patent is corrected (by a three-year procedure at the Patent Office).

The Japanese trademark system is based on the principle of first to apply. This means that if a Japanese person learns of a foreign trademark that has not yet been applied for in Japan, he can apply for such mark and get rights superior to the foreign company that originated the mark. Each year, about 4,000,000 Japanese go abroad to see the world, 1,000,000 to the United States alone. Obviously, these trips and the many foreign magazines that circulate in small numbers in Japan present temptations to appropriate foreign marks not yet filed in Japan. The current Trademark Act, Article 4, paragraph 1, item 10, allows an examiner to reject such an application if the foreign company's mark has become "well known" in Japan in the class of goods concerned, but it is usually difficult to prove that such an unregistered mark has become "well known in Japan" among consumers. Some more realistic standard, such as "already known to those in Japan dealing in the goods concerned as another's trademark well known abroad in a country party to the Paris Convention" is needed.

Another problem for foreign trademark owners is proving use in Japan to obtain trademark renewal each 10 years. Often, during the 10-year registration period, the mark in use has changed slightly so that the specimen of use offered to support renewal is not identical with the registration, but merely "similar." Currently, a very strict standard is applied so that use of a mark merely "similar' may be cause for rejection of the renewal application, with the disproportionate effect that a 10- or 20-year-old valuable trademark system) is lost. It would be more reasonable to allow the renewal applicant whose mark in use has changed to accompany his renewal application with an associate trademark application for the changed version; if the associate trademark application is approved for registration (as sufficiently similar to the original registered mark), then the renewal too ought to be granted.

In highly developed market economies such as those of Japan, Western Europe, and North America, the service sector is increasing rapidly, but yet Japan still has no register for protecting servicemarks, domestic or foreign. Foreign servicemark owners would be greatly benefited if such registration was permitted. This could be done if Japan were to adopt the International Classification of Goods and Services (Nice Agreement) as amended in Stockholm in 1967. Japan presently has its own 34-class trademark system, but it would be helpful for it to convert to the international classification which has already been adopted by the U.S., the major countries of Europe, and the Soviet Union.

Japanese companies are daily busy creating, using, buying, and selling "trade secrets," the Japanese government taxes profits made from licensing them, and Japanese accountants can list them on balance sheets when purchased or received as consideration for stock. yet, the legal protection for trade secrets in Japan is, except for the contractual enforceability of a nondisclosure agreement against the parties to the agreement, weak or nonexistent. This is because Japan has a civil law system emphasizing statutory law but no special Japanese statute to define a "trade secret," the means for acquiring it, its qualities as a form of property, and the extent and mechanism for its protection.

It would be very helpful to protecting the proprietary information of both foreign and domestic companies if Japan would enact legislation, either along the lines of the German Unfair Competition Prevention Law (whose trade secrets provisions Japan considered but rejected in 1934) or the more recent U.S. Uniform Trade Secrets Act to assure meaningful trade secret protection in Japan.

This report has attempted to focus attention on provisions of Japanese intellectual property law that need improvement, either in the laws themselves or their implementation, so that foreign companies whose patents, trademarks, and trade secrets are used in Japan will receive full and fair compensation for the use of their property to encourage ther trade and investment in Japan. Indeed, it may be that improving such basic incentives to do business with and in Japan may be the way least difficult domestically to Japan for reducing controversy about trade balances.

Japanese patent attorneys may respond to these suggestions for improvement by citing certain intellectual property law provisions in other countries that are particularly onerous to Japanese inventors and trademark owners filing from Japan. But a fortiori this means that both Japan and its trading partners should agree to streamline their respective intellectual property systems to promote worldwide the best service and most efficient ideas.●

CONFERENCE REPORT ON H.R. 5653, ENERGY AND WATER APPROPRIATIONS

RE AMENDMENT NO. 46—MAKING APPROPRIATIONS FOR SURA SUPERCOMPUTER CENTER

● Mr. MATTINGLY. Mr. President, I would like to clarify one matter briefly, and in that regard would ask the chairman, my distinguished colleague from Oregon, to recall our conference discussions regarding an appropriation of $7 million which the House had included in its bill for the purpose of establishing a supercomputer center at Florida State University in connection with the Southeastern Universities Research Association [SURA] Program. As the Senator will remember, I raised some serious questions about the manner in which this particular project had been approved by the House, and I noted my concerns that there seemed to be lacking any evidence that this project was the most cost-effective option available, or that it was not a duplication—in whole or in part—of other supercomputer acquisition and enhancement projects which are also underway through the Department of Energy, Department of Defense, and the National Science Foundation. I also expressed my extreme concern that this award was being made in an unusual manner which allowed the institution in question to proceed without going through the stages of submitting any competitive proposals. And finally, I raised the question of whether this first installment on a project which will eventually cost some $55 million was justified in light of the fact that our Senate committee had refused funding for the

SURA accelerator facility in Virginia which the supercomputer center would allegedly provide computational support. Finally, Mr. President, I believe the able Senator from Oregon will recall that I reluctantly agreed in conference that the Senate recede from its amendment which would have removed the $7 million from the House bill based upon the further agreement that the conference report would contain language instructing the Department to review this and subsequent similar proposals to determine whether they are indeed cost effective and whether or not they duplicate other efforts in the same field. Is this the chairman's recollection of our conference discussions and agreements?

Mr. HATFIELD. Yes; the Senator's recollection is accurate.

Mr. MATTINGLY. Then, Mr. President, I would simply remind the chairman that I had submitted proposed language to this effect before the close of the conference, and that the respective staff persons had been charged with working out a final version which is a part of the package which is before us for final approval today. Now the verbiage contained in the final print is somewhat different than that which I submitted at conference, however, my question would be to enquire whether or not it is the chairman's opinion that the relative effect of the printed language would be about the same as the wording which I presented? Would this language apply to all future projects of this nature, as well as to the immediate project which is identified in the bill and the House report, to require that the Secretary of Energy review all such proposals and determine—through competitive practices and review, if necessary—that they are needed projects, that the selected proposal or proposals are cost effective solutions, and that such programs will not overlap extensively or duplicate other efforts which are being funded through the Government or which are being adequately provided by the private sector? Is this the effect of this revised conference report language?

Mr. HATFIELD. Yes; I believe this is the purpose of the language in the Statement of Managers.

Mr. MATTINGLY. Mr. President, I thank my friend and able colleague from Oregon, and I want to again point out how well he and my friend from Louisiana, the ranking member on the subcommittee, Mr. JOHNSTON, have managed this bill from the initial hearings up to and through the presentation of this conference report here today. I commend them both, and also the other subcommittee and Appropriations Committee members, for bringing out a bill which shows a great deal of spending restraint and yet which, I believe, adequately provdies for all programs within its jurisdiction.●

TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM—RULES

● Mr. QUAYLE. Mr. President, in accordance with rule XXVI of the Standing Rules of the Senate, requiring the publication of the rules of each Senate committee in the CONGRESSIONAL RECORD, I submit the rules of the Temporary Select Committee to study the Senate committee system and ask that they be printed in the RECORD.

The rules follow:

RULES OF THE TEMPORARY SELECT COMMITTEE TO STUDY THE SENATE COMMITTEE SYSTEM

1. MEETINGS

a. Meetings may be held at the call of the chair, provided at least 24 hours notice is furnished to all members.

2. QUORUMS

a. A majority of the members of the committee shall constitute a quorum for the transaction of business, except that one member shall constitute quorum for the purpose of taking testimony.

3. CHAIRMAN AND MEMBERSHIP

a. The committee shall select a chairman from among its majority party members, and a co-chairman from among its minority party members.

b. The co-chairman shall act in the absence of the chairman, and in the absence of both, the duties of the chair shall be filled by a committee member designated by the chairman.

4. ORDER OF BUSINESS

Questions as to the order of business and the procedure of the committee shall in the first instance be decided by the chairman, subject always to an appeal to the committee membership.

5. HEARINGS PROCEDURE

a. The chairman or any member of the committee may administer oaths to witnesses.

b. The committee shall publicly announce the date, place and subject matter of any hearings to be conducted by it at least one week before the commencement of that hearing, unless the committee determines that there is good cause to begin such hearing at an earlier date.

c. The committee shall require each witness who is to appear before it to file with the clerk of the committee, at least 48 hours in advance of the witness's appearance, 25 copies of a proposed statement. The chairman and co-chairman may excuse a witness from such requirement upon good cause.

d. Any three members of the committee shall be entitled upon request made to the chairman, to call additional witnesses or to request the production of documents during at least one day of hearings.

6. TELEVISION AND RADIO COVERAGE

a. Any meeting or hearing of the committee which is open to the public may be covered in whole, or in part, by television broadcast, radio broadcast, or motion picture or still photography subject to the consent of the Committee. Photographers and reporters using mechanical recording filming or broadcasting apparatus shall position their equipment so as not to interfere with the seating, vision and hearing of the committee members and staff on the dais, or with the orderly process of the meeting or hearing.

b. No witness shall be required to be photographed at any hearing or to give testimony while the broadcasting (or coverage) of that hearing is being conducted. At the request of any such witness who does not wish to be included in radio or television coverage, all equipment used for coverage shall be turned off.

7. COMMITTEE RECORDS AND TRANSCRIPTS

a. Accurate stenographic records shall be kept of the testimony of all witnesses in closed and public hearings.

b. Transcripts of all public hearings and meetings of the committee will be open for inspection by the public at the offices of the committee during business hours.

8. SUBPOENAS

Subpoenas authorzied by the committee may be issued over the signature of the chairman, or any other member designated by the chairman, and may be served by any person designated by the chairman or member signing the subpoena.

9. PROXIES

a. Proxy voting shall be allowed to the extent permitted by the Rules of the Senate.

b. Proxies shall not be considered for the purpose of establishing a quorum.

10. POLLING

a. The committee may poll only (1) internal committee matters including matters related to the committee's staff, records, and budget; (2) authorization for investigation procedures, including the authorization and issuance of subpoenas, and requests for documents from agencies; (3) other committee business, not including a final vote on reporting to the Senate, which has been designated for polling at a meeting.

b. The chairman shall circulate polling sheets to each member specifying the matter being polled and the time limit for completion of the poll. If any member so requests, the matter shall be held for a meeting rather than being polled. The chief clerk shall keep a record of polls.

11. STAFF

a. Detailees and Consultants. The chairman shall have authority to use on a reimbursable basis, with the prior consent of the Committee on Rules and Administration, the services of personnel of any department or agency of the United States and shall have authority to procure the temporary or intermittent services of individual consultants or organizations.

b. All staff employed by the committee or housed in committee offices shall work for the committee as a whole, under the general direction of the chairman or co-chairman, and the immediate direction of the staff director.

12. RULES CHANGES

a. The rules of the committee may be changed, modified, amended or suspended at any time provided that not less than a majority of the entire membership so determine at a meeting called with due notice.

b. Any amendments adopted in the rules of the committee shall be published in the CONGRESSIONAL RECORD not later than thirty days after adoption.●

S. 1739—A NEW APPROACH

● Mr. STAFFORD. Mr. President, many of my colleagues, I know, share my concern that we may never have the opportunity to consider S. 1739 on the Senate floor this year.

S. 1739, the Water Resources Development Act, is an important and needed bill. I intend to continue to do what I can to get this bill considered and passed this year.

It is clear to me that the core issue in S. 1739 involves commercial navigation, particularly inland navigation, and the issue of whether the costs for improvements shall continue to be the responsibility of the taxpayers at large, or whether direct beneficiaries should eventually shoulder a larger portion of those costs.

In considering this issue, persons of various viewpoints have shown little inclination to seek a middle ground. I believe we must narrow the issues and search for some common ground before we are likely to obtain floor action on the bill. I hope that all interested parties will act to move toward compromise.

In an effort to stimulate debate—and work toward a resolution on the issues—I would like to suggest an alternative that has not yet been mentioned in the user charge debate. My suggestion seeks to move this issue off dead center, to narrow the gap, to provide an alternative that may prove attractive to all parties.

A number of the arguments against our Environment and Public Works version of title 5 of S. 1739 involves the allegation that title 5 unconstitutionally delegates taxing authority, that title 5 leaves too many uncertainties over what the level of use charges might be even though users themselves would set those charges, and that title 5 imposes new charges when we fail to use what money the Government has collected in the existing Inland Waterway Trust Fund.

The debate over inland use charges has two components. First, is the need to hold down the exposure of the taxpayer to new spending.

Second, is the need to encourage the beneficiaries to work with Federal officials on new development efforts—to develop the most cost-effective program reasonable.

My suggestion meets each of those needs. Specifically, I suggest that we release every penny in that Inland Waterway Trust Fund and dedicate it to finance the full cost of constructing any locks and dam projects not now under construction.

This alternative would simply dedicate what exists in law—the present fuel tax and the present trust fund—to be used exclusively on construction of new waterway projects.

I must emphasize that this would affect only new projects. Thus, as one example, the Red River waterway, and any other project under construction, would be complete during general revenues. The now-authorized component of locks and dam 26 would be completed from general revenues.

Ancillary portions of a new commercial inland project, such as a hydropower component, would also be financed from general revenues.

Under this approach, sections 501 through 504 of S. 1739 would be eliminated entirely.

Thus my suggestion meets what I believe are all the primary objections of the waterway interests. It contains no new taxes. It contains no new taxing or fee authority. It establishes no new boards.

It simply allocates money already collected—and money to be collected under existing law—for the purpose for which that money was intended when the trust fund was established in 1978.

I have put together a chart, based on figures provided by the Corps of Engineers, to show what would happen if spending on the new projects occurred at an optimum pace. If the pace were slower, as is likely, less money would be needed from the trust fund. The Corps believes it is unlikely that construction would begin on all of these projects as quickly as the chart assumes. If that turns out to be true, spending would be less, with an increase in the carryover funds; two of the seven projects, of course, have not yet been included in our bill for authorization.

Further, the chart reflects the full cost of each of the seven projects, not the commercial navigation feature and component of the project.

Mr. President, I ask that this chart be printed at the conclusion of my remarks. As my colleagues will note, this approach would obviate the need for any new fee or tax during the remainder of this decade.

Thus, such an approach would provide the Congress, the executive branch, and outside interests the remainder of this decade to address the issue of how best to increase future revenues to pay for additional projects.

It appears to me to be a sound, responsible approach, one designed to assure that we will tackle the tough issues in the years ahead.

Mr. President, I believe this is a responsible alternative. We need to develop a bill that not only will get through the Congress but will also be signed by the President. For that reason, I would hope that an alternative such as this one might meet the needs of the administration for responsible cost control, yet get us started on needed work.

Mr. President, I also ask that a draft amendment along these lines be printed at this point in the RECORD.

The materials follow:

EXPECTED DOLLAR IMPACT OF PROGRAM TO CONSTRUCT NEW LOCK AND DAM PROJECTS USING THE EXISTING INLAND WATERWAY TRUST FUND

[in million of dollars]

	Income to trust fund during year	Spending from the trust fund during year on new construction	Balance in waterway trust fund at end of fiscal year
Fiscal year:			
1984			$140
1985	55	7	188
1986	70	23	235
1987	75	50	260
1988	80	100	240
1989	85	170	155
1990	95	200	50

Assumptions: Construction on seven new lock and dam projects financed entirely from the trust fund, with projects to begin as follows:

Fiscal year 1985—Gallipolis, Bonneville, Oliver, and the second chamber of lock and dam 26.

Fiscal year 1986—Monongahela locks 7 and 8.

Fiscal year 1987—Winfield.

DRAFT AMENDMENT TO TITLE 5 OF S. 1739

On page 112, beginning on line 11, strike all through line 4 on page 117, and insert in lieu thereof the following:

"SEC. 501. (a) Any sums deposited in the Inland Waterway Trust Fund, established pursuant to Public Law 95-502, shall be available for obligation by the Secretary, upon his request, to be utilized for the construction of any lock and dam project for the purposes of commercial navigation on the inland waterways of the United States, if such construction was initiated after June 30, 1984: *Provided, however,* That such Trust Fund shall be the sole source of Federal funding for the commercial navigational features and components of such project.

"(b) For the purpose of this section, the term:

"(1) 'inland waterways of the United States' means those waterways and harbors authorized to be constructed or maintained by the Secretary to depths of fourteen feet or less and utilized for the purposes of commercial navigation, provided that such definition includes the Columbia River, Oregon and Washington, from Lewiston, Idaho, to the downstream side of Bonneville Lock and Dam; and

"(2) 'commercial navigational features and components' means those portions of a lock and dam project on the inland waterways of the United States that is designated and utilized primarily for the purposes of commercial navigation."

Renumber subsequent sections accordingly.●

PROPOSED ARMS SALES

● Mr. PERCY. Mr. President, section 36(b) of the Arms Exports Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to

the full Senate, I ask to have printed in the RECORD the notification I have received.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, June 27, 1984.

Hon. CHARLES H. PERCY,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 84-53, concerning the Department of the Army's proposed Letter of Offer to Kuwait for defense articles and services estimated to cost $82 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

PHILIP C. GAST,
Director.

TRANSMITTAL NO. 84-53

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Kuwait.

(ii) Total estimated value:

	Millions
Major defense equipment [1]	$0
Other	82
Total	82

[1] As defined in section 47(6) of the Arms Export Control Act.

(iii) Description of Articles or Services Offered: Product Improvement Program (PIP) modification kits to include hardware for the Improved (I)-HAWK and AN/TSQ-73 missile minder systems with installation, technical and logistical engineering assistance, concurrent spare parts, related support equipment, support, publications, and training.

(iv) Military Department: Army (UGW).

(v) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None.

(vi) Sensitivity of Technology Contained in the Defense Articles or Defense Services Proposed to be Sold: None.

(vii) Section 28 Report: Case not included in Section 28 report.

(viii) Date Report Delivered to Congress: June 27, 1984.

POLICY JUSTIFICATION

KUWAIT—I-HAWK PRODUCT IMPROVEMENT PROGRAM MODIFICATION KITS

The Government of Kuwait has requested the purchase of Product Improvement Program (PIP) modification kits to include hardware for the Improved (I)-HAWK and AN/TSQ-73 missile minder systems with installation, technical and logistical engineering assistance, concurrent spare parts, related support equipment, support, publications, and training at an estimated cost of $82 million.

This sale is consistent with the stated U.S. policy of assisting other nations to provide for their own self-defense by allowing the transfer of reasonable amounts of defense articles and services. It will demonstrate the continuing willingness of the United States to support the Kuwaiti effort to improve the security of the country and thereby increase the stability of the Persian Gulf region.

The articles and services being offered are a continuation of support which has been provided to the Government of Kuwait since its acquisition of the HAWK air defense system in 1974. The I-HAWK PIP modification kits will be used to provide follow-on support in up-grading the HAWK air defense system employed by the Government of Kuwait. Acquisition of the PIP is essential to maintaining configuration commonality with I-HAWK systems employed by U.S. forces, thereby permitting continued logistical support.

The sale of this equipment and support will not affect the basic military balance in the region.

The principal contractors will be the Raytheon Company of Andover, Massachusetts; Litton Systems, Incorporated of Van Nuys, California; ITT Gilfillan of Van Nuys, California; and the Northrop Corporation of Anaheim, California.

Implementation of this sale will require the assignment of four additional U.S. Government personnel for 60 days and 29 contractor representatives for one year to Kuwait.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

THE DAY OF MARTYRS AND POLITICAL PRISONERS IN IRAN

● Mr. LEVIN. Mr. President, it is with a spirit of hope that I join my colleagues and others who support democracy, freedom, and human rights in commemorating June 20, "the day of martyrs and political prisoners in Iran." The symbol of this event is the march of 500,000 people in Tehran which took place June 20, 1981. The 500,000 Iranians began as a peaceful demonstration demanding restitution of their democratic rights.

The Khomeini government and police force responded to this peaceful demonstration with even more repression. The police opened fire on the crowds, killing many and arresting even more. Within 24 hours of the demonstration, participants who had been arrested were executed, too.

The commemoration of the third anniversary of this day serves as a reminder of the atrocities committed by Khomeini's regime. Since the beginning of this repressive regime, tens of thousands have been executed or incarcerated as a result of their search for freedom.

We should let those courageous Iranians know that even as they suffer at the hands of the Khomeini regime, the American people and Government support their initiatives on the behalf of freedom, justice, and human rights in Iran.●

GRADUATING, DRINKING AND DRIVING

● Mrs. HAWKINS. Mr. President, a very special time is approaching for many of the 18-year-olds in our country.

Graduating from high school can be exciting, fun-filled, inspirational, magical, and lethal.

As the attached editorial column points out, the combination of graduation celebrations, alcohol, and driving can be a deadly one. In a continued effort to prevent young lives from being unnecessarily cut short, I am inserting the attached in the RECORD.

As chairman of the Subcommittee on Alcoholism and Drug Abuse, I wish to add my voice in pleading with teenage drivers to take care at this special time in their lives: You have many more special times to come. Don't allow a deadly combination of drinking and driving to make this happy time a tragic one.

I ask that the attached article entitled "What's Deadly About Graduation?" from the Washington Post of May 5, 1984 be printed in the RECORD.

The article follows:

WHAT'S DEADLY ABOUT GRADUATION?

All right, high school seniors—here's a mini-SAT (Senior Attitude Test) for you: Graduation is (a) important; (b) fun; (c) potentially lethal; (d) all of the above. If you answered (d) and think you know why, describe in two words the No. 1 killer and cripler of teen-agers today. If you answered "drunk driving," then relate that to the first question and you have good reason to join others among the region's estimated 60,000 graduating students who will do what they can to keep classmates who have been drinking from doing any driving.

Tonight and for the next several weeks, there will be partying—and drinking. And there will be lots of police around, too, enforcing the law along the roads in every jurisdiction—not as spoilers but as part of an areawide campaign to let this be a happy time, unhaunted by the most frequently committed violent crime in America.

The emphasis of the campaign is not on preaching to youngsters but on appealing to the maturity of young adults to "have a good time, but play it smart." As part of "Project Graduation," police, parents, students, teachers and government and business leaders are spreading the word and offering assistance, such as dial-a-ride systems for free transportation (master number: dial AAA-LIFT); and placing reminder cards on tables where proms are held, and in tuxedos, graduation caps and gowns and corsages.

There is nothing clever, manly or cool about driving after drinking. As the posters note, a good friend doesn't let a friend drive drunk. At graduation time, who needs that grief?●

THE 50TH ANNIVERSARY OF AUFBAU

● Mr. MOYNIHAN. Mr. President, we hear much about the demise of newspapers, so I am delighted to come before you today to celebrate one at its 50th anniversary. Aufbau, one of the distinguished ethnic weeklies in our Nation, achieves this milestone this month and I offer my felicitations.

This German-language newspaper, whose title means "reconstruction," was founded in 1934, and grew to prominence as refugees from Nazi Germany fled to our country throughout that decade.

Under Editor Manfred George, Aufbau was utterly critical of Adolf Hitler, and its pages were an influential formum for German-American foes of Nazi Germany before and during World War II. At war's end, the paper vigorously advocated German democracy and supported the creation of the State of Israel.

Thomas Mann and Albert Einstein are among the many eminent contributors who have helped Aufbau earn its reputation for excellence.

Mr. President, Aufbau circulates in 45 nations today, and is read in Eastern Europe. I congratulate the current editor, Mr. Hans J. Steinitz, and his staff, and I wish them well in the half-century ahead.

I ask to have printed in the RECORD an article about Aufbau, which appeared in the June 21, 1984, editions of The New York Times.

The article follows:

[From the New York Times, June 21, 1984]

50TH ANNIVERSARY FOR A PROUD NEWSPAPER

Its loyal Jewish immigrant readership is slowly dying, but Aufbau, the German-language weekly that crusaded against Hitler and counted among its contributors Thomas Mann and Albert Einstein, is celebrating its 50th anniversary of continuous publication.

"We are very proud of our record," Gert Niers, the executive editor, said. "We were in the vanguard who reported what Hitler was doing."

A special anniversary issue was published last week, and plans are being made for exhibitions here and abroad.

Hans J. Steinitz, who escaped from a concentration camp in France by going over the Alps into Switzerland, has been Aufbau's editor for 20 years. At the age of 72, he still writes editorials and reviews books and plays. Twice a week, he visits the newspaper's office, at 2121 Broadway, between 74th and 75th Streets.

"The remarkable thing is that it's survived 50 years," he said. "Usually, ethnic newspapers last only one generation."

With most of its readers in New York, Aufbau's circulation has dropped over the years, from 50,000 to 15,000. "The day will come when this readership is extinct," Mr. Niers said.

Aufbau's circulation figures have never accurately reflected the number of people who actually read the newspaper, Mr. Steinitz said. "Every copy is read by 6 to 10 people," he said.●

FIRPTA REPEAL

● Mr. GOLDWATER. Mr. President, there is a provision in the tax bill we passed yesterday which will be short lived if I have anything to do with it. I am referring to the FIRPTA withholding language of the bill.

FIRPTA, the Foreign Investment in Real Property Tax Act, levies a discriminatory tax burden on foreign investors who sell real property holdings in the United States. I have introduced a bill, S. 1915, to repeal FIRPTA. A hearing was held by the Finance Committee on the bill last week, on June 19. Several expert witnesses appeared at the hearing, all of whom testified that FIRPTA is harming the U.S. economy and serving no useful purpose. Perhaps the most striking testimony was given by managers of large foreign investment funds, and by large I mean funds containing the equivalent of tens of billions of dollars, who stated bluntly that foreign investors are very likely to cut back on a wide range of investments in the United States because of FIRPTA.

It should be known that FIRPTA does not apply merely to direct investment in U.S. real estate or solely in corporations which are formed in order to look for enhancement of real estate values. FIRPTA is so sweeping it applies to such things as investments in oil and gas leases and to stock interests in any U.S. manufacturing or production firm in which a foreign investor holds more than 5 percent of the company's stock. FIRPTA strongly discourages investment that could be used to increase the competitiveness of U.S. industries and create more jobs for U.S. citizens.

Mr. President, I realize that the tax bill contains a provision which the Treasury Department claims will solve the numerous practical problems created by FIRPTA. However, all withholding will do is to make the present situation far worse than it already is. Withholding does not even give a complete exemption from reporting requirements to foreign investors, but it authorizes the Department of the Treasury to continue reporting requirements on the very broad range of investments defined as direct real property investments by the language of FIRPTA. I am certain the problem of writing workable and understandable regulations under the new withholding provisions will be just as difficult as it was for the Internal Revenue Service to establish workable regulations under the original law. Incidentally, no final reporting requirements have been issued to this date, almost 4 years after the enactment of FIRPTA.

Mr. President, I do want to take this opportunity to correct some of the erroneous claims which appeared in a publication distributed at the June 19 hearing by the Joint Committee on Taxation. That publication falsely stated that the Department of the Treasury study of May 1979, prepared for Congress before the enactment of FIRPTA, indicated that the projected revenues from FIRPTA would be $226 million. Actually, the table in that Treasury report indicated that a FIRPTA capital gains tax applicable to all real estate would produce $142 million, some $84 million less than the Joint Committee claimed.

Also, I would note that the revenue effect projected by the Treasury Department under the withholding provisions in the Senate passed version of the pending tax bill estimated that an even lower amount, $104 million, would be raised from the withholding provisions cumulatively over the period from 1984 to 1989. This was based on a withholding tax of 20 percent. The pending conference report reduces the withholding tax to 10 percent, and this would clearly require a compensating reduction of the revenue projection.

Moreover, I think a much more revealing fact appeared in the Treasury Department report of 1979 which was not reprinted by the Joint Committee on Taxation. An analysis in the 1979 report revealed that the differences between a pre-FIRPTA foreign investor, who was then exempt from capital gains tax in case of the sale of a farm investment, and a domestic investor who was subject to capital gains tax, was minuscule. However, the Treasury report indicated, when a FIRPTA tax was taken into account, the foreign investor suffers a real disadvantage compared to the U.S. investor. The inequity in favor of U.S. investors and discrimination against foreign investors appears much more graphically in the case of investments in nonfarmland, developed properties. In fact, the 1979 Treasury Department report said this:

An exemption from capital gains taxation for foreign investors may be seen as an offset roughly for the prior denial of deduction in the form of tax shelter deduction that those investors typically cannot take.

So much for the fallacious argument that the repeal of FIRPTA might give foreign investors a privileged tax status.

Finally, I wish to note for the record that Lord Mark Fitzalan Howard, who appeared on behalf of the British Association of Investment Trust Cos., and Senator Van Tets of the Dutch Parliament, who appeared on behalf of a federation of nationwide, private corporate pension funds in eight European countries, each testified that uncertainty created by FIRPTA has seriously dampened direct investment in U.S. real property and will continue to deter such investment unless the law is repealed. Unlike staff tax technicians who have absolutely no practical or personal knowledge of large foreign investment funds, these European professional investors make it as clear as possible that FIRPTA is reducing and will reduce real property investment in the United States, a development that is contrary to our national interests and to President Reagan's own international investment policy.●

A TRIBUTE TO ARKANSAS' SENIOR INTERNS

● Mr. BUMPERS. Mr. President, I take a moment to pay tribute to Mr. Harold Jinks, one of the most dedicated public servants in the State of Arkansas. Harold is a man who has a

clear vision of our Nation as one where every citizen is ensured freedom and justice, and he has worked ceaselessly to make his vision a reality. Harold Jinks spent 1 short week in my office this summer as a senior intern, and in that 1 week, exhibited more energy, enthusiasm, and idealism than all of us combined.

Mr. Jinks was born on February 11, 1906, and by age 22 had made his way to New York, where he graded cotton samples. He left New York to work for the Agriculture Extension Service, traveling the country helping farmers and their families. Harold met and married an Arkansas native while working at the Extension Service in Jonesboro, AR, and the State is lucky that his wife Wilma has kept him in the State since then. Harold describes Wilma as his most candid critic and closest adviser, and, most important, his best friend.

In 1942, Harold served in the Naval Air Force and suffered a serious injury in China that put him in a cast for 4 years. I'm sure, however, that even that serious injury didn't slow Harold down. In 1948, he received the first of many Government appointments when President Truman appointed him Postmaster of Piggott, AR. President Kennedy appointed Harold the Director of the Division of Postmasters and Rural Carriers and in 1964, President Johnson named him Special Assistant to the Postmaster General. Finally, in 1968, Harold Jinks officially retired after 40 years of public service.

I must point out, however, that Mr. Jinks is far from retired. He has been active in Democratic Party politics since age 22, first serving as a representative to the Democratic National Committee in 1956. His retirement from the Postal Service just gave him more time to pursue his other interests. He is currently president of the Senior Democrats of Arkansas, and I am pleased to say that he will serve as an Arkansas delegate to the Democratic Convention in San Francisco next month. Harold has also been busy this spring and summer with his work as a member of the Democratic Platform Committee.

I have only mentioned some of the significant contributions that Harold Jinks has made to this country during his lifetime. My staff and I enjoyed the week that he spent in my office, and I am pleased to have this opportunity to pay tribute to him.

Other members of the Arkansas delegation were priviledged to have senior interns in their offices this summer as well. Mr. Arnold Sikes worked for my colleague DAVID PRYOR. Mr. Wilber worked in Representative BILL ALEXANDER'S office. Mr. Bart Westerland worked for Representative BERYL ANTHONY. Mrs. Holly Lodge spent a week with Representative ED BETHUNE and his staff. I hope that all the other offices derived as much benefit from this experience as mine and I want to thank the senior interns for providing us with this marvelous opportunity.●

BUDGET STATUS REPORT

● Mr. DOMENICI. Mr. President, I hereby submit to the Senate a status report on the budget for fiscal year 1984 pursuant to section 311 of the Congressional Budget Act.

Since my last report, the Congress has cleared for the President's signature House Joint Resolution 492, the Urgent Agriculture Supplemental Appropriations.

The report follows:

[Rept. No. 84-10]

REPORT TO THE PRESIDENT OF THE U.S. SENATE FROM THE COMMITTEE ON THE BUDGET STATUS OF THE FISCAL YEAR 1984 CONGRESSIONAL BUDGET ADOPTED IN HOUSE CONCURRENT RESOLUTION 91—REFLECTING COMPLETED ACTION AS OF JUNE 27, 1984

[In millions of dollars]

	Budget authority	Outlays	Revenues
Second Budget Resolution level	922,125	852,125	679,600
Current level	922,889	854,690	665,283
Amount remaining	0	0	0

BUDGET AUTHORITY

Any measure providing budget or entitlement authority which is not included in the current level estimate and which exceeds $0 million for fiscal year 1984, if adopted and enacted, would cause the appropriate level of budget authority for that year as set forth in H. Con. Res. 91 to be exceeded.

OUTLAYS

Any measure providing budget or entitlement authority which is not included in the current level estimate and which would result in outlays exceeding $0 million for fiscal year 1984, if adopted and enacted, would cause the appropriate level of outlays for that year as set forth in H. Con. Res. 91 to be exceeded.

REVENUES

Any measure that would result in revenue, loss exceeding $0 million for fiscal year 1984, if adopted and enacted, would cause revenues to be less than the appropriate level for that year as set forth in H. Con. Res. 91.●

SENATE ACTION NEEDED ON RCRA

● Mr. LAUTENBERG. Mr. President, recently a bipartisan majority of the Senate wrote to Majority Leader BAKER, requesting that he schedule Senate consideration of S. 757, legislation reauthorizing and strengthening the Resource Conservation and Recovery Act [RCRA], as soon as possible. Despite our busy schedule, I am hopeful that the Senate can move to consider this legislation to ensure that Senate and House conferees can meet in conference in July and get a bill to the President's desk for signature this year.

The renewal and strengthening of RCRA is important to all parts of our country. This law, which regulates the generation, transport and disposal of the 240 million tons of hazardous wastes generated each year, is sorely needed. Mismanagement of hazardous wastes in the past has resulted in a loss of trust among our citizens. RCRA's reauthorization, proper implementation, and strong enforcement, coupled with tough criminal penalties for those who do not comply, is critical to the American people. There is no more basic duty of government than protecting the public health and preventing continued exposure of our citizens to carcinogenic and other health-threatening chemicals in their environment.

Polls have clearly shown that the American people want to be free from the fear of hazardous wastes. In my own State of New Jersey, the respected Eagleton Institute poll found that 85 of 100 people polled identify hazardous wastes as a primary concern.

Mr. President, "cradle-to-grave" management of hazardous waste is no small task. EPA's recent analysis of waste generation found that 60 percent more hazardous waste is generated in the United States than the EPA had previously calculated. More than 80 percent of waste generated is disposed of in landfills; 40 percent of existing surface impoundments—pits, ponds, and lagoons—have no lining, whatsoever; 98 percent of all surface impoundments are within a quarter of a mile of underground sources of drinking water. Disposal of millions of tons of wastes are currently unregulated because of exemptions for small generators and for wastes blended into fuel oil, which is often sold to unsuspecting customers who burn the contaminated fuel in residential and commercial boilers.

Mr. President, Senate approval of S. 757 would correct many of these deficiencies and would put us on the road to effective and safe management of hazardous wastes. S. 757 would also put EPA on a schedule for the long overdue evaluation and regulation of wastes such as PCB's and dozens of forms of dioxin.

Mr. President, I ask that the letter be printed in the RECORD calling for expedited consideration of RCRA.

The letter follows:

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
Washington, DC, May 22, 1984.

Hon. HOWARD BAKER,
Majority Leader, U.S. Senate,
Washington, DC.

DEAR HOWARD: We are writing to urge you to schedule Senate consideration of S. 757, the Solid Waste Disposal Act Amendments of 1983, as soon as possible after the Memorial Day recess. Expedited consideration of

this bill is essential if the Congress is to take final action on reauthorization this year.

The Committee on Environment and Public Works reported S. 757 to the Senate in the early fall of 1983. The bill was the subject of extensive review and was reported from Committee by a vote of 15-1. In November the House approved a similar measure, H.R. 2867.

In order for the Congress to have the opportunity to reauthorize RCRA this year, the Senate bill must be scheduled for consideration as expeditiously as possible.

S. 757 retains the framework of the existing Solid Waste Disposal Act and hazardous waste regulatory program, but makes modifications to improve its implementation and to better protect the public from the hazards of toxic wastes.

Specifically, S. 757 includes new requirements on generators of small quantities of hazardous waste; requires tighter restrictions on the land disposal of hazardous wastes; establishes deadlines by which EPA must complete regulatory tasks; and stiffens criminal penalties for violators.

The measure renews the commitment of the Congress to "cradle-to-grave" management of hazardous wastes. It would require more effective controls of dioxin and other highly toxic substances, preventing tragedies such as those that have occurred at Times Beach, Missouri, and Newark, New Jersey. The mismanagement of hazardous waste in the past which resulted in thousands of abandoned toxic sites must come to an end.

We hope that you will agree that the consideration of S. 757 in the Senate, and final Congressional approval of a reauthorization of the hazardous waste regulatory program is a top legislative priority this year. We are prepared to work with you to make it possible to schedule the bill for Senate consideration as soon as possible after Memorial Day recess.

Sincerely,

Senators Jennings Randolph, George J. Mitchell, Frank R. Lautenberg, Gordon J. Humphrey, Max Baucus, David Durenberger, Quentin N. Burdick, Bill Bradley, Alan J. Dixon, Robert T. Stafford, John H. Chafee, Daniel Patrick Moynihan, Gary Hart, James Abdnor, Daniel J. Evans, Lloyd Bentsen, Alan Cranston, Dale Bumpers, Richard G. Lugar, Larry Pressler, Rudy Boschwitz, Claiborne Pell, Paul S. Sarbanes, Charles H. Percy, Daniel K. Inouye, Paula Hawkins, Slade Gorton, Christopher J. Dodd, John Glenn, William S. Cohen, Warren B. Rudman, Edward M. Kennedy, Carl Levin, John Heinz, Walter D. Huddleston, Jeff Bingaman, Patrick J. Leahy, Thomas F. Eagleton, Bob Kasten, William V. Roth, Jr., Howard M. Metzenbaum, Dennis DeConcini, Wendell H. Ford, Lawton Chiles, Ernest F. Hollings, Pete Wilson, Donald W. Riegle, Jr., Mark O. Hatfield, Bob Packwood, Thad Cochran, Paul E. Tsongas, and Spark M. Matsunaga.●

DUBINA—OLDEST CZECH SETTLEMENT IN TEXAS

Mr. TOWER. Mr. President, this Sunday, July 1, 1984, my wife and I will have the pleasure of attending a celebration in Dubina, TX, dedicating a historical marker which declares Dubina as the oldest Czech settlement in Texas. Donated by Mr. and Mrs Edward Janecka, this marker reads:

Dubina, which derives its name from the Czech word for Oak Grove, was founded in 1856 by a group of Moravian immigrants, including the Marak, Kahlich, Sramek, Peter, Holub, Muzny, and Haidusek families. By 1900 the farming community had erected a church building, mill, cotton gin, blacksmith shop, store, and post office. A 1909 storm and a 1912 fire caused extensive damage from which the town never recovered. As the first settlement in Texas to be founded entirely by Czech Moravians, Dubina remains an important part of the state's regional and cultural history.

It was these early settlers of Dubina, TX, as well as hundreds of other Czech immigrants whose strength of character, integrity, and willingness to endure helped shape the character of all Americans. Consider for example these words taken from an address made by Judge Augustin Haidusek, a member of the original group of settlers, on November 4, 1906, commemorating the 50th anniversary of the founding of Dubina:

Four years later several immigrant families stopped at our humble dwellings. Among them was one Valentine Gallia, a classmate of my father, who remarked after inspecting the dwellings, "Why, you had better sheds for your hogs in the old country than these dwellings." My father then remarked: "That's true, but I had rather live here in a shack as an American citizen than to live there in a palace as a serf of the Austro-Hungarian government. * * *"

Thanks to the foresight and concern of Mr. Edward Janecka and the Dubina Historical Commission, the rich history of this town will be preserved for posterity.●

IMPUTED INTEREST

● Mr. ABDNOR. Mr. President, an article in the June 27 edition of the Washington Post, entitled "Realtors Launch Last-Minute Drive Against Deficit-Reduction Proposal," explains the intent and the ramifications of the imputed interest provisions of the tax bill.

The intent is to prevent sellers from inflating the price of their property for tax-avoidance purposes, but the result is that sellers may be required to charge a rate of interest of as much as 15 percent.

I might point out, Mr. President, that my bill, too, would prevent sellers from inflating the price of their farm or small business property—if they wish to avoid imputed interest—but it would do so in a way which would encourage the preservation of small business and family farm units.

Mr. President, while the primary concern of the realtors is home sales, our concern should be equal or greater for the preservation of our farms and small businesses. We should not in effect tax them out of existence, but I fear that is exactly what we will be doing if legislation such as that I am introducing today is not enacted.

I ask that the article from the Post be printed in the RECORD.

The article follows:

[From the Washington Post, June 27, 1984]

REALTORS LAUNCH LAST-MINUTE DRIVE AGAINST DEFICIT-REDUCTION PROPOSAL

(By Alvert B. Crenshaw and Martha M. Hamilton)

The National Association of Realtors yesterday launched a last-minute drive to block the deficit-reduction bill, contending that one of its provisions could wipe out 500,000 homes sales next year.

Officials of the 616,000-member trade group said they have conferred with state boards of Realtors, which in turn will urge their members to put pressure on their congressional delegation.

The staff at the national headquarters here were drafting a letter to all members of the House and Senate expressing opposition to the measure approved by conferees over the weekend.

"The National Association of Realtors is going to oppose the conference report when it comes up for a vote in both the House and the Senate," said Jack Carlson, its chief economist and executive officer. He said the association believes the measure is "anemic" as a deficit-reducer and overly reliant on tax increases instead of spending cuts.

He said the bill's extension of depreciation schedules for buildings from 15 to 18 years will depress investment, and a provision on what is known as "imputed" interest will make it impractical for home sellers to offer below-market mortgages to encourage sale of their property.

The spending cuts and tax increases bill, approved by a conference committee early Saturday morning, is expected to come up in the House today and may come up in the Senate as well. With the congressional leadership and the White House alike anxious to demonstrate that something is being done to curb the deficit, and with Congress seeking to recess this week, efforts to block the measure are given little chance of success.

"I don't really believe that everybody's going to come to a halt and go back to conference and delay the chance of passing a bill this week," said Senate Finance Committee Chairman Robert J. Dole (R-Kan.).

The real estate provisions are a small part of tax bill that contains more than 200 provisions, many of which have powerful supporters in Congress.

The Realtors efforts' focused attention on the imputed interest section of the bill. As approved by the conferees, the provision would require that mortgages held by sellers of homes, farms and other such property carry a market interest rate, which is defined as at least 110 percent of the interest paid on the Treasury security that most closely corresponds to the mortgage. Thus, if a seller holds a loan for five years, the market rate would be 110 percent of the rate on five-year Treasury issues.

If the seller charged less, the Internal Revenue Service would impute a higher interest rate and collect tax on that amount, even though the seller was not actually getting the money. The buyer, meanwhile, would be allowed to deduct only the interest actually paid.

Currently, "seller financing is typically going for around 11 percent with a balloon at, say, five years," said Carlson. ". . . A

five-year Treasury bond yield right now is 13.65 percent. The bill calls for the lowest interest rate that the seller can provide is 110 percent of that, which is 15 percent."

Seller financing becomes increasingly important to real estate sales when interest rates are high, as they are now. Carlson said that the corresponding point in the previous cycle in 1979-82, "seller financing became a large part of the marketplace. During several months it was one-third of all mortgage funds."

The goal of the imputed interest provision is to prevent sellers from inflating the sales price of their property by providing low interest loans. Profits on the sale of property are capital gains eligible to be taxed at a low rate or not at all, while interest income is considered ordinary income and taxed at a higher rate. The provision would raise tax revenue by shifting more of the proceeds of the sale out of the capital gains category into ordinary income.

With assumptions of existing mortgages largely eliminated by statutory changes, seller financing could be even more important this time. If the provision is not changed, 500,000 home sales will be wiped out next year when the provision becomes effective, Carlson estimated.●

SOVIET SS-20'S ARE PROBABLY COVERT ICBM'S

● Mr. SYMMS. Mr. President, there are recent reports which suggest that the Soviet Union's SS-20 intermediate range ballistic missile may actually be an intercontinental ballistic missile capable of attacking the United States. I believe that this increased Soviet threat should be called to public attention. There are currently over 378 mobile SS-20 launchers deployed using widespread camouflage, concealment, and deception in the Soviet Union, and each has up to five refire missiles. To be an ICBM, two of the SS-20's three warheads would probably have to be offloaded. Thus, use of the SS-20 force as a strategic reserve ICBM force represents a total of over 1,800 more nuclear warheads potentially aimed at the United States. The SS-20 does not count in the SALT II Treaty, so this capability is a probable circumvention of the SALT II Treaty's ceiling on the total number of strategic delivery vehicles, 2,250.

It is possible that the new Soviet mobile ICBM, the SS-X-25, will be compatible with the SS-20 launcher. If so, then we may be witnessing the Soviet creation of a huge new mobile ICBM force which is heavily camouflaged and concealed and therefore difficult to detect and target. This development would further shift the strategic balance in Soviet favor, perhaps decisively.

I submit for the RECORD two open source articles. The first is entitled "Massive Soviet Missile Test" by Knut Royce, Baltimore News American, June 21, 1984. The second is entitled "Selective Targeting and Soviet Deception," by Samuel T. Cohen and Joseph D. Douglas Jr., printed in Armed Forces Journal, September 1983.

[From the Baltimore News American, June 21, 1984]

MASSIVE SOVIET MISSILE TEST

U.S. MUM ON SIMULTANEOUS LAND-SEA EXERCISES

(By Knut Royce)

WASHINGTON.—In an unprecedented test of nuclear firepower, the Soviet Union in April simultaneously launched six land-based ballistic missiles on a polar course, the path that would be used in a nuclear war, according to highly placed sources.

Air Force officials refused to discuss the event, which occurred April 2 and coincided with the largest Soviet naval exercise ever conducted in the Atlantic Ocean. One Pentagon official familiar with events that day at the North American Air Defense Command in Colorado Springs, which monitored the launches, would say only, "Yes, something unusual happened."

But from other sources familiar with the Soviet launches, it has been learned that the tests involved six SS-20 missiles fired from an operational missile site at Yurya, near Kirov, in central Russia. They followed a northern trajectory for several hundred miles and fell in the area of the Barents Sea, the sources said.

What made the event unusual, the sources said, was the number of missiles fired—it was the largest number of land-based missiles the Soviets have ever fired simultaneously; they were launched from an operational, rather than a test, site; they flew on a polar course, rather than the usual West-to-East path for Soviet missile tests, and the United States received no prior notification.

The United States has never tested a land-based missile on a northern trajectory and has never launched more than two of them simultaneously.

Although there is broad consensus within the administration that the test also was intended to convey a message, there is debate among military experts as to what that message was.

"All these exercises are multi-purpose," one nuclear expert said. "The question is what signal they were sending."

William Arkin, a nuclear weapons expert with the Institute for Policy Studies, said that because the SS-20 is described as an intermediate-range missile and they were launched in conjunction with naval exercises in the North Atlantic, they probably simulated a nuclear attack on Norway and Sweden. The signal, under this account, was largely intended for the Scandinavian countries.

But a source familiar with the deliberation on the event within the National Security Council said there is considerable belief there that the SS-20 also is capable of intercontinental range when carrying a single warhead. "That was us they (the Russians) were looking at," the source said.

This year's issue of "Soviet Military Power," a Pentagon booklet, says all of the 378 SS-20s deployed carry three warheads. General Dynamics' widely respected book on missiles, "The World's Missile System," claims that an SS-20 armed with a single warhead has a range of 4,700 miles. Others believe it could be more.

The sources agreed the missile test was another clear demonstration that the Russians are digging in their heels further in the current East-West chill.

What also is unusual is that the administration is keeping a lid on the episode. Defense Department officials said they could not discuss the test because it could reveal sources and methods of gathering information.

Yet in June 1982, when the Russians conducted extensive tests of their missile arsenal, then-Secretary of State Alexander Haig held a news conference to describe the land- and submarine-based missile tests and the launching of anti-satellite weapons.

[From the Armed Forces Journal International, September 1983]

SELECTIVE TARGETING AND SOVIET DECEPTION

(By Samuel T. Cohen and Joseph D. Douglass, Jr.)

"However absorbed a commander may be in the elaboration of his own thought, it is necessary sometimes to take the enemy into consideration."—Winston Churchill

During the decade of the 1970s, the Pentagon worked hard to revise America's nuclear doctrine. The objective was to be able to fight a restrained intercontinental nuclear war with the Soviet Union.

The new doctrine was first publicized in January of 1974 by Defense Secretary James Schlesinger. Should the Soviets attack with a restrained counterforce strike, the United States henceforth would have the capability of strikingback in a "selective" manner, only striking crucial military targets while avoiding unnecessary collateral damage to urban areas.

In the summer of 1980, the doctrine was reaffirmed by President Carter in the form of Presidential Directive No. 59 (PD-59). Since that time the meaning of this doctrine has become more apparent as its generic target list has become known. In addition to traditional SIOP* targets such as ICBMs, nuclear submarine bases, and airfields capable of handling strategic bombers, the new list emphasizes control targets—military, party and internal securtiy control—and power projection forces.

Defense Secretary Harold Brown explained that this latest iteration was "designed with the Soviets in mind" and would "take account of what we know about Soviet perspectives on these issues, for, by definition, deterrence requires shaping Soviet assessments about the risks of war—assessments they will make using their models, not ours."

However, in comparing the new US nuclear strategy with that of the Soviets, a very substantial question emerges: namely, does the US really know enough about the actual targets (and about Soviet efforts to deny the United States access to critical information, such as target location) to realistically and effectively implement a selective targeting strategy? Or, alternatively, is the strategy merely rhetoric unsupported by capabilities?

The problem is that while American planners are beginning to recognize Soviet doctrine, they have yet to accept some of its most central tenets, one of which emphasizes the importance of surprise and the need to employ secrecy, cover, and deception to mislead the enemy.

Surprise is, perhaps, the single most important principle of war in the nuclear age in Soviet thinking. It is achieved mainly "as a result of poor knowledge by the adversary of one's true intentions, as a result of subjective errors in assessing intentions and plans, as well as a result of shallow analyses

*SIOP: Strategic Integrated Operational Plan.

of measures taken to achieve surprise." This helps explain why, in discussions of surprise in Soviet military textbooks, dictionaries, and encyclopedias, objectives such as "misleading the enemy about one's intentions" or "leading the enemy into error concerning one's own intentions" always appear at the top of the list—closely followed by other important concepts such as "covert preparations," "unexpected use of nuclear weapons," "camouflage actions," and "the use of means and methods unknown to the enemy."

This suggests a possibly critical PD-59 targeting problem. Targeting normally consists of identification and selection. While the process already must be extremely complicated—that is, the selection of several thousand targets from a target list containing tens of thousands of targets—to this problem must be added the questions, "How does one separate real targets from false targets, and identify real targets where there has been an extensive effort (by masters of the trade) to hide them?" Bear in mind that the principal, almost only, means for identification and location is satellite photography—using cameras that cannot see at night, through weather or into boxes, buildings, or underground facilities.

This problem is further compounded by Soviet efforts to disperse and duplicate critical facilities and move them on the eve of the war. Mobility is especially important, and when undertaken in anticipation of an enemy nuclear strike even has a special name, "anti-atomic maneuvers." These maneuvers are intended to negate the effectiveness of enemy strikes simply by moving targeted items, such as military units, weapons and ammunition stockpiles, especially nuclear warheads, air and missile defenses, political adminsitrative control centers, communication facilities, transportation assets, and so forth. Insofar as strategic force targeting in the United States is not a real time or even a near real time operation, the effectiveness of such a Soviet effort could be considerable.

T.K. Jones, Deputy Under Secretary of Defense for Research and Engineering, explained the consequences of Soviet mobility to a Senate arms control subcommittee in 1982:

"Our ability to retaliate effectively against Soviet military assets is also no longer as clear as it once was. Their conventional military forces and nuclear reserves are protected by mobility. Although we could retaliate against the peacetime locations of such military units, there is doubt that such action would eliminate the fighting capability of the Soviet forces."

Soviet leadership is a particularly important PD-59 target category where secrecy, cover, deception, and mobility may negate US pre-attack targeting. The Defense Department recently observed: "Protection of their leadership has been a primary objective of the Soviets. . . . This protection has been achieved through the construction of deep, hard urban shelters and countless relocation sites. "But the Defense Department acknowledged in 1980 that it had identified only "relatively few leadership shelters."

How many of these relocation shelters are known today, and which would be occupied, and by whom? The problem is revealed in the testimony of a Soviet civil projects engineer who emigrated in 1978, as reported in the monthly newsletter, HUMINT: "Wilkinson Swords, the British razor manufacturer, built a completely equipped plant in Moscow. On the basis of expected profits, the Soviets were able to build two shelters, one in Moscow and one in Leningrad. The shelter for the five-story Wilkinson razor factory was built before the British engineers arrived. They were walking on the "ceiling' of the shelter and never knew what it was or that anything was there." It is entirely possible that an extensive complex of such unknown shelters and camouflaged shelters exist and have completely escaped detection by Western intelligence.

One high level defector has pointed out that the key Soviet leaders have two relocation sites: one to be used on the eve of war, the second to be used about seven hours after war begins.

A recent CIA study stated that identified fixed shelters were vulnerable to direct attack. If so, why would the Soviet leadership desire to arrange for their extermination by occupying these shelters, especially if they thought they were targeted? This wouldn't make any sense. So maybe they have been constructing some decoy shelter systems to draw attention, knowing we will see them being constructed, and to draw fire, as a subterfuge to encourage the wasteful expenditure of US warheads; their real plans being to occupy only shelters believed to be unknown to US nuclear planners. The importance of constructing decoy targets to draw both attention and fire is stressed in the Soviet literature, but rarely appears to be considered in Western analyses.

Not only would this make good deception sense, it also would make good economic sense, in the event the unknown shelters became known. The cost to the United States to dispatch an ICBM warhead to a target has escalated to tens of millions of dollars per warhead, vastly more expensive than the cost of a hardened shelter. Which suggests the possibility of a large proliferation of Soviet leadership shelters—playing a shell game as we once sought to do with the M-X missile. This raises additional questions about the ability of US nuclear targeters to implement the PD-59 strategy against one of its most important target categories.

Probably the highest priority and most dominant PD-59 target class is the Soviet land-based ICBMs, in particular, their land-based strategic nuclear reserves. U.S. intelligence credits the Soviets with about 1,400 land-based ICBM launchers. But, the 1,400 number really refers to known silos. Are all these silos filled? And, how many missiles are stored elsewhere?

The dominant theme that runs through the Soviet and German analyses of World War II is the importance of secret reserves. The Soviets won the war because of massive reserves that the Germans did not know existed. In Soviet General Staff analyses of present day conditions, reserves "have become much more important than in the past." The "Why?" is simple. "In the final analysis, decisive defeat of the enemy and achievement of war aims are secured by the offensive reserves"—whose successful employment, the Soviets further advise, is heavily dependent upon "secrecy and concealment."

In examining the Soviet nuclear capabilities, two very different, almost conflicting, strategic objectives should be considered. First, the United States (and the world) must "see" a strong, superior Soviet capability. This is an important ingredient of Soviet political warfare—intimidation. In this regard, Amrom Katz, a former director of verification at the U.S. Arms Control and Disarmament Agency, has noted that the CIA has been a most effective Soviet public relations agent by providing the world with most credible data on Soviet nuclear superiority. The second aspect is the equally dominant requirement to hide from any enemy the true extent of Soviet nuclear capabilities and especially any knowledge of Soviet nuclear capability that might be to the enemy's advantage. In this regard, the location of nuclear forces and the number of reserves are most critical and most important to hide from the enemy.

Considering this, does it make sense to assume that all Soviet ICBM silos are filled and that all reserve missiles will be fired from silos? In accordance with PD-59's strategy to limit damage from Soviet second and third ICBM strikes, U.S. strategy would involve attacking these silos both to destroy missiles not fired during the first strike and to deny the Soviets the ability to reload the silos for subsequent strikes.

We have long known that Soviet ICBMs can be fired from their containing canisters, in which they remain stored from the time they leave the factory assembly line. When they are fired from silos in test flights, technically speaking, the missiles leave the canisters, not the silos.

This poses the following question: How many canisters that are lowered into silos actually contain missiles? An honest answer would have to be: We really don't know. There is no way that a reconnaissance satellite can see what is inside a canister. But, the dilemma is even more complicated than this.

If the Soviets wished to, they consistently could conceal from satellite view even the delivery and emplacement of the canisters. They could cover the railway cars transporting them and lower them into the silos during periods of darkness or inclement weather—in which case we would see, in a word, nothing. But apparently they don't. Why? Could it be that they have conducted a program of massive deception toward leading us to believe that all silos contain missiles, to insure the wasteful expenditure of US ICBMs and the defeat of US targeting strategy? Could it be that the silos mainly contain missiles intended for the first strike (including extra missiles ready to rapidly substitute for launch aborts), and that there are a number of extra empty silos to create the impression that the entire land-based force is silo-based and hence to draw fire—e.g., dummy targets, recognizing that with today's sensors, the only way to make a good dummy silo is to make a real silo, which would still be well worth the cost.

Nor is this the only ICBM reserves intelligence problem. The Defense Department has observed Soviet reloading exercises and has become concerned about Soviet plans to reload and refire missiles from "used" ICBM silos. DoD's estimate of the time required for the Soviets to reload a significant number of silos is several days, which may not be sufficiently rapid to constitute a SALT II violation and is sufficiently slow to enable US forces to strike before the reload is completed. Aside from the fact that the reload time observed is more like one day, or as one intelligence source has reported, several hours, why would the Soviets deny themselves the ability to thwart the selective targeting strategy? Why give the United States ample time to destroy the Soviet silos before they could be reloaded. Or could it be that these reloading exercies were part of a Soviet deception?

Why, one could argue, would the Soviets, knowing we would be watching, wish to con-

duct a reloading exercise that plainly was sufficiently slow to encourage US efforts to keep all silos targeted in the US response second strike? Still further, why would the Soviets plan to reconstitute a force, either rapidly or slowly, in the main areas where rubble and fallout radiation levels should be expected to be most severe? Unless, in the words of Lenin, they are deceiving us by telling us what we wanted to believe. Could it be that they were bent on ensuring that the United States would wastefully dispatch its missiles toward "known" critical targets (i.e. silos), while the actual (unknown) targets were someplace else? The cold military logic of the situation would dictate that this is exactly what the Soviets should have been up to. If there is one thing that can be said about Soviet military doctrine, it is that it tends to be logically impeccable.

What a rapid reload capability (whether several hours or several days) really implies is not so much the ability to reuse silos, but rather the existence of a "wooden round" ICBM that is self-contained in, and capable of being fired from, its own canister—an ICBM that does not need a silo. Canistered ICBMs easily can be stored in garages or sheds, simply erected, aligned (the only possible difficulty), and fired from any surface capable of supporting the missile weight. Such canisters for "sabotted" ICBMs are simple and cheap—sections of steel sewer pipe welded together are more than adequate—and just as good as silos for launching purposes. The missiles can be erected and fired from any location. Only minimal preplanning to presurvey the site locations and enable initial orientation of the guidance system is necessary; considering stellar guidance technology, this could be a trivial task.

Then there is the issue of the SS-20 which has been "sold" as strictly a theater nuclear system. However, with the recently increasing Soviet encryption of missile test telemetry, including that on the SS-20, another question emerges: Does the SS-20, whose deployments are mounting, have an intercontinental capability? Has US intelligence only been allowed to see the heavy-payload, short-range version? There is considerable disagreement over the SS-20 payload and range. Payload estimates in the IISR Military Balance 1982-1983 range from single 50-kiloton warheads to three 150-kiloton warheads, with corresponding ranges from 7,400 kilometers to 4,500 kilometers. Clearly when loaded with only one warhead (and 50 kilotons is larger than the Poseidon warheads), the system is intercontinental. It is then an excellent land-based strategic reserve. Moreover, in such a configuration it also could play a disturbing role in a Soviet surprise first strike because of its ability to launch out of unexpected areas, and out of areas uncovered by the defense warning satellites, thus confusing or even negating the most critical part of the US attack warning system.

There is no target base in Europe that comes even close to justifying the SS-20 system in its most advertised form, which equates to between 2,000 and 5,000 150-kiloton warheads. There are fewer than 30 so-called nuclear hardened targets (none of which are even hardened to withstand 150-kilotons delivered with SS-20 accuracies); the shorter range Soviet missiles deployed in Eastern Europe, coupled with a few of the ICBMs tested at intermediate range (SS-11 Mod. 4s and SS-19s), long have had the capability to conduct an effective disarming first nuclear strike against all NATO land targets.

Since the early 1960s, the Soviets have stressed the need for mobile missiles for survivability. Because of their ability to change location and relative ease of concealment and camouflage, survivability is achieved because the enemy cannot effectively find and target the missiles. Were the SS-20 indeed an ICBM, its deployment would thwart the PD-59 targeting strategy. There is also the longer range mobile SS-16, that apparently has been deployed in quantity (100 to 200) under cover at Plestsk; in the future, there is expected to be the mobile PL-5.

The problem becomes further compounded when the nature of US intelligence assets used to target the nuclear forces is also taken into account. These assets are really intelligence assets driven by intelligence needs, not by military target acquisition requirements needed to identify targets for nuclear strike after a war begins. The Soviets, who have a warfighting strategy and battle management capability, stress the need for target acquisition after the war starts and the need to destroy an enemy's target acquisition capability in the first strike.

The Soviets should be expected to target all US reconnaissance capabilities in the first strike, including any known reconstitution capabilities. Thus, the US would be blinded in the first strike. This would also appear to operate greatly to our disadvantage in trying to implement a selective second strike. How will this strike be targeted in the face of Soviet secrecy, cover, deception and mobility? This underscores a very important constrain on doctrine—capabilities. One can only realistically change doctrines within the latitude that the capabilities will support.

Another serious intelligence problem has been the prevalent attitude, not limited to the intelligence community, that deception is not a real problem. The former Deputy Chief, Counterintelligence Staff, CIA, explained the situation quite nicely when he said: "So we come to the real question: How does one get people at the political level, or even at the high or medium-high decision-making level within the intelligence organization to recognize that deception is a real problem?"

There probably is no one explanation for this condition. However, a number of possibly contributing factors can be identified. First, there is the image of Soviet Union military and intelligence operations as clumsy and heavy handed. This is perhaps best represented by the "cold warrior" mentality that inhabits many of the national security catacombs. Rarely does one encounter an image of the Soviet Union as well organized, sophisticated, talented, and clever.

Second, the US government is not equipped to deal with deception, except perhaps in a very specialized manner, and even that may be somewhat questionable since the CIA counterintelligence staff was purged in the mid-1970s. All-source analysis is necessary to come to grips with modern, multi-source, coordinated deception. But there is no place where all-source analysis is conducted. With the exception of some technical areas, analysis—even intelligence analysts—who use the data, who should be most concerned about possible deception, have almost no access to sources—and most of the time, security is not the real reason.

Third, there is no sense of Soviet long-range planning or belief in the possible existence of a Soviet "grand plan" in the intelligence agencies (or almost anywhere else in the US national security community, for that matter). In recent Congressional hearings on Strategic Forces, Richard Pipes stated that one of the fundamental problems with the National Intelligence Estimates (NIEs) was the disbelief of those drafting the estimates in Soviet grand strategy. As a result, they dealt with each aspect of Soviet behavior separately, "with politics and military affairs separately, economics, propaganda and ideology separately, and then within each of these categories, with each item, such as each weapon system, separately." No one ever brought the pieces together.

When Czechoslovakia's General Major Jan Sejna defected in 1968, he felt that the most valuable information he brought with him was his knowledge of the Soviet "Long Range Plan for the Next Ten to Fifteen Years and Beyond." Sejna was the only Czech with access to the Russian version of that plan. Yet US intelligence authorities never debriefed him on its contents. Special sections on deception appear throughout the plan, and it spells out one of the main strategic deception goals this way: "To cover the nature and intended use of the main tools, of which one of the most important is the nuclear forces."

Fourth, specifically in regard to unknown strategic nuclear capabilities, there is an organizational belief that if the Soviets would attempt anything truly massive, such as the hiding of several hundred missiles, let alone a complete Soviet Missile Force Army, word would leak out—too many people would have to be involved. However, rumors have leaked out—rumors of missiles in lakes, caves, mountain hide-aways, and sheds. Presumably such rumors were pursued, but nothing found.

Unfortunately, there are massive installations in the Soviet Union with whole towns supporting them, that the intelligence community has only been able to speculate about for over two decades. Why has information on those installations not leaked out; or, if it has, to what avail? US intelligence refused to recognize the civil defense program in the Soviet Union until some analysts outside the government, and PD-59, forced the issue. Only then, following an extensive review of data, did shelters, relocation sites, and even some duplicate industrial facilities begin to emerge. No one had looked for them before. The Soviet Union is supposed to have a large chemical warfare capability, but just try and find any data on it. Intelligence cannot even say whether the Soviet stockpile of chemical weapons is 500 tons or 5,000,000 tons; and, until the Sverdlovsk accident (which the Soviets claimed was food poisoning) the existence of a Soviet biological warfare capabililty was dismissed.

Consider the following paragraph taken from an article on camouflage in a classified Soviet General Staff journal in the early 1970s:

"If it is not possible to conceal troops and facilities from hostile observation, then one can reduce their revealing features by altering their external appearance. For example, a large camp or supply base can be camouflaged as a town; a tank farm can be camouflaged as apartment houses, while individual military installations can be camouflaged as rubble, smoldering ruins, etc. Important elements of a camouflage effort are the mounting of feigned assaults and *the construction of dummy defensive fortifications (control posts)*. Such action can be employed not only at the tactical echelon but *particularly*

at the operational and strategic levels." [Emphasis added.]

It does not take much imagination to conceive of an entire Soviet Missile Force Army camouflaged as a test site, or deployed as a remote town, or of a town built exclusively to house such an army, complete with farming, perhaps lumbering, and some light manufacturing—enough activity to justify a rail spur and moderate rail traffic.

Nor does it take much imagination to envision people arriving and departing by train, perhaps at night or in trains with no windows, so that no one in town—including even the commander—knows where they are located, or better still, are misinformed as to where they are. (This type of practice is normal behind the Iron Curtain. When the Czech Politburo, the highest ranking government officials, were taken to review a new air defense site in the mid-1960s, they were driven in buses that had the windows painted black to prevent even their knowing where the site was!)

Perhaps the most serious contributing factor is an associated fear of deception and of even trying to tackle the problem. Fear over studies of deception, is not just an intelligence organization fear. Deception studies run the risk of having numerous far-reaching ramifications. A serious investigation into Soviet secrecy, cover, and deception could be far more revealing and serious than was the US Senate's Church Committee investigation in the mid-1970s. The Church Committee unfortunately did not deal with deficiencies that adversely reflected upon US national security. A truly serious study of Soviet secrecy and deception should be expected to be actively and forcefully opposed by most of the US intelligence community, and, equally important and unlike the Church Committee investigation, also by the KGB.

The above discussion is not intended to claim the definite existence of a large hidden Soviet missile force. Rather, the point is that the United States appears to have adopted targeting strategies that require good information on enemy military capabilities; yet that required information may not exist because of Soviet secrecy, cover, and deception.

Soviet efforts to defeat US strategy rarely if ever are taken into account. Estimates of enemy capability tend to be several times removed from the actual data and often bear scant resemblance to the data. When one tries to find the data supporting a statement on enemy capabilities—statements of the type that are the main input to the policy and strategy planning process—one often discovers a house built of cards. For example, silos become launchers, which then become warheads, throw weight, and the force locations. Any resemblance between this and the actual numbers of warheads or missiles or launchers is strictly coincidental, and the locations only cover one possibility. The estimates might be right, but the data certainly do not tell whether this is the case or not. And, the United States not only seems oblivious to the possible problem, but worse still, may have serious internal structures and bureaucratic beliefs that make dealing with the problem very, very difficult.

In considering PD-59 and the impact of Soviet secrecy and deception, a second problem, made especially serious because of the targeting problem, is defense. For years the US has denigrated any defense effort. This is the mutual vulnerability portion of the mutual assured destruction (MAD) doctrine. The reasonableness of this approach has now been seriously questioned and for the first time in two decades, the folly of standing defenseless is being recognized along with the increasingly perceived need for a major shift to a defense oriented strategy.

Even before President Reagan called attention to the need for strong defense initiatives, the importance of this action was clearly presented in Defense Secretary Caspar Weinberger's 1983 Annual Report to the Congress. In his overview of US strategy, he identifies three main principles. First, "our strategy is defensive." Second, "the deterrent nature of our strategy is closely related to our defensive stance." And third, "In responding to an enemy attack, we must defeat the attack and achieve our national objectives while limiting—to the extent possible and practicable—the scope of the conflict."

Throughout this Annual Report, the critical importance of defense in the new doctrine is obvious when such phrases as "defeat the attack," "limit the scope of the conflict," "deny the enemy his political and military goals," and "terminate hostilities at the lowest possible level of damage to the United States," are examined with full comprehension of Soviet secrecy, cover, deception, and mobility practices and the resultant US nuclear force targeting limitations discussed above.

The goals of PD-59, or its successor, NSDD-13, simply cannot be met, even partially met, with only offensive capabilities. Indeed, because of Soviet secrecy, cover, deception, and mobility, US offensive forces may be almost totally unable to do much other than hit fixed, pre-briefed targets, which, if important to the Soviets, may no longer be valid targets when the war starts.

The goals of the new US nuclear strategy truly lack credibility in the absence of ABM defenses, the current situation. And therefore, to change the doctrine once again, much more than mere words are required. Substantial actions are essential in both defense and offense.

Most important are the development of reasonable active and passive (civil) defenses of our country, of which we now have essentially none. If we desire to survive nuclear war (we can, if we really want to), we must take measures to protect ourselves—our military forces, our civilian population, our economy, and our government. This would call for changing the current organization, acquisition, and management attention to include a heavy defensive component; in fact, a dominant defensive component.

For passive defense, first and foremost, a sensible civil defense system should be designed and built. The myth that America cannot survive a nuclear war with the Soviets—a myth that the US government, for political reasons, has helped to promote—is exactly that: a myth.

As for active defense, despite the general discouragement resulting from the Anti-Ballistic Missile (ABM) Treaty of 1972, considerable technical progress has been made in recent years toward attaining a defense against ballistic missile attack. We should be doing for active defense development what we did for the ICBM 30 years ago: give it a top, presidentially-directed priority. In March, 1983, President Reagan took the first step in this direction. Were Reagan now to move on active defense as Eisenhower did on the ICBM, or as Kennedy did on the Apollo man-on-the-moon program, chances are that enormous progress would be made and a reasonably effective layered defense capability could become real within a decade.

Regarding air defense, it is ironic that all the considerable gains we have made in this area have been applied to the defense of other countries, while our own continental defenses have been emasculated. In the meantime, the Soviets have been building up a strategic bomber capability which, if we do not restore air defense, will get a free ride over US territory.

In the area of offensive strategic weapons, in deploying our land-based systems, being a completely open society, we do not have the ability to disinform the Soviet targeteers, as they so readily can do to us. If we are to have survivable land-based systems, since they cannot be successfully hidden or the Soviets spoofed as to their whereabouts, the weapons will have to be mobile and exist in reasonably large numbers. In this respect, a small road-mobile ICBM should be developed with top priority as the main land-based missile force. Nuclear warhead technology exists to permit such a system to be fielded unarmed and free of threats from terrorists (the actual arming would take place only in the event of a crisis or war itself).

In sum, the United States may be heading down an illusory path in devising nuclear strategy and defenses. Not having taken into account the Soviet propensity and capability for deception, we may (and probably) have been foolishly playing into the Soviet hands and unwittingly given them an even larger degree of strategic nuclear superiority than we now admit they have.

It is essential to our security that this error be understood and corrected. Deception is a singularly important aspect of Soviet strategy. It is also a national talent in the Soviet Union. It is an integral part of their planning process. One would expect it to be employed in significant ways—probably accompanied by a variety of poor efforts undertaken to distract the attention of US intelligence and create the image of ineffective and clumsy Soviet deception practices.

But, where are the significant deception efforts? How have we been or are we being misled? Where are the examples of these efforts? Perhaps we should consider Amrom Katz's not too facetious observation, "We have never found anything the Soviets have successfully hidden"—and add to it the thought that the Soviets may be very good at hiding—when they want to be.●

PHARMACY CRIME

● Mr. LEVIN. Mr. President, Congress recently approved the pharmacy crime bill, S. 422, which is designed to address the escalation of pharmacy crime across the country. During the Senate's consideration of the conference report, I participated in a colloquy with Senator JEPSEN which clarified that the bill provides Federal jurisdiction: One, in all pharmacy crimes where a weapon, acquired in interstate commerce, is used or threatened to be used, in taking controlled substances; and two, in all attempts to take more than $500 worth of controlled substances.

The National Association of Retail Druggists [NARD], which represents the owners of 30,000 independent

pharmacies, worked with the Congress over many years to secure the passage of this important legislation. NARD's National Legislative and Government Affairs Committee, chaired by William S. Katz, is to be commended for its work on behalf of NARD's membership.

Mr. President, the National Association of Retail Druggists works closely with the Alpha Zeta Omega [AZO], a national pharmaceutical fraternity. Several pharmacists from Michigan hold leadership positions in the fraternity: Chaplin Nathan Moiseev from Southfield; fund trustee Gary Helper, also from Southfield; and member of the board of directors, Manuel Katzman from Oak Park.

This year the pharmacy fraternity, AZO, has chosen to honor NARD's chairman of the National Legislative and Government Affairs Committee and first vice president, William S. Katz with its 1984 Meritorious Award. This award is presented to AZO members who have contributed in an outstanding fashion to the pharmacy profession over a period of years.

Mr. President, I offer my congratulations to Bill Katz, the AZO and the National Association of Retail Druggists. I ask that the test of an article saluting Mr. Katz's achievements, which appeared in the Azoan 1984 be printed in the RECORD.

The article follows:

MERITORIOUS AWARD 1984

(By William S. Katz)

Alpha Zeta Omega has inducted over 10,000 men and women into its ranks during our 64 years of existence, but never did any one of them attain the professional heights which have been achieved by our 1984 Meritorious Award winner, Frater Past Supreme Directorum William Sidney Katz of Connecticut, the First Vice-President of the National Association of Retail Duggists.

In being granted the Meritorious Award for long and distinguished service to Alpha Zeta Omega, we not only honor a Frater who has risen to unusual prominence within Pharmacy, but a Frater who has long been an integral part of AZO nationally and locally, the recognized force in New England, and one whose activity has never faltered. In 1978-1979, he served as AZO Supreme Directorum and his wife, Marilyn, was National Auxiliary President in 1979-1980 and again at present, 1983-1984.

He has been a Vice-President of the NARD since 1980, 5th Vice-President that year, 4th in 1981, 3rd in 1982, and 1st in 1983. In 1980-1981, he was President of the Connecticut State Pharmaceutical Association.

Born on October 16, 1939, Bill Katz was educated in and around New Britain, Connecticut, graduating from the senior high school there in 1957. He graduated from the University of Connecticut School of Pharmacy in 1961, and later attended the Central Connecticut State College graduate school, majoring in education.

Upon graduation he served for two years as a staff Pharmacist with the New Britain General Hospital. He then owned and operated the Stanley Pharmacy in New Britain following the death of his father, Samuel Katz, who also was a Frater of AZO. Currently he owns the Grove Hill Pharmacy in New Britain; serves as a Consultant Pharmacist to the Andrew House Health Care in that city; and is a Clinical Associate with the University of Connecticut School of Pharmacy.

Frater Katz has always been an organizationally minded man, and the list of his activities in various associations is tribute indeed to the abilities he brings with him in that activity, and the positions of leadership he has attained proves that AZO is not the only one to have recognized these outstanding character traits. He is a member of the N.A.R.D. and since 1978 he has been a member of the N.A.R.D.'s 3rd Party Prescription Program Committee. A member of the New Britain Area Pharmaceutical Association, he has been its President since January of 1977. He is a member of the Connecticut Council of Pharmacy Presidents and formerly was a member of the Connecticut Society of Hospital Pharmacists. (With this Hospital group he was elected Secretary, served well, was reelected, but then left hospital practice and yielded his office.) He is a member of the Connecticut School of Pharmacy Alumni Association and is currently serving his third 3-year term on it's Board of Directors. A member, too, of the Connecticut Pharmaceutical Association, he was elected 1st Vice-President in June of 1978, President-elect in 1979, and was Connecticut President in 1980-1981. He has been active with the C.P.A. 3rd-Party Committee, serving both as Co-Chairman then as Chairman; has spent 4 years on the C.P.A. Executive Committee; and has been a member of the C.P.A. convention committees for three years.

Even outside of Pharmacy, his ability to lead has been remarkable. As far back as 1962-1964 he was an advisor to the United Synagogue youth with Temple B'nai Israel. He is currently a member—and was Vice-President, as well—of Congregation B'nai Sholom of Newington, Connecticut, where he lives with his wife, Marilyn (who has seen activity with the AZO Auxiliary both locally and nationally) and the two Katz Children, Samuel (age 16) and Amy (age 15).

Naturally, it has been his work within the confines of Alpha Zeta Omega that have commended him to our attention as a once and future leader. Ever since the undergraduate days on the UConn Campus at Storrs, Connecticut, he has had the reputation as an achiever. Inducted into AZO as a freshman in March, 1958, he was President of the Pledge Class, and later was Nu Chapter Excheque. Then as he rose in undergraduate seniority he began to serve as our Fraternity representative to the outside, where the appelation "big man on campus" most certainly applied to his case. He was President of the Mortar & Pestle Honorary Society in 1961; Assistant Rush Chairman, for the Interfraternity Council in 1959; Rush Chairman, I.F.C., 1960; and served as Treasurer for the entire University of Connecticut graduating Class of 1961; some 1,300 students. By thus combining activity within AZO and good citizenship outside of AZO, he was a clear choice for the AZO Undergraduate Award, which he won at the 1961 National Convention in Cincinnati. He has remained on the national AZO scene ever since.

Joining Connecticut Alumni after graduation, he rose through the ranks and served as Connecticut Alumni Directorum in 1966-1967. A decade later, 1976-1977, he again served as Directorum. Less than two years after graduation from school, he ran the 1963 Spring Regional in Hartford. Still fondly remembered as one of the greatest weekends in history, it was all the more unusual in the way it combined huge undergraduate participation with that of Alumni, a touch that Bill Katz never seems to have lost. "Only" Co-Chairman of the next Connecticut Alumni Regional in 1967 (he was Chapter Directorum at the time), he chaired their 1973 Spring Regional in New Britain. That is the one best remembered for having started out as a combined meeting of AZO with other groups, but one that was soon being run by Bill. It took place in New Britain. In 1978, he ran the Connecticut National Convention in Swan Lake, N.Y., where the culmination of activity was the inauguration of Bill Katz, himself to the Supreme Directorumship. He has spent some 15 years as Ad Journal Chairman and as Award Committee Member with his Chapter. In 1982, he ran a Connecticut Regional for a fourth time.

After that 1963 Spring Regional, National Office could not be denied this rising young star from the northeast. He served as Supreme Eastern Bellarum 1963-1964, Supreme Historian 1964-1965, and was one of the Fraternity's greatest Supreme Signares in the two years he served, 1966-1968. In the six years from 1970 to 1976 he spent five as a Member of the Supreme Board of Directors, during which time his position as New England's number one spokesman and representative have become solidified. He was elected 2nd Sub-Directorum in 1976, moved up to 1st Sub-Directorum in 1977, and ascended to the highest chair in 1978. Since 1981, he has been Chairman of the Ephraim G. Sless Memorial Fund.

Secretary of the Supreme Convention Committee in 1964, he has been a member of the Special Action Committee since that time as well. In 1973-1974, he was Co-Chairman of the American Express Program. He was presented with the Ephraim G. Sless Award by his Chapter in 1974, and was the recipient of the Order of the Double Star, presented by Supreme in 1976.

In 1984, he won the highly respected Bowl of Hygeia Award and, in addition to serving as NARD's 1st Vice-President, he is Chairman of their committee on legislation and governmental affairs.

There are four distinct aspects to the Meritorious Award to Bill Katz. For one, he is the first from Nu Chapter of Connecticut. Secondly, he is the first Undergraduate Award winner to also receive the Meritorious Award and he is thus the first to win two Supreme Awards. Thirdly, only two Undergraduate Award winners have become Supreme Directorum, Bill Katz and our current Supreme Directorum, Bruce Strell. It is therefore highly significant that Frater Strell will be presenting this award to Frater Katz (and at a Convention in Cincinnati, the same site where, 23 years ago, Bill Katz received his undergraduate honor). Finally, his wife, Marilyn, is National Auxiliary President. It is her second term, her first having been three years earlier. While many women have had more than one term as National Auxiliary President, Marilyn is the first to have been recalled to the chair. Her inaugural address in July of 1983 was highly memorable.

Each year we point with pride to our award winners, and each time it is a feeling profoundly felt as we seek to thank someone for the things they did for AZO. However, the pride each and every AZO Frater has

in hailing our beloved Frater not only for his work within AZO but for that which he has achieved outside our boundaries is overwhelming. Bill Katz, AZO salutes you and thanks you.●

S. 44—PRODUCT LIABILITY ACT

● Mr. BOSCHWITZ. Mr. President, today I rise to join a number of my colleagues in cosponsoring S. 44, the Product Liability Act. The broad-based bipartisan support which S. 44 enjoys is a reflection of the tireless efforts of my colleagues Senator KASTEN of Wisconsin and Senator GORTON of Washington in crafting legislation that strikes an equitable balance in addressing the reasonable needs and rights of the interested parties.

In an effort to assure that every aspect of the bill harmonizes with the best interests of those who make, sell, and use products, Senators KASTEN and GORTON have refined S. 44 to the point where the legislation reported by the Commerce Committee brings uniformity, stability, and fairness to the law of product liability. Indeed, the editorial support of the Washington Post, Business Week, and the Wall Street Journal evidences the equity and broad philosophical approval of the measure's provisions.

Mr. President, I do not take my cosponsorship of S. 44 lightly. As a small businessman myself, I have always held the belief that the Federal Government should not become unduly involved in the regulation of business matters. Too often Congress has passed legislation that addresses a specific problem while disregarding the broader effect of the burden imposed on business and the economy as a whole. This is not the case with product liability.

The current state of product liability is a patchwork of conflicting product liability rules in each of the 50 States. These conflicting rules make it extremely difficult for injured persons to know their rights and for manufacturers and product sellers to know their legal obligations. Indeed, the rights, remedies, and legal liabilities can differ greatly among neighboring States. The differences among State product liability laws creates a great deal of uncertainty, and, I believe, impose a direct and substantial burden on interstate commerce. The rapid advance in technology and communication of this century have resulted in a homogenous, national—indeed worldwide—economy. Products are produced, marketed, distributed, and used in a national market, without regard to State lines. At the same time, the consequences of this national activity are determined on a State-by-State basis. Manufacturers who produce and sell goods in many States deserve equal and judicious treatement in each. The uncertainties of conflicting State laws and the realities of the marketplace create a national problem, which I believe justifies a uniform, national solution.

The purpose of S. 44 is to eliminate the uncertainty and provide a uniform set of product liability rules. I believe S. 44 accomplishes this result, while retaining major principles of common law. The bill requires that the unreasonably dangerous aspect of the product must be the proximate cause of the injury, where it is established that the product was unreasonably dangerous because of its design, because of its construction, because adequate warnings or instructions were not provided, or because the product did not conform to an express warranty. The bill inposes a strict liability standard for mismanufactured products that caused the injury. At the same time, the bill provides commonsense standards that a product is not unreasonably dangerous if it was not technologically feasible to eliminate the danger, the injury was caused by an unavoidably dangerous aspect of the product, or the injury was caused by an unsafe aspect of the product that was inherent in it. In addition, the bill apportions responsibility on the basis of the relative fault of the injured party and the manufacturer. As a result, the manufacturer is liable only for the portion that the manufacturer contributed to the injury, while the injured party cannot recover damages that resulted from his or her fault. Finally, the bill establishes a realistic statute of limitations that prevents lawsuits for defective capital goods from being filed more than 25 years after the product was first sold and delivered. At the same time, the bill recognizes that other types of products can cause injuries that are not discovered within a specified time period. To address this situation, the bill allows injured persons to file lawsuits within 2 years from the time the person discovers both the injury and the cause of the injury. This preserves the right of injured persons to recover damages for injuries that cannot be easily discovered, while providing more certainty for manufacturers.

By bringing uniformity and stability to the law, S. 44 will promote safety in interstate commerce by making clear the standards manufacturers must meet in producing and maintaining their products. The bill will bring fairness to manufacturers and sellers by adopting a fault standard as the basis upon which to allocate liability for product-related injuries in proportion to the degree of responsibility for the occurrence. It will also bring fairness to injured parties by allowing suits which in some States would be barred by the application of overly restrictive statutes of limitations.

The reasonably prudent person standard of the bill provides a common standard against which courts in all States can measure the facts of each case. I do not believe that S. 44 will prevent the evolution of product liability law. On the contrary, the bill's standard of liability allows common law courts to determine what the reasonably prudent person would have done at the time of the factual situation of each case, rather than requiring an impossible 20/20 hindsight of measuring actions taken in the 1960's against the standards of the 1980's.

I believe that S. 44 will reduce the enormous costs of the current system which stem from the confusion and unfairness I have already mentioned. It is no secret that some opposition to S. 44 is based on the contention that S. 44 is special interest legislation designed to protect manufacturers and sellers at the expense of consumers. What must be acknowledged, however, is that all consumers presently bear the extra expense of the inefficiency and frequent unfairness of the current state of confusion in product liability law. Therefore, I urge my colleagues to join the broad consensus of manufacturers, sellers, and consumers in supporting S. 44 as a well-balanced solution to a pressing national problem.

Mr. President, S. 44 is timely legislation in a Congress that is running short of time. Allowing for the recesses scheduled for this summer, only a precious few weeks are available to consider this important legislation. Accordingly, I pledge my support for S. 44 and urge my colleagues to join the effort to provide the impetus for action on the legislation this year.●

JACK A. CARDWELL

● Mr. TOWER. Mr. President, it is a pleasure for me to pay tribute to a fellow Texan, Mr. Jack A. Cardwell, who on July 10, 1984, will complete a successful term as chairman of the board of the National Association of Truck Stop Operators.

Founded in 1960, the association boasts a membership of well over 900 truckstop owners and managers who, to qualify for membership, must be able to serve professional truckers. Seeking to insure that the truckstop industry plays the appropriate role in the overall scheme of intra and interstate commerce, the association provides educational training programs, credit information, group insurance programs, public relations services and library facilities for its members. In 1983-84, with the leadership of Jack Cardwell, this multibillion-dollar petroleum products marketing industry and billion dollar restaurant industry has made great progress in advancing the truckstop industry toward even higher standards of excellence.

Mr. Cardwell was born and raised in Poplar Bluff, MO, and after spending

4 years serving this Nation and its people in the U.S. Army, he moved to El Paso, TX, where he founded Petro, Inc., of which he is currently president. Additionally, Mr. Cardwell has spend 8 years as a member of the El Paso Airport Board; he is one of the founders and currently serves on the board of directors of the Continental National Bank; he is a member of the El Paso Development Board and the Renaissance 400 Board. His leadership role in the association was evidenced by his election as secretary in 1981. Mr. Cardwell served as treasurer in 1982, as first vice chairman in 1982-83, and began his term as chairman of the board last year.

I am pleased to have this opportunity to honor this Texan who is an entrepreneur and who is dedicated to service to his community, State, and Nation. Likewise, I ask my colleagues to join me in congratulating Mr. Cardwell for his service.●

DEFICITS, INTEREST RATES, AND AGRICULTURE

● Mr. ABDNOR. Mr. President, I have introduced legislation which would be a tremendous step in the direction of putting this Nation's farmers and ranchers on a sound financial footing. I feel it is necessary to call this legislation to the attention of my colleagues as they may have overlooked the very favorable impact this bill would have on our agricultural sector. I'm referring to S. 2516, which doesn't mention farmers, ranchers, or even agriculture for that matter. Still, it addresses a major economic problem which has been a significant factor in putting our agricultural sector on the skids. This problem is continued massive Federal budget deficits.

Last year, we rang up a deficit totaling over $195 billion. Unless these deficits can be reduced dramatically, Government demands for credit will continue to crowd out private borrowing to an ever-increasing extent. The result will be high interest rates skyrocketing even higher and a general slowing in the economy. However, what may be a "slowdown" for the economy in general may be the last straw for an agricultural economy which already finds itself in a severe credit crunch and in a position in which its ability to export has eroded.

Fueled by a seemingly insatiable demand for borrowing by the Federal Government, rising interest rates have increased the cost of both operations and capital to the point that interest payments are now the single largest agricultural expense. According to Agriculture Department statistics, the ratio of interest expense to net farm income was about 20 percent in the 1970's. Now it has jumped to over 50 percent. A 1-percent hike in interest rates, if applied to all outstanding farm debt, results in a $2 to $3 billion drop in the farm sector's annual net income, and I don't have to tell anyone where interest rates have been heading in the last couple of months.

But the damage huge budget deficits inflict upon agriculture does not end with higher interest costs. Deficits also strangle our ability to export.

The world's wealth is drawn to where it can get the greatest rate of interest after adjusting for the effects of inflation. In recent years, this has been the United States. But, in order to get this high rate of return, foreign investors must convert their own currencies into dollars. Just as when there is a sudden increased demand for any commodity, the result of this foreign rush to own U.S. dollars has resulted in a dramatic rise in the value of our dollar relative to foreign currencies. According to the President's Council of Economic Advisers, the dollar is currently overvalued by about 32 percent in the international market.

What does this mean for our farm economy? In effect, by our refusal to control deficit spending, we are giving a tremendous subsidy to foreign sellers of agricultural commodities at the direct expense of our own farmers and ranchers. It's no wonder that from 1981 to 1983 American agricultural exports declined from $43.8 billion to $34.8 billion—more than a 20-percent drop. This compares with a 13-percent drop for all U.S. exports over the same period. Obviously, agricultural exports are especially sensitive to fluctuations in the value of the dollar. In fact, the Department of Agriculture indicates that perhaps as much as $6 billion in agricultural exports have been lost as a direct result of our overpriced dollar. It is estimated that every 10-percent increase in the dollar's exchange rate will choke off at least an additional 5 percent of our agricultural exports.

Our farmers and ranchers are on the ropes through no fault of their own. In fact, they are by far the most efficient producers of good the world has ever seen. The blame lies with Congress. A $195 billion deficit is simply not a responsible way to run this country, and our agricultural sector is paying an especially steep price for this irresponsibility—through higher interest costs and lost markets.

American agriculture is the world's largest industry. Farm assets are equal to about 70 percent of the capital assets of all manufacturing corporation in the United States. And don't forget our farmers also are consumers themselves. Their annual purchases include $13 billion for farm tractors and other equipment, $16 billion for fuel and equipment maintenance, $23 billion for feed and seed, and $10 billion for fertilizer and lime.

My State of South Dakota is especially dependent upon agriculture. Twenty-five percent of the State's income is directly related to agriculture. This compares with about 20 percent for North Dakota and 15 percent to 18 percent for Iowa. In fact, the last census indicates that South Dakota has a higher percentage of farmers and ranchers then any other State.

Huge deficits have our country in big financial trouble, and I can tell you that South Dakota farmers and ranchers are being hit especially hard. This is one Senator who is willing to do whatever it takes to get our budget under control. That's why I have introduced S. 2516. This bill requires Congress to reduce the 1985 deficit by at least $29 billion below the 1983 level and continue further reductions until deficits are eliminated no later than 1994.

If Congress refuses to do its job and meet these targets, the President would get the power to keep Congress from busting the budget. However, this power is carefully defined to protect recipients of necessary Government programs. If Congress and the President both refuse to cut deficits enough to meet the target, spending would be cut across the board, as a last resort. One way or another, the budget would be brought under control.

It is time that our actions match our rhetoric. I urge my Senate colleagues as well as interested members of the public—particularly those who are concerned about agriculture—to support this urgently needed bill.●

S. 1285, EDUCATION FOR ECONOMIC SECURITY

● Mr. PRYOR. Mr. President, on April 26, 1983, when the National Commission on Excellence in Education released its report, "A Nation at Risk," the people of this Nation were shocked to learn that if the results of that report were indeed correct, our foundations were in danger of crumbling.

When this shock began to wear off and reactions from educators, parents, students, and citizens began to be heard, it was evident that something had to be done. It became the lead story in all the media. In its national survey of important issues in the 1984 Presidential campaign, Newsweek reported that unemployment was the only one ranked higher than education.

Governors and legislators of all the States have introduced and enacted legislation supporting the needs determined by task forces appointed in each State to define problem areas and implement change and improvement.

Business and industry, realizing the future was in jeopardy, have entered into more financial, information ex-

change, and other services to education than ever before in our history.

The area found to be most in need of improvement was math and science, where a severe shortage of teachers now exists. The purpose of S. 1285 is to improve the quality of mathematics and science teaching and instruction in the United States.

If we expect to have students in our system who are able to function in this "high-tech" society, we must support the efforts already expended by our educators, our State legislatures, business and industry, and our students and their parents. All of us confront together this almost overwhelming problem. We must provide them with every tool available.

The $425 million in fiscal year 1984 and $540 in fiscal year 1985, set aside for the training of teachers and the provisions providing for the participation of business and industry, should be provided and viewed only as support. Education is a local responsibility. As stated in the committee report, it should not be a Federal prerogative to interfere in any way with the individual policies of local and State school systems with respect to teacher certification, compensation, and curriculum choices.

At the Federal level, we must provide avenues to achieve the necessary and emergency solutions to the problems facing our education system today. These problems did not develop overnight, nor will they disappear overnight. But, we do not have the luxury of time to allow these solutions to come about gradually. We face an emergency. We must apply emergency remedies.

Mr. President, I support S. 1285 and I am pleased that the Senate is moving forward with the assistance provided in S. 1285.●

SENATOR PROXMIRE: MAN WITH A HEART

● Mr. CHILES. Mr. President, most of us, and most of the public, know Senator BILL PROXMIRE as the scourge of spendthrift bureaucrats, rooting out waste from every nook and cranny of the Federal Government. But BILL PROXMIRE is a man with a heart, and uses his position to help those who need it as well.

A while back, Senator PROXMIRE learned that Federal regulations prohibited any pets in assisted housing. In the case of many lonely people, this worked a real hardship. So BILL PROXMIRE stepped in with an amendment allowing residents of housing for elderly or handicapped people to own pets.

Mr. President, I ask to have printed in the RECORD a recent article from the Sarasota Herald Tribune in Florida telling what a terrific boon Senator Proxmire's amendment has been to a lonely veteran in Florida.

Mr. President, I can only hope that if I go by BILL PROXMIRE's office someday, and he has an extra donut, he will give me one.

The article follows:

[From the Sarasota Herald Tribune, May 31, 1984]

VETERAN WINS FIGHT TO KEEP HIS PET

(By Jud Magrin)

Last year John Oros stood by his guns. He was not going to leave his apartment or part company with his poodle, Dum-Dum, without the best fight he could muster. A military veteran who had both his legs amputated, Oros had become accustomed to fighting.

It was apparent in July that the Manatee County Housing Authority was going to have Oros, 62, evicted from his Lake Terrace apartment because he was keeping Dum-Dum there in violation of the lease. Lake Terrace, a 10-unit complex at 2809 46th Ave. Drive West in Bradenton, was built with the help of federal dollars specifically for low-income handicapped and elderly persons.

The Manatee County Housing Authority and most other local housing authorities have outlawed pets in apartments in lease agreements. Oros signed a lease when he moved into Lake Terrace which contained the clause disallowing pets. He obtained Dum-Dum later and said the dog was like a child to him. He said the animal helped him fight loneliness.

Oros and his attorney, Richard Buckle, vowed to fight and go to court if necessary. His persistence has apparently paid off.

U.S. Sen. William Proxmire got wind of cases like Oros' and a study that showed pets were very therapeutic, particularly for the elderly and handicapped who are often confined and lonely.

Proxmire attached an amendment to the Housing and Urban Recovery Act last fall, according to Jack Pridgen, an aide for U.S. Sen. Lawton Chiles of Florida. The act passed Congress and became law and so did Proxmire's addition that said that people living in federally subsidized housing built specifically for the handicapped and elderly must be allowed to keep pets.

When contacted by the *Herald Tribune* Wednesday, Oros said he was aware of Proxmire's efforts, but did not know the bill had passed. Oros said a special hearing was held in Washington, D.C., for his case specifically, and he said that he was allowed to keep Dum-Dum as a result of that hearing.

The new law does allow him to keep the dog. "That's the best thing that's ever happened to me," Oros said. He's all I got. If I didn't have him I'd be ready to jump off the Skyway Bridge any minute."

Oros was very complimentary of the Humane Society in Bradenton and its representative, Paul Witte. "I thank them from the bottom of my heart," Oros said. "They got an attorney for me and backed me all the way. I never knew people like that were living anymore," he said.

The new law may not be good news to local housing authorities, however. The new law will apply to 176 of the 636 federally subsidized units in Sarasota, according to Walter Brown, executive director of the Sarasota Housing Authority.

Those 176 units are in McCown Towers at 1300 6th St. where, Brown said, residents have generally opposed the new law. "We have had a meeting with the tenants to explain to them the provision of law," Brown said Wednesday, "but because of the congestion they hope no one else gets pets."

McCown Towers is 10 stories high and the keeping of pets in that complex presents some obvious problems such as noice, pest control and sanitary conditions. In addition, taking care of those pets when their owners become ill or hospitalized is another problem.

"It would be difficult implementing this new regulation," Brown said.

Local housing authorities were notified of the new law about two weeks ago. However, the U.S. Department of Housing and Urban Development (HUD) will not be sending down specific regulations until November. That means people like Oros can keep their pets until then and probably beyond, depending on the regulations.

Robert Rogers is director of the Manatee County Housing Authority. It was his job to evict Oros. "That hasn't moved forward or backward," Rogers said of the Oros matter. "We are really waiting to see what the federal regulations say. We will not act until those regulations are received." Beyond that, Rogers would not comment on Oros.

He did say the new regulation could "cause problems." He added that the individual housing authorities have been left to deal with pets until the regulations come from HUD in November. He said there have been no more complaints about Oros and his dog.

Sally Thompson, director of the Punta Gorda Housing Authority, said, "We have had problems with pets in the family units, but never in the housing for the elderly. Sometimes dogs are tied up outside and the barking has spurred complaints. With this many people living this close together it creates problems."

There are 184 total federally subsidized units in Punta Gorda, Mrs. Thompson said, 104 on Marion Avenue. "We haven't been faced with the problem yet," she said, although several people have decided not to move into the units because they were not allowed to keep pets.

But Brown and Rogers said they do not allow pets in the family units.

Mrs. Thompson said some housing authorities in the larger cities continue to fight Proxmire's action because they deal with high-rises where pets can compound problems.

In Venice, Housing Authority Director Nelson Perry said there is no federally subsidized housing built specifically for the elderly or handicapped. There are 50 units on East Venice Avenue for anyone who fits the needs for the units. Perry said leases prohibit pets in those apartments.

People who apply for and get federally subsidized housing units are charged rent based upon their income, Mrs. Thompson said. For tenants, the rent is generally about 40 percent of their income.

Now people like Oros are in the driver's seat. They have the law on their side, regardless of the problems pets might cause.

"Dum-Dum is better known around here than I am," Oros said. "A lady gives him a doughnut and a half a cup of coffee each morning, sometimes two donuts. When she gives him two, I snitch one of them."●

NATIONAL CHILDHOOD VACCINE-INJURY COMPENSATION ACT, S. 2117

● Mr. HATFIELD. Mr. President, today I have added my name as a cosponsor of the National Childhood Vaccine-Injury Compensation Act. This legislation, introduced by Senator HAWKINS, seeks to address the rapidly growing concern about the incidence of vaccine-related injuries.

Let me say first that I am fully in support of the childhood vaccination program. Estimates indicate that with a universal vaccination program the instance of disease can be lessened by as much as 90 percent. Vaccines save our children's lives. We must do everything possible to ensure that the vaccination program is maintained and remains affordable for all.

But the vaccination program is not perfect. There are risks involved when a child is immunized. Injuries from vaccinations range from sore arms to brain damage, or even death. Reactions to vaccines in no way can be equated to the seriousness of an outbreak of an illness, but they are nonetheless tragic. A loss has been suffered whether a child is permanently injured by a disease or is damaged by a vaccine.

This bill seeks to recognize the potential hazards connected to vaccines and to promote the search for safer vaccines, inform parents of the possible negative aspects of immunizations, and to address the issue of compensation for victims of vaccination-caused injuries. Government actions have increased the vaccination requirements for a child entering school, but have not sought out solutions to the problems associated with the vaccines. Until now, a parent whose child is injured while complying with a law can only seek compensation through the courts.

Liability suits are costly for both sides. With court costs and awards reaching hundreds of thousands of dollars, some manufacturing firms have begun to pull out of the market. Just last week, a firm manufacturing the pertussis—whooping cough—vaccine announced it would cease production. Now only one U.S. firm makes the pertussis vaccine, and costs are rising at a rapid rate.

The National Childhood Vaccine-Injury Compensation Act seeks to set up a no-fault compensation system to protect those children who were injured but cannot prove this in a court of law from falling between the cracks. The compensation program also protects the manufacturers from carrying the burden of liability for a vaccination which is inherently risky.

The compensation program does not prohibit tort action; it merely gives the injured party an option. If a manufacturer or physician is truly negligent in any way, then redress can be sought. But the compensation program can help to prevent the vaccination market from drying up in fear of court costs.

In conclusion, I would like to add that I do not feel that this bill is the final answer. The problem of vaccine-related injuries is just now coming to light. But this bill suggests some basic action that should be taken now, such as requiring adequate recordkeeping by physicians of all reactions and pertinent information when a child is immunized. The bill sets up a commission to research the problem of vaccination-related injuries; the bill requires the Secretary of Health and Human Services to make the safest vaccines possible available to the public, and the bill ensures that the vaccinations will be available and affordable. We have a right to know all the dangers associated with vaccinations, just as we know the dangers of the disease the vaccines are designed to prevent. We must address the problems of vaccine-related injuries with as much zeal and commitment as we have exercised in efforts to stop the needless presence of childhood diseases.●

THE SMALL COMMUNITY AIR SERVICE IMPROVEMENT ACT

● Mr. BOSCHWITZ. Mr. President, I join with my senior colleague from Minnesota in sponsoring the Small Community Air Service Improvement Act.

This legislation is in response to the current shortcomings of the Essential Air Service [EAS] Program. The Minnesota Department of Transportation, the Minneapolis-St. Paul Metropolitan Airports Commission and the Local Airline Service Action Committee [ASAC] all took an active role in developing this proposal, as did similar organizations in other States.

The act makes four basic changes in the EAS Program, all designed to improve air service to small- and medium-sized communities.

First, essential air transportation would be defined as at least two well-timed flights per day in each direction, 6 days per week on aircraft with adequate freight capacity.

Second, the communities and States would be given the option to join together in providing financial assistance to improve their scheduled air service. The local share would need to be at least 25 percent of the Federal contribution, but it could be paid in cash or in-kind.

Third, communities will also be allowed to negotiate exclusive agreement with air carriers in exchange for guaranteed beyond hub service.

And fourth, the EAS Program itself would be extended for 10 years beyond the date of enactment of this legislation.

I believe this bill offers cities and States both an opportunity, and the flexibility to develop a quality air service. For many communities, timely flights and adequate seating is vitally important to their efforts to attract new businesses, and to their ability to retain existing ones. I feel this bill gives them the tools needed, and I hope my colleagues will join with Senator DURENBERGER and me in supporting it.●

THE CALENDAR

Mr. STEVENS. Mr. President, there is a series of items on which I should like to propound a unanimous-consent request for their consideration en bloc.

I ask unanimous consent that the Senate proceed to the consideration of the following bills: Calendar No. 782, which is S. 2311; Calendar No. 917, which is S. 2496; Calendar No. 919, which is S. 2615; Calendar No. 934, which is S. 2308; Calendar No. 936, which is S. 2574; Calendar No. 971, which is H.R. 3169; Calendar No. 1008, which is H.R. 5404; Calendar No. 1010, which is Senate Joint Resolution 235; Calendar No. 1014, which is House Concurrent Resolution 294; Calendar No. 1012, which is S. 2562; Calendar No. 1017, which is H.R. 3927; Calendar No. 1018, which is H.R. 3922; Calendar No. 1023, which is Senate Resolution 365; Calendar No. 1024, which is Senate Resolution 417; Calendar No. 1025, which is Senate Concurrent Resolution 122; Calendar No. 1026, which is H.R. 3825; Calendar No. 1027, which is H.R. 5740; Calendar No. 1028, which is House Joint Resolution 567, and that is the listing of the items to be considered en bloc.

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

HEALTH MAINTENANCE ORGANIZATION AMENDMENTS OF 1984

The Senate proceeded to consider the bill (S. 2311) to amend the provisions of the Public Health Service Act relating to health maintenance organizations, which have been reported from the Committee on Labor and Human Resources with amendments as follows:

Strike page 2.

On page 3, line 4, strike "Sec. 4". and insert "Sec. 2".

On page 3, line 5, strike "Act" and insert "Public Health Service Act (hereafter in this Act referred to as "the Act")".

On page 4, line 16, strike "Sec. 5" and insert "Sec. 3".

On page 5, line 6, strike "Sec. 6" and insert "Sec. 4".

On page 5, line 15, strike "Sec. 7." and insert "Sec. 5".

On page 5, line 20, strike "Sec. 8" and insert "Sec. 6".

On page 6, line 3, strike "Sec. 9" and insert "Sec. 7".

On page 6, line 6, strike "Sec. 8" and insert "Sec. 8".
On page 6, line 11, strike "Sec. 11" and insert "Sec. 9".
On page 6, line 13, strike "Sec. 12" and insert "Sec. 10".
On page 6, line 16, strike "Sec. 13" and insert "Sec. 11".
On page 6, line 17, strike "section 4" and insert "section 2"
On page 6, line 18, strike "by striking out "and" after 1984 and".
On page 6, line 19, strike "1985, 1986, and 1987" and insert "and $400,000 for each of the fiscal years 1985, 1986, and 1987".

So as to make the bill read:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Maintenance Organization Amendments of 1984".

ELIMINATION OF AUTHORIZATION OF SUPPORT FOR FEASIBILITY SURVEYS, PLANNING, AND INITIAL DEVELOPMENT COSTS

SEC. 2. (a) Sections 1303, 1304, and 1307(c) of the Public Health Service Act (hereafter in this Act referred to as "the Act") are repealed.

(b) Section 1306 of the Act is amended—

(1) by striking out "grant, contract, loan," each place it appears (except in subsection (b)(6)) and inserting in lieu thereof "loan",

(2) by striking out "in the case of an application for assistance under section 1303 or 1304, such application meets the application requirements of such section, and in the case of an application for a loan or loan guarantee," in subsection (b)(1),

(3) by striking out "1304," in subsection (b)(2), and

(4) by striking out "grants, contracts, loans," in subsection (c) and inserting in lieu thereof "loans".

(c) Section 1307 of the Act is amended—

(1) by striking out "grant, contract, loan," each place it appears and inserting in lieu thereof "loan",

(2) by striking out "grant, contract, or" in subsection (a)(1), and

(3) by striking out "such assistance" in subsection (a)(1) and inserting in lieu thereof "the loan".

(d) Section 1309(a) of the Act is amended—

(1) by striking out paragraph (1), and

(2) by striking out "(2)".

(e) The first sentence of section 1317(b) of the Act is amended—

(1) by striking out clause (1), and

(2) by redesignating clauses (2) and (3) as clauses (1) and (2), respectively.

(f) The amendments made by this section do not apply to any grant made or contract entered into under title XIII of the Act before October 1, 1984.

LIMITATION ON LOANS AND LOAN GUARANTEES FOR INITIAL COSTS OF OPERATION

SEC. 3. (a) The last sentence of section 1305(a) of the Act is amended by inserting before the period ", and unless the Secretary has made a grant or loan to, entered into a contract with, or guaranteed a loan for, the organization in fiscal year 1981, 1982, 1983, or 1984 under this section or section 1304(b) (as in effect before October 1, 1984)".

(b) The amendment made by subsection (a) does not apply to any loan or loan guarantee for the initial costs of operation of a health maintenance organization made under title XIII of the Act before October 1, 1984.

ELIMINATION OF LOANS AND LOAN GUARANTEES FOR ACQUISITION AND CONSTRUCTION OF AMBULATORY FACILITIES

SEC. 4. (a) Section 1305A of the Act is repealed.

(b) Section 1306(b)(2) of the Act is amended by striking out "or 1305A,".

(c) The amendments made by this section do not apply to any loan or loan guarantee made under section 1305A of the Act before October 1, 1984.

REPEAL OF REQUIREMENT FOR HEALTH SYSTEMS AGENCY REVIEW

SEC. 5. Paragraph (5) of section 1306(b) of the Act is repealed. Paragraphs (6), (7), and (8) are redesignated as paragraphs (5), (6), and (7), respectively.

LIMITATION ON BORROWING BY LOAN GUARANTEE FUND

SEC. 6. The first sentence of section 1308(d)(2) of the Act is amended by inserting "before October 1, 1983," after "guarantees issued by him".

REPEAL OF REQUIREMENT FOR PERIODIC DEMONSTRATION OF COMPLIANCE

SEC. 7. Section 1310(d) of the Act is amended by striking out the last sentence.

ANNUAL UPDATE OF STATE LAW DIGEST

SEC. 8. The first sentence of section 1311(c) of the Act is amended by striking out "quarterly" and inserting in lieu thereof "annually".

REPEAL OF LIMITATION OF SOURCE OF FUNDING

SEC. 9. Section 1313 of the Act is repealed.

ELIMINATION OF UNNECESSARY REPORT

SEC. 10. Section 1318(e) of the Act is repealed.

AUTHORIZATION OF APPROPRIATIONS

SEC. 11. (a) Section 1309(a) of the Act (as amended by section 2 of this Act) is further amended by inserting before the period a comma and "and $400,000 for each of the fiscal years 1985, 1986, and 1987".

(b) Section 1309(b) of the Act is amended to read as follows:

"(b) To meet the obligations of the loan fund established under section 1308(e) resulting from defaults on loans made from the fund and to meet the other obligations of the fund, there is authorized to be appropriated to the loan fund for fiscal year 1985, 1986, and 1987, such sums as may be necessary."

Mr. HATCH. Mr. President, as we move to consider S. 2311, I would like to make a few observations and comments about the bill and about health maintenance organizations [HMO's].

Because of their built-in incentives for curbing the excessive use of hospital and physician resources, and for holding down prices, I have long felt that HMO's represent a health care delivery approach effective in restraining the spiraling cost of health care, an approach which deserves greater exposure in our country. Most importantly, HMO's have so far been able to accomplish these economies without sacrificing quality health care. Indeed the cost-saving incentives inherent in the concept have led many HMO's to undertake serious preventive health campaigns, and I think that all of us would agree that ultimately the best way to decrease health care expenditures is to keep from getting sick or injured in the first place.

For these reasons I have supported title XIII of the Public Health Service Act, which has regulated and benefited those HMO's which have chosen to qualify under it. We heard testimony in the Labor and Human Resources Committee this past February on the operation of the act, and on proposed reauthorization amendments. That testimony confirmed what I have said and confirmed my feeling that the HMO industry is prospering and is helping our people meet their health care needs in a responsible, cost-effective way. It also confirmed that the act is generally working well, though there was agreement that many portions, useful in helping the industry get on its feet, were no longer needed and in fact are no longer receiving appropriations.

One of the provisions of S. 2311 repeals these obsolete authorities. The other provisions of the bill as reported also effect changes in current law on which there was a broad consensus of support on the committee. Among these is a repeal of the formal, biennial "requalification" requirement for Federal HMO's, and a decrease in the frequency of certain reports. The bill also reauthorizes the loan fund necessary to cover defaults in loans made or guaranteed by the Federal Government in the past to assist new HMO's—this assistance authority is not continued—and it reauthorizes the Department of Health and Human Services' training and technical assistance fund at $400,000, down from $1 million, but sufficient to cover the Department's past level of activity in sponsoring and disseminating expertise through the industry.

In short, the committee feels that title XIII is working smoothly and that no more than fine-tuning adjustments are needed in reauthorizing it. However, I would like to emphasize one point made in the committee report: "[A]s the HMO industry continues to mature and as other forms of health services providers develop and give challenge to the Federal HMO concept, the committee feels a review of the basic elements and constrictions of the current law will have to be made with an eye to allowing HMO's to become more competitive." The time may come when those who are dedicated to the HMO concept will have to choose between adherence to tradition and the flexibility to meet competition. I hope that the industry itself will establish and periodically review a long-term strategy for ensuring its own health under increasingly competitive conditions.

Mr. President, this bill reauthorizes a good program which in the past has served the public well. It makes only minor adjustments in program oper-

ation, and enjoys broad bipartisan support. I ask for its favorable consideration.

The amendments were agreed to.

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

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ADULT EDUCATION ACT AMENDMENTS OF 1984

The Senate proceeded to consider the bill (S. 2496) to amend the Adult Education Act in order to simplify requirements for States and other recipients participating in Federal adult education programs, and for other purposes, which had been reported from the Committee on Labor and Human Resources with an amendment to strike all after the enacting clause and insert:

That this Act may be cited as the "Adult Education Act Amendments of 1984".

STATEMENT OF PURPOSE

SEC. 2. Section 302 of the Adult Education Act (20 U.S.C. 1201 et seq.) (hereafter in this Act referred to as "the Act") is amended—

(1) by inserting after "basic" in clause (1) the following: "literacy", and

(2) by inserting after "training" in clause (3) the following: "and education".

DEFINITIONS

SEC. 3. (a) Section 303(a) of the Act is amended to read as follows:

"(a) The term 'adult' means an individual who has attained 16 years of age or who is beyond the age of compulsory school attendance under State law.".

(b) Section 303(b) of the Act is amended to read as follows:

"(b) The term 'adult education' means instruction or services below the college level for adults who do not have—

(1) the basic skills to enable them to function effectively in society; or

(2) a certificate of graduation from a school providing secondary education (and who have not achieved an equivalent level of education).".

(c) Section 303(d) of the Act is amended to read as follows:

"(d) The term 'Secretary' means the Secretary of Education.".

(d) Section 303(g) of the Act is amended to read as follows:

"(g) The term 'State' includes, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.".

(e) Section 303(j) of the Act is amended by striking out "section 801(e) of the Elementray and Secondary Education Act of 1965" and inserting in lieu thereof "section 481 of the Higher Education Act of 1965".

(f) The Act is amended—

(1) by striking out "Commissioner" each time it appears, except the second time it appears in section 311(c), and inserting in lieu thereof "Secretary"; and

(2) by striking out "Commissioners" in section 308(b) and inserting in lieu thereof "Secretary".

STATE GRANTS

SEC. 4. (a) Section 304(a) of the Act is amended—

(1) by striking out "establishment of expansion" each time it appears and inserting in lieu thereof "establishment or expansion"; and

(2) by striking out "nonprofit" each time it appears.

(b) Section 304(a) of the Act is amended—

(1) by inserting (1) after the subsection designation;

(2) by redesignating clauses (1) and (2) as clauses (A) and (B); and

(3) by adding at the end thereof the following new paragraph;

"(2) Whenever the establishment or expansion of programs is carried out by a profit-making agency, organization, or institution, the State educational agency or eligible applicant shall enter into a contract with such agency, organization, or institution, for the establishment or expansion of such programs.".

STATE ALLOTMENTS

SEC. 5. (a) Section 305(a) of the Act is amended—

(1) by striking out "From" and inserting in lieu thereof "Subject to the last sentence of this subsection, from";

(2) by striking out "not more than 1 per centum thereof among" in clause (1) and inserting in lieu thereof "$100,000 each to"; and

(3) by striking out "$150,000" in clause (2) and inserting in lieu thereof "$250,000".

(b) The last sentence of section 305(a) of the Act is amended to read as follows: "No State shall be allotted in any fiscal year after September 30, 1984, an amount less than that State received for fiscal year 1984.".

STATE PLANS

SEC. 6. (a) Section 306(a)(1) of the Act is amended by striking out "section 434" and inserting in lieu thereof "section 435".

(b) Section 306(b) of the Act is amended—

(1) by striking out "and" at the end of clause (13);

(2) by striking out clause (14) and inserting in lieu thereof the following:

"(14) provide such information about the State's adult education students, programs, expenditures, and goals as the Secretary may require, together with information with respect to the age, sex, and race of students in the programs assisted under this Act and whether the students complete such programs; and

"(15) provide such further assurances and information as the Secretary may require.".

PAYMENTS

SEC. 7. Section 307(b) of the Act is amended by inserting "(1)" after the subsection designation and by adding at the end thereof the following new paragraph:

"(2) The Secretary may waive, for one fiscal year only, the requirements of paragraph (1) of this subsection, if the Secretary determines that such a waiver would be equitable due to exceptional or uncontrollable circumstances such as a natural disaster or a precipitous and unforeseen decline in the financial resources of the State educational agency.".

ADMINISTRATION OF STATE PLANS

SEC. 8. Section 308 of the Act is amended to read as follows:

"ADMINISTRATION OF STATE PLANS

"SEC. 308. Whenever the Secretary has reason to believe that in administering its State plan a State has failed to comply substantially with any provision of that State plan, the Secretary may take appropriate action under sections 453 and 454 of the General Education Provisions Act.".

NATIONAL PROGRAMS

SEC. 9. Section 309 of the Act is amended to reas as follows:

"RESEARCH, DEVELOPMENT, DEMONSTRATION, DISSEMINATION, AND EVALUATION

"SEC. 309. (a)(1) The Secretary shall, with funds set aside under section 314(b), support applied research, development, demonstration, dissemination, evaluation, and related activities which will contribute to the improvement and expansion of adult education in the United States. The activities required by this subsection may include—

"(A) improving adult education opportunities for elderly individuals and adult immigrants,

"(B) evaluating educational technology and computer software suitable for providing instruction to adults, and

"(C) supporting exemplary cooperative adult education programs which combine the resources of businesses, schools and community organizations.

"(2)(A) The Secretary may support such activities directly, or through grants to, or contracts or cooperative agreements with, public or private institutions, agencies, or organizations, or individuals, including business concerns.

"(B) Whenever the Secretary makes a grant or enters into a contract or cooperative agreement with any private for profit institution, agency, organization, individual, or business concern, the Secretary shall assure that participants in the program assisted under this subsection are not charged for their participation.

"(b) In addition to the responsibilities of the Director under section 405 of the General Education Provisions Act, the Director of the National Institute of Education may, with funds available under that section or with funds set aside under section 314(b) of this Act, support research on the special needs of individuals requiring adult education. The Director may support such research directly, or through grants to, or contracts or cooperative agreements with, public or private institutions, agencies, or organizations, or individuals.".

REPEALS AND REDESIGNATIONS

Sec. 10. (a)(1) Sections 311 and 318 of the Act are repealed.

(2) Sections 312, 313, 314, 315, and 316 are redesignated as sections 311, 312, 313, 314, and 315, respectively.

(b) Section 431A of the General Education Provisions Act is repealed.

STATE ADVISORY COUNCILS

SEC. 11. Section 311 of the Act (as redesignated by section 9) is amended to read as follows:

"STATE ADVISORY COUNCILS

"SEC. 311. Any State may use funds granted under section 304 to support a State advisory council which assists the State educational agency to plan, implement, or evaluate programs or activities assisted under this Act.".

NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION

SEC. 12. Section 312 of the Act (as redesignated by section 9) is amended by striking out "1984" and inserting in lieu thereof "1989".

AUTHORIZATION OF APPROPRIATIONS

SEC. 13. Section 314 of the Act (as redesignated by section 9) is amended to read as follows:

"APPROPRIATIONS AUTHORIZED

"SEC. 314. (a) For the purpose of carrying out this title there are authorized to be appropriated $140,000,000 for fiscal year 1985 and such sums as may be necessary for each of the four succeeding fiscal years.

"(b)(1) From the amount appropriated pursuant to subsection (a) for any fiscal year the Secretary may set aside not to exceed 5 per centum of that amount for programs under section 309. The remainder of the amount appropriated in each fiscal year shall be available for grants made under section 304.

"(2) No set aside may be made pursuant to paragraph (1) of this subsection in any fiscal year in which the appropriations made pursuant to subsection (a) of this section is less than $112,000,000.".

EFFECTIVE DATE

SEC. 14. The provisions of this Act shall take effect July 1, 1985.

Mr. STAFFORD. Mr. President, as chairman of the Subcommittee on Education, Arts and Humanities, I am pleased to support this legislation and urge my colleagues to do the same.

First of all, I would like to take a moment to commend the administration and Senator QUAYLE who is the original sponsor of S. 2496. The original bill, as introduced on March 29, was due to the hardwork and efforts of both the President and the Secretary of Education and is a demonstration of their commitment to eliminate illiteracy in the United States. I would also like to thank Senator QUAYLE and his staff for their leadership role in this effort, along with Senator HATCH and Senator PELL. Without their assistance we would not have the broad, truly bipartisan bill which we are considering today.

The current Adult Education Act, due to expire in September 1984, has been viewed as one of the most successful Federal programs since its enactment in 1966. In 1980, approximately 90,000 AEA students were reported to have gained employment as a result of this program and 55,000 were promoted to better jobs. Additionally, some 35,000 were removed from public assistance; 30,000 obtained drivers licenses; and 25,000 registered to vote for the first time.

Despite these successes, the United States remains confronted by an increasing population of functionally illiterate adults.

Tragically, close to 1 million teenagers drop out of high school every year. At the same time, record numbers of refugees and immigrants with little or no facility with the English language are entering the United States. The job training and continuing education programs currently available mean little to a person who cannot read or write.

Recent estimates report that the annual cost to the Federal Government in the form of welfare programs and unemployment compensation is over $6 billion. The actual figure may be much higher, and this estimate doesn't even include those tax revenues lost by the Government as a result of unemployment due to illiteracy. Mr. President, I believe that the proposal we are considering today will help to alleviate the problem of adult illiteracy by strengthening the existing Adult Education Program and by taking into consideration the special needs of today's population.

This legislation is the result of numerous meetings with the adult education community and testimony received before the subcommittee in early spring.

S. 2496 has an authorization level of $140 million, $40 million over current appropriation. In view of the 23 million illiterate adults in America today this increase would certainly be a wise investment of Federal funds.

Each State has different needs and requirements and the adult education community is no different. S. 2496 allows for these differences and thereby eliminates conflicts with State practices. Examples include opening the program to profitmaking organizations when they are best able to provide services; changing the program eligibility requirement; and eliminating current restrictions on the State advisory council.

Finally, Mr. President, this legislation provides funds for the Secretary of Education to carry out activities to improve the state of the art in adult education.

Because of the reasons mentioned above, Mr. President, I support this bill wholeheartedly and urge my colleagues to do the same.

Mr. QUAYLE. Mr. President, I rise in strong support of S. 2496, a bill to reauthorize the Adult Education Act.

Mr. President, this bill, which I introduced on March 29 with my colleagues Mr. STAFFORD, Mr. HATCH, and Mrs. HAWKINS as cosponsors, would reauthorize a program that is of vital importance to our Nation and to millions of Americans. In 19 years since its enactment, the Adult Education Act has helped over 10 million adults combat the problem of illiteracy, one of the most serious problems facing our Nation today.

To imagine Americans today lacking the skills to read and write is almost impossible. We are the Nation that landed men on the Moon, but we have 25 million adults who are functionally illiterate. These people often cannot find work, not because they don't want to work, but because they cannot read the help-wanted ads. Or, they cannot hold a job down because they lack the language and math skills needed to carry out their duties.

The costs, in dollars, associated with illiteracy are enormous, with estimates of $6 billion a year in lost productivity, lost wages, unemployment benefits, and other assistance programs. The costs associated with illiteracy from a human standpoint are equally devastating.

This reauthorization proposal, originally the administration's, would continue the Federal effort to reduce illiteracy in our country. The Adult Education Program provides funding to States, and all 50 States conduct an Adult Education Program to teach adults reading, writing, and computation skills. These programs are run by the State, with a great deal of local involvement. Localities have designed programs to best serve their communities by having classes after working hours, on weekends, in community buildings easily accessible, and not associated with the stigma of returning to school. Other programs are operated for institutionalized persons, in prisons, and health facilities, and even others are offered through a mobile van in rural areas. Local contributions and State contributions to the adult education programs are great. In my State of Indiana, for example, the State has been overmatching the Federal contribution by 200 percent; this when the State matching requirement is only 10 percent to the Federal Government's 90 percent. Most other States are overmatching, recognizing the need to help their residents become more productive.

The bill, as approved by the Labor and Human Resources Committee, would continue the programs much as they exist today with several changes, which I believe, will result in a stronger program.

The committee approved an amendment to increase the basic State allotment formula from $150,000 per State to $250,000 per State, with the territories getting $100,000 each. This new allotment formula will give the States a greater base with which to work. The remaining funds will continue to be distributed on the basis of the State's adult population without a high school degree. There is also a hold harmless in the bill so that no State can receive an amount less than what State received in fiscal year 1984.

The committee also approved an amendment to allow services to be provided to students who are beyond the age of compulsory school attendance in their State, but not yet 16. While there are not many States that have compulsory school attendance ages below 16, there are several, and if these students leave the traditional classroom for some reason, and then

seek further education in nontraditional programs, the committee feels they should not be barred from receiving services.

Another amendment would permit the State educational agency to contract with for-profit agencies or institutions to provide basic skills training. Recently, several major corporations throughout the country have become involved in literacy training, and many projects are relying heavily on the use of volunteers. By permitting for-profit organizations to provide service, we will be expanding the universe of service providers, so that more training opportunities are available. The committee feels that while including for-profit institutions is a good idea, it is also concerned that these for-profit organizations do not charge their participants, if indeed they do receive funds under the Adult Education Act.

Other changes in the program simplify the requirements that States are to meet with regard to State advisory councils and operation of State plans. The section regarding research is strengthened, because there are almost no definitive data on the extent of adult illiteracy, its costs, and by how the population of illiterates is increasing each year.

Mr. President, I feel we have a strong bill, one which will carry the Adult Education Programs into the end of this decade. We have much to do to help the millions of Americans who are functionally illiterate and these programs are of immeasurable value.

I also want to say how much I appreciate all the help and assistance and support the gentleman from Vermont [Mr. STAFFORD] has provided on this bill and I want to thank him for moving speedily on this very important measure. He is responsible for moving this bill through the Senate in a timely fashion, and I look forward to working with him to complete this important and vital piece of legislation.

Mr. President, I urge my colleagues to support this measure and approve the reauthorization of the Adult Education Act for the next 5 years.

Mr. PELL. Mr. Chairman, I express my strong support for this legislation to reauthorize the Adult Education Act. I further thank Senator STAFFORD for his characteristically excellent work on this bill, and express appreciation to the committee members and their staffs who have forged this piece of consensus legislation.

I have been a strong advocate of this program since its inception in 1966. It has proven to be one of the most beneficial and cost effective of all education programs. The reauthorization bill before us today closely resembles current law, but provides for a few changes to more directly target the education needs of the adult community.

Of late, there has been heightened awareness of the staggering number of adults who are illiterate or functionally illiterate. The American Association for Adult and Continuing Education estimates for example, that there are 26 million illiterate adults and that 61 million people would be eligible for adult education programs. In my home State of Rhode Island, waiting lists alone would enable adult education programs to double enrollment overnight. In light of these statistics, I am particularly pleased that the Education Subcommittee unanimously approved my amendment to increase the authorization ceiling for this program to $140 million. This amendment will allow the Adult Education Act to increase its service population from 2.4 to 3.4 million adults. In Rhode Island, it will serve an estimated additional 2,800 adults.

I can think of no sounder investment that we as a nation can make than in the education of illiterate and functionally illiterate adults.

As Horace Mann once said, "Education is a capital to the poor man, and an interest to the rich." By enabling millions of adults to improve their basic skills, the Adult Education Act has strengthened the employability of this population. It has offered them a greater chance to contribute to the productivity of our country. I hope that the Senate will swiftly move this legislation to conference so that we may continue to serve adults who are eager to work hard at upgrading their basic skills.

The amendment was agreed to.

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

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ALCOHOL ABUSE, ALCOHOLISM, AND DRUG ABUSE AMENDMENTS OF 1984

The Senate proceeded to consider the bill (S. 2615) to revise and extend programs conducted by the National Institute on Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse and for other purposes, which had been reported from the Committee on Labor and Human Resources with amendments as follows:

On page 2, line 9, strike "$49,748,000" and insert "$50,600,000".

On page 2, line 10, strike "$51,739,800" and insert "$53,400,000".

On page 2, line 16, strike "$66,053,500" and insert "$67,200,000".

On page 2, line 17, strike "$68,695,000" and insert "$71,000,000".

On page 3, line 19, strike "Screening and " and insert "treatment, screening".

On page 4, after line 17, insert "

"(c) Nothing shall prevent the use of funds provided under this section for programs and projects aimed at the prevention, treatment, and rehabilitation of drug abuse as well as alcohol abuse and alcoholism.

On page 4, line 22, strike "(c)" and insert "(d)".

On page 5, line 2, strike "Research" and insert "Demonstration Projects".

On page 5, line 4, strike "Abuse (hereinafter in this subpart referred to as the "institute")" and insert "Abuse".

On page 11, line 10, strike "contents" and insert "sections".

On page 14, line 12, strike "productivity;" and insert "and".

On page 15, after line 22, insert "

MEMBERSHIP OF NATIONAL ADVISORY COUNCIL ON ALCOHOL ABUSE AND ALCOHOLISM

SEC. 7. Section 217(a) of the Public Health Service Act is amended by inserting between the third and fourth sentences the following new sentence: "In the case of the National Advisory Council on Alcohol Abuse and Alcoholism, one of such six shall be a representative of private entities which provide treatment for alcohol abuse and alcoholism.".

On page 16, line 6, strike "Sec. 7" and insert "Sec. 8".

On page 16, line 15, strike "Sec. 8" and insert "Sec. 9".

So as to make the bill read:

S. 2615

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Alcohol Abuse, Alcoholism, and Drug Abuse Amendments of 1984".

RESEARCH

SEC. 2. (a) The first sentence of section 512 of the Public Health Service Act is amended—

(1) by striking out "and" after "1983" and inserting in lieu thereof a comma; and

(2) by inserting before the period a comma and "$47,835,000 for fiscal year 1985, $50,600,000 for fiscal year 1986, and $53,400,000 for fiscal year 1987".

(b) Section 515(c) of such Act is amended—

(1) by striking out "and" after "1983" and inserting in lieu thereof a comma; and

(2) by inserting before the period a comma and "$63,513,000 for fiscal year 1985, $67,200,000 for fiscal year 1986, and $71,000,000 for fiscal year 1987".

DEMONSTRATION PROJECTS

SEC. 3. (a) Title V of the Public Health Service Act is amended by adding at the end thereof the following new part:

"PART D—DEMONSTRATION PROJECTS

"SUBPART 1—ALCOHOL ABUSE AND ALCOHOLISM

"ALCOHOL ABUSE AND ALCOHOLISM DEMONSTRATION PROJECTS

"SEC. 530. (a) The Secretary, through the National Institute on Alcohol Abuse and Alcoholism, may make grants to public and nonprofit *private* entities to support projects for the development and demonstration of methods for—

"(1) the prevention of alcohol abuse, alcoholism, and other problems relating to the consumption of alcoholic beverages; and

"(2) the treatment and rehabilitation of individuals suffering from alcohol abuse, al-

coholism, or other problems relating to the consumption of alcoholic beverages.

"(b) Projects supported under this section shall include projects which—

"(1) emphasize the development and demonstration of new and improved methods of *treatment, screening,* early detection, referral, and diagnosis of individuals with a risk of developing alcohol abuse, alcoholism, or other problems relating to the consumption of alcoholic beverages;

"(2) emphasize the development and demonstration of new and improved methods of dissemination of knowledge concerning projects supported under this section and methods developed or demonstrated under this section;t

"(3) emphasize the development and demonstration of new and improved methods for the dissemination to the general public of information on the importance of early detection and prevention of alcohol abuse, alcoholism, and other problems relating to the consumption of alchololic beverages; and

"(4) investigate the epidemiology of all forms and aspects of alcohol abuse, alcoholism, and other problems relating to the consumption of alcoholic beverages, including investigations into the social, environmental, behavioral, biomedical, and genetic determinants and influences involved in the epidemiology of alcohol abuse, alcoholism, and other problems relating to the consumption of alcoholic beverages.

"(c) Nothing shall prevent the use of funds provided under this section for programs and projects at the prevention, treatment, and rehabilitation of drug abuse as well as alcohol abuse and alcoholism.

"(d) To carry out this section, there are authorized to be appropriated $10,000,000 for each of the fiscal years 1985, 1986, and 1987.

"SUBPART 2—DRUG ABUSE

"DRUG ABUSE DEMONSTRATION PROJECTS

"SEC. 535. (a) The Secretary, through the National Institute on Drug Abuse, may make grants to and enter into contracts with individuals and public and private nonprofit entities—

"(1) to provide training seminars, educational programs, and technical assistance for the development, demonstration, and evaluation of drug abuse prevention, treatment, and rehabilitation programs; and

"(2) to conduct demonstration and evaluation projects, with a high priority on prevention and early intervention projects and on identifying new and more effective drug abuse prevention, treatment, and rehabilitation programs.

"(b) In the implementation of this section, the Secretary shall accord a high priority to applications for grants or contracts for primary prevention programs. For purposes of the preceding sentence, primary prevention programs include programs designed to discourage persons from beginning drug abuse. To the extent that appropriations authorized under this section are used to fund treatment services, the Secretary shall not limit such funding to treatment for opiate abuse, but shall also provide support for treatment for nonopiate drug abuse including polydrug abuse. Furthermore, nothing shall prevent the use of funds provided under this section for programs and projects aimed at the prevention, treatment, and rehabilitation of alcohol abuse and alcoholism as well as drug abuse.

"(c)(1) In carrying out this section, the Secretary shall require coordination of all applications for programs in a State and shall not give precedence to public agencies over private agencies, institutions, and organizations, or to State agencies over local agencies.

"(2) Each applicant within a State, upon filing its application with the Secretary for a grant or contract under this section, shall submit a copy of its application for review by the State agency (if any) responsible for the administration of drug abuse prevention activities. Such State agency shall be given not more than thirty days from the date of receipt of the application to submit to the Secretary, in writing, an evaluation of the project set forth in the application. Such evaluation shall include comments on the relationship of the project to other projects pending and approved and to any State comprehensive plan for treatment and prevention of drug abuse. The State shall furnish the applicant a copy of any such evaluation. A State if it so desires may, in writing, waive its rights under this paragraph.

"(3) Approval of any application for a grant or contract under this section by the Secretary, including the earmarking of financial assistance for a program or project, may be granted only if the application substantially meets a set of criteria that—

"(A) provide that the activities and services for which assistance under this section is sought will be substantially administered by or under the supervision of the applicant;

"(B) provide for such methods of administration as are necessary for the proper and efficient operation of such programs or projects; and

"(C) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant.

"(4) Each applicant within a State, upon filing its application with the Secretary for a grant or contract to provide treatment or rehabilitation services shall provide a proposed performance standard or standards, to measure, or research protocol to determine, the effectiveness of such treatment or rehabilitation program or project.

"(d) The Secretary shall encourage the submission of and give special consideration to applications under this section to programs and projects aimed at underserved populations such as racial and ethnic minorities, Native Americans (including Native Hawaiians and Native American Pacific Islanders), youth, the elderly, women, handicapped individuals, and families of drug abusers.

"(e) Payment under grants or contracts under this section may be made in advance or by way of reimbursement and in such installments as the Secretrary may determine.

"(f) Projects and programs for which grants and contracts are made or entered into under this section shall, in the case of prevention and treatment services, seek to—

"(1) be responsive to special requirements of handicapped individuals in receiving such services;

"(2) whenever possible, be community based, insure care of good quality in general community care facilities and under health insurance plans, and be integrated with, and provide for the active participation of, a wide range of public and nongovernmental agencies, organizations, institutions, and individuals;

"(3) where a substantial number of the individuals in the population served by the project or program are of limited English-speaking ability—

"(A) utilize the services of outreach workers fluent in the language spoken by a predominant number of such individuals and develop a plan and make arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals; and

"(B) identify an individual who is fluent both in that language and English and whose responsibilities shall include providing guidance to the individuals of limited English-speaking ability and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences; and

"(4) where appropriate, utilize existing community resources (including community mental health centers).

"(g)(1) No grant may be made under this section to a State or to any entity within the government of a State unless the grant application has been duly authorized by the chief executive officer of such State.

"(2) No grant or contract may be made under this section for a period in excess of five years.

"(3)(A) The amount of any grant or contract under this section may not exceed 100 per centum of the cost of carrying out the grant or contract in the first fiscal year for which the grant or contract is made under this section, 80 per centum of such cost in the second fiscal year for which the grant or contract is made under this section, 70 per centum of such cost in the third fiscal year for which the grant or contract is made under this section, and 60 per centum of such cost in each of the fourth and fifth fiscal years for which the grant or contract is made under this section.

"(B) For purposes of this paragraph, no grant or contract shall be considered to have been made under this section for a fiscal year ending before September 30, 1981.

"(h) Each recipient of assistance under this section pursuant to grants or contracts entered into under other than competitive bidding procedures shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which such grant or contract is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(i) The Secretary and Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to such grants or contracts.

"(j) For carrying out the purposes of this section, there are authorized to be appropriated $10,000,000 for each of the fiscal years 1985, 1986, and 1987. At least 25 percent of the amounts appropriated under this section for any fiscal year shall be obligated for grants and contracts for primary prevention and intervention programs designed to discourage individuals, particularly individuals in high risk populations, from abusing drugs.".

(b)(1) Part B of title III of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 is repealed.

(2)(A) Sections 410 and 411 of the Drug Abuse Prevention, Treatment, and Rehabilitation Act are repealed.

(B) The table of sections for title IV of such Act is amended by striking out the items relating to sections 410 and 411.

ALCOHOL ABUSE, ALCOHOLISM, AND DRUG ABUSE AMONG WOMEN

SEC. 4. (a)(1) Subpart 1 of part B of title V of the Public Health Service Act is amended by inserting after section 511 the following new section:

"ALCOHOLISM AND ALCOHOL ABUSE AMONG WOMEN

"SEC. 551A. The Secretary, through the Institute, shall establish and carry out a program of research, investigations, experiments, and studies, directly or by grant or contract, into—

"(1) the social, behavioral, and biomedical etiology,

"(2) prevention,

"(3) treatment,

"(4) mental and physical health consequences,

"(5) social and economic consequences, and

"(6) the impact on families,

of alcoholism and alcohol abuse among women, including homemakers, single women, divorced mothers, single mothers, widowed mothers, displaced homemakers, women who have attained the age of 65 years, and pregnant women.".

(2) Section 512 of such Act (as amended by section 2(a) of this Act) is further amended—

(1) by inserting "(a)" before "There";

(2) by striking out "this subpart" in the first sentence and inserting in lieu thereof "sections 510 and 511";

(3) by striking out "this section" in the second sentence and inserting in lieu thereof "this subsection"; and

(4) by adding at the end thereof the following new subsection:

"(b) To carry out section 511A, there are authorized to be appropriated $1,000,000 for each of the fiscal years 1985, 1986, and 1987.".

(b) Subpart 2 of such part is amended by adding at the end thereof the following new section:

"DRUG ABUSE AMONG WOMEN

"SEC. 516. (a) The Secretary, through the National Institute on Drug Abuse, shall establish and carry out a program of research, investigations, experiments, and studies, directly or by grant or contract, into—

"(1) the social, behavioral, and biomedical etiology,

"(2) prevention,

"(3) treatment,

"(4) mental and physical health consequences,

"(5) social and economic consequences, and

"(6) the impact on families,

of drug abuse among women, including homemakers, single women, divorced mothers, single mothers, widowed mothers, displaced homemakers, women who have attained the age of 65 years, and pregnant women.

"(b) To carry out this section, there are authorized to be appropriated $1,000,000 for each of the fiscal years 1985, 1986, and 1987.".

NATIONAL PLAN TO COMBAT ALCOHOL ABUSE AND ALCOHOLISM

SEC. 5. By January 1, 1985, the Secretary of Health and Human Services shall prepare and transmit to the Congress a report which sets forth a comprehensive national plan to combat alcohol abuse and alcoholism. The report shall include—

(1) a description of a model program for activities to be conducted by the States to combat alcohol abuse and alcoholism;

(2) an analysis of amounts expended by public agencies and private organizations—

(A) for the treatment of individuals for alcohol abuse and alcoholism, including a division of such amounts among the types of settings in which such treatment is provided;

(B) for treatment of individuals for health problems resulting from alcohol abuse and alcoholism; and

(C) to meet other costs resulting from alcohol abuse and alcoholism, such as costs resulting from lost employee productivity; and

(3) a specification of recommendations for legislation—

(A) to establish Federal programs and to provide Federal funds to encourage States to adopt and implement the model program described under paragraph (1); and

(B) to modify programs and activities conducted, and services provided, under—

(i) part B of title XIX of the Public Service Act;

(ii) titles XVIII and XIX of the Social Security Act;

(iii) chapter 89 of title 5, United States Code; and

(iv) sections 1079 and 1080 of title 10, United States Code,

in order to ensure appropriate cost-effective treatment and prevention of alcohol abuse and alcoholism.

PUBLIC SERVICE ANNOUNCEMENTS

SEC. 6. Section 510(b) of the Public Health Service Act is amended—

(1) by striking out "and" after the semicolon in paragraph (9);

(2) by striking out the period at the end of paragraph (10) and inserting a semicolon and "and"; and

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

"(11) prepare for distribution announcements for television to educate the public concerning the dangers resulting from the consumption of alcoholic beverages or drugs and, to the extent feasible, use appropriate private organizations and business concerns in the preparation of such announcements.".

MEMBERSHIP OF NATIONAL ADVISORY COUNCIL ON ALCOHOL ABUSE AND ALCOHOLISM

SEC. 7. Section 217(a) of the Public Health Service Act is amended by inserting between the third and fourth sentences the following new sentence: "In the case of the National Advisory Council on Alcohol Abuse and Alcoholism, one of such six shall be a representative of private entities which provide treatment for alcohol abuse and alcoholism.".

AMENDMENTS AND REPEALS

SEC. 8. (a)(1) Title IV of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is repealed.

(2) The table of contents for such Act is amended by striking out the items relating to title IV and section 1200.

(b) Section 2(b)(2) of the Alcohol and Drug Abuse Amendments of 1983 is amended by striking out "Section 210" in the matter preceding subparagraph (A) and inserting in lieu thereof "Section 201".

EFFECTIVE DATE

SEC. 9. This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

Mr. HATCH. Mr. President, I urge my colleagues to expeditiously approve S. 2615, the reauthorization of the National Institute on Drug Abuse [NIDA] and the National Institute on Alcohol Abuse and Alcoholism [NIAAA]. This legislation ensures the continuation of federally supported research and demonstration grants to study and search for solutions to the devastating problems of alcohol and drug abuse. I would like to express special appreciation to Senator HAWKINS, Senator KENNEDY, and Senator MATSUNAGA for their valuable support for this important legislation.

Alcoholism, alcohol abuse, and drug abuse continue to be major health problems in the United States. Recent studies have shown that alcohol and drug abuse cost our society billions of dollars each year in lost lives, lost productivity, accidents and increased need for health care. While personal suffering is incalcuable, the annual economic cost to our society for alcohol abuse alone has been estimated as high as $150 billion.

As described in the Senate Labor and Human Resources Committee's hearing records and bill reports, the degree of drug and alcohol abuse are astonishing. The problem could even be called epidemic. The statistics are appalling, and pointing to some of them will clearly show why I strongly support Federal efforts to research alcohol and drug abuse problems.

For instance:

Nearly two out of three young people try an illicit drug before they finish high school—64 percent.

Almost one in every 18 high school seniors is actively using marijuana on a daily or nearly daily basis.

Recent studies from several major industries confirm that between 30 percent and 70 percent of employees and/or job applicants had illegal drugs in their systems when they were tested at the worksite.

Women comprise 30 percent of the clients of alcohol and drug abuse clinics.

On this last point, the percentage of women who drink is on the rise, and alcoholism appears to progress more rapidly in women than in men. Employed women appear to have a higher rate of alcoholism, and employed married women have significantly higher rates of both problem drinking and heavier drinking than either single women or housewives. Alcohol abuse during pregnancy has been found to cause fetal alcohol syndrome and other alcohol-related birth defects. Fetal Alcohol Syndrome appears to be one of the known teratogenic causes of mental retardation.

Prevention and research remains an important strategy in combating alcoholism, alcohol abuse and drug abuse. Education, especially to increase family awareness and support, is crucial. These are reasons to continue strong and separate authorities for the National Institute of Alcohol Abuse and Alcoholism and the National Institute on Drug Abuse.

Both the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism were created more than 10 years ago. This legislation, S. 2615, enables the Institutes to continue their dedication to research, prevention, and education of substance abuse. As approved by the Senate Labor and Human Resources Committee, S. 2615 extends the authorizations for Federal activities relating to alcohol and drug programs for research, information dissemination, prevention and technical assistance to the States. The legislation maintains a separate National Institute on Alcohol Abuse and Alcoholism [NIAAA], National Institute on Drug Abuse [NIDA], and the National Institute on Mental Health [NIMH]; authorizes funding for alcohol and drug research in 1985, 1986, and 1987; requires demonstration projects for drug abuse and demonstration projects for alcoholism and alcohol abuse; includes new authorizations for research in the areas of alcoholism, alcohol abuse, and drug abuse among women; requires the Secretary of Health and Human Services to prepare a National Plan to Combat Alcohol Abuse and Alcoholism; and allows for preparation and distribution of public service announcements to educate the public concerning the dangers of drug and alcohol consumption.

Under this legislation, both Institutes will receive funds for demonstration projects. These projects enable NIDA and NIAAA to support the development and demonstration of new methods for the prevention, treatment, and rehabilitation of individuals who suffer from substance abuse. The projects are essential since they create an arena from which new and improved research can flourish. These projects may well be the hope for the millions who suffer from this disease. In line with these projects, Congress has instructed both Institutes to carry out research on alcohol abuse, alcoholism, and drug abuse among women. Women are growing in the ranks of those who abuse drugs and alcohol. They represent a special population with special needs. Research on women will help in understanding their needs and determining the most effective treatment techniques.

In an effort to further consolidate and coordinate all governmental efforts in the area of substance abuse, this legislation requires the Secretary of Health and Human Services to prepare a National Plan to Combat Alcohol Abuse and Alcoholism. Among the major points in the plan will be a description of a model program for States to combat alcoholsim. This consistency and continuity will enhance the Institutes' efforts to compare and improve research and treatment.

Since education is the cornerstone of prevention, both Institutes are encouraged under this legislation to use private and public resources to increase public awareness.

I encourage all my colleagues to join me, Senator HAWKINS, Senator KENNEDY, Senator MATSUNAGA, and the other members of the Senate Labor and Human Resources Committee who unanimously approved this legislation as we seek expeditious passage of this bill. These Institutes provide the hope and future for the millions who suffer from substance abuse.

Mrs. HAWKINS. Mr. President, today we are reporting to the floor S. 2165, legislation to reauthorize the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism.

I am pleased that this bill has been reported so expeditiously and thoughtfully, and would like to begin by thanking the entire membership of the Senate Committee on Labor and Human Resources. I would also like to express particular appreciation to Senator HATCH, Senator KENNEDY, and Senator MATSUNAGA for their special efforts regarding this bill.

There is a special "first" included in this bill, and that is the authorization of funds for the institutes to study the prevention and treatment of alcohol abuse, alcoholism and substance abuse among women. The NIDA and NIAAA reauthorization bill asks the Directors of these organizations to carry out a program of research, investigations, experiments and studies with an eye toward cataloging and finding ways to prevent and treat the alcoholism and drug abuse problems that exist among homemakers, single women, divorced and widowed mothers, displaced homemakers, women over 65, and pregnant women.

Another important aspect of this legislation is its request in regard to media involvement in drug abuse education and prevention. This bill directs the Institutes to enter into contracts with television networks and/or producers to create and promote stimulating, informative, cost-effective commercials. These public service announcements shown on prime-time television would fight drug and alcohol abuse through prevention.

For the money expended for these organizations, NIDA and NIAAA perform invaluable services. These institutes provide leadership, policy and goals in our efforts to discover the causes and cures of alcohol abuse, alcoholism and drug and substance abuse. I am indeed pleased to see this reauthorization legislation favorably report to the floor today.

Mr. KENNEDY. Mr. President, I am pleased to cosponsor the Alcohol Abuse, Alcoholism, and Drug Abuse Amendments of 1984. This legislation reauthorizes the activities of the National Institute on Alcohol Abuses and Alcoholism and the National Institute on Drug Abuse. The authorizations for the Institutes are raised substantially by this legislation and a number of new activities are authorized, including a new demonstration authority for alcohol and drug abuse prevention and treatment services, a special authorization for research on the alcoholism and drug abuse problems of women, a requirement that the Secretary of Health and Human Services develop a national plan to combat alcoholism, and establishment of a program for preparation and distribution of public service announcements on drug and alcohol abuse.

The research conducted by NIAAA and NIDA is of vital importance to the health and well-being of the American people. Alcohol and drug abuse are the source of great individual suffering and tremendous social costs. Some estimates indicate that alcohol and drug abuse cost our Nation as much as $150 billion per year in health care expenses and lost productivity. The damage that alcohol and drug abuse does to individuals and families is truly incalculable. Enactment of this bill will not solve these problems but it will continue our national commitment to the research necessary to find effective methods of preventing and treating alcoholism and drug abuse.

I am particularly gratified that this bill includes a directive that the Secretary of Health and Human Services develop a national plan for combating alcoholism. This provision was adopted from S. 2452, an omnibus health reauthorization bill that I introduced earlier this year and that was cosponsored by all the Democratic members of the Labor and Human Resources Committee.

In view of the high national costs of alcoholism, the demonstrated effectiveness of alcoholism treatment programs, and the progressive steps that have been taken by States and private employers, it is time to launch a national strategy in this area that will provide both focus and impetus to private and public efforts. Alcoholism services provided under such large public programs as medicare and medicaid could especially benefit from examination and enhancement.

I urge prompt passage of this important legislation.

The amendments were agreed to.

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

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PRIMARY HEALTH CARE AMENDMENTS OF 1984

The Senate proceeded to consider the bill (S. 2308) to revise and extend provisions of the Public Health Service Act relating to the provision of primary health care services, which had been reported from the Committee on Labor and Human Resources with an amendment to strike all after the enacting clause and insert:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Primary Health Care Amendments of 1984".

REFERENCE

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

MEDICALLY UNDERSERVED POPULATIONS

SEC. 3. Section 330(b) is amended—

(1) by striking out the second, third, fourth, and fifth sentences of paragraph (3); and

(2) by adding at the end thereof the following:

"(4) In carrying out paragraph (3), the Secretary shall by regulation prescribe criteria for determining the specific shortages of personal health services of an area or population group. Such criteria shall—

"(A) take into account comments received by the Secretary from the chief executive officer of a State (or the designee of such chief executive officer) and local officials in a State; and

"(B) include infant mortality in an area or population group, other factors indicative of the health status of a population group or residents of an area, the ability of the residents of an area or of a population group to pay for health services and their accessibility to them, and the availability of health professionals to residents of an area or to a population group.

"(5) The Secretary may not designate a medically underserved population in a State or terminate the designation of such a population unless, prior to such designation or termination, the Secretary provides reasonable notice and opportunity for comment and consults with—

"(A) the chief executive officer of such State (or the designee of such chief executive officer);

"(B) local officials in such State; and

"(C) the State organization, if any, which represents a majority of community health centers in such State.

"(6) The Secretary may designate a medically underserved population that does not meet the criteria established under paragraph (4) if the chief executive officer of the State in which such population is located (or the designee of such chief executive officer) and local officials of such State recommend the designation of such population based on unusual local conditions which are a barrier to access to or the availability of personal health services.".

MEMORANDUM OF AGREEMENT

SEC. 4. Section 330 is amended by redesignating subsection (g) as subsection (i) and by inserting after subsection (f) the following new subsection:

"(g) In carrying out this section, the Secretary may enter into a memorandum of agreement with a State. Such memorandum may include, where appropriate, provisions permitting such State to—

"(1) analyze the need for primary health services for medically underserved populations within such State;

"(2) assist in the planning and development of new community health centers;

"(3) review and comment upon annual program plans and budgets of community health centers, including comments upon allocations of health care resources in the State;

"(4) assist community health centers in the development of clinical practices and fiscal and administrative systems through a technical assistance plan which is responsive to the requests of community health centers; and

"(5) share information and data relevant to the operation of new and existing community health centers.".

AUTHORIZATION OF APPROPRIATIONS

SEC. 5. (a) Paragraphs (1) and (2) of section 330(i) (as redesignated by section 4 of this Act) are amended to read as follows:

"(1) There are authorized to be appropriated for payments pursuant to grants under this section $360,000,000 for the fiscal year ending September 30, 1985, $380,000,000 for the fiscal year ending September 30, 1986, and $400,000,000 for the fiscal year ending September 30, 1987.

"(2) The Secretary may not in any fiscal year—

"(A) expend for grants to serve medically underserved populations designated under subsection (b)(6) an amount which exceeds 5 percent of the funds appropriated under this section for that fiscal year; and

"(B) expend for grants under subsection (d)(1)(C) an amount which exceeds 5 percent of the funds appropriated under this section for that fiscal year.".

STATE GRANTS FOR PRIMARY CARE RESEARCH, DEMONSTRATION, AND SERVICES

SEC. 6. (a) Part C of title XIX is repealed.

(b) Title XIX is amended by adding at the end thereof the following new part:

"PART C—STATE GRANTS FOR PRIMARY CARE RESEARCH, DEMONSTRATION, AND SERVICES

"PURPOSE; AUTHORIZATION OF APPROPRIATIONS

"SEC. 1921. (a) For the purpose of—

"(1) improving access to primary health services for medically underserved populations,

"(2) improving the delivery of primary health services to medically underserved populations, particularly the effectiveness, efficiency and quality of such services, and

"(3) improving the health status of such populations, through reductions in—

"(A) the incidence of preventable diseases and illnesses and premature death, and

"(B) the need for costly inpatient and long-term care services,

the Secretary shall make payments under allotments, in accordance with the provisions of this part, to States for the conduct of activities authorized by this part.

"(b) For allotments under this part, there are authorized to be appropriated $15,000,000 for fiscal year 1985, $20,000,000 for fiscal year 1986, and $25,000,000 for fiscal year 1987.

"ALLOTMENTS

SEC. 1922. (a)(1) Except as provided in paragraph (2), from the amounts appropriated under section 1921 for each fiscal year, the Secretary shall allot to each State an amount equal to the product of—

"(A) the total amount appropriated for such fiscal year, multiplied by

"(B) the ratio (stated as a percentage) that the total number of low-income persons residing in the State bears to the total number of low-income persons residing in the United States.

"(2) Notwithstanding paragraph (1)—

"(A) the total amount of the allotment for each of the several States, the District of Columbia, and Puerto Rico for each of the fiscal years 1985, 1986, and 1987 shall not be less than 1 percent of the total amount appropriated under section 1921 for such fiscal year;

"(B) the total amount of the allotment for each of the Virgin Islands, Guam, and the Trust Territory of the Pacific Islands for each such fiscal year shall not be less than one-fourth of 1 percent of the total amount appropriated under section 1921 for such fiscal year; and

"(C) the total amount of the allotment for each of American Samoa and the Commonwealth of the Northern Mariana Islands for each such fiscal year shall not be less than one-sixteenth of 1 percent of the total amount appropriated under section 1921 for such fiscal year.

"(b) To the extent that all the funds appropriated under section 1921 for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

"(1) one or more States have not submitted an application or description of activities in accordance with section 1925 for such fiscal year;

"(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(3) some State allotments are offset or repaid under section 1906(b)(3) (as such section applies to this part pursuant to section 1925(e));

such excess shall be allotted among each of the remaining States in proportion to the amount otherwise allotted to such States for such fiscal year without regard to this subsection.

"(c)(1) If the Secretary—

"(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this subpart be provided directly by the Secretary to such tribe or organization, and

"(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this subpart,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for a fiscal year the amount determined under paragraph (2).

"(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved under subsection (a) as the total number of low-income persons in the tribe during such fiscal year bears to the total number of low-income persons residing in the State during such fiscal year.

"(3) The amount reserved by the Secretary on the basis of a determination under

this subsection shall be granted to the Indian tribe or tribal organization serving the persons for whom such a determination has been made.

"(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

"PAYMENTS UNDER ALLOTMENTS TO STATES

"SEC. 1923. (a) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, United States Code, to each State from its allotment under section 1922 from amounts appropriated for that fiscal year.

"(b)(1) Except as provided in paragraph (2), any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State if the Secretary determines that there is good cause for such funds remaining unobligated.

"(2) If the amount paid to a State under this part for a fiscal year which remains unobligated at the end of such fiscal year exceeds 20 percent of the amount allotted to such State under section 1922 for such fiscal year, the amount of such excess shall not remain available for the next fiscal year to such State under paragraph (1) and shall be returned to the Treasury and credited as miscellaneous receipts.

"USE OF ALLOTMENTS

"SEC. 1924. (a) Amounts paid to a State under section 1923 from its allotment under section 1922 may be used to—

"(1) make grants to eligible entities to provide primary health services to medically underserved populations in the State; and

"(2) conduct, or make grants for the conduct of, research, demonstrations, or the development of methods to evaluate—

"(A) alternative systems of reimbursement for primary health services;

"(B) new or innovative methods for the provision of primary health services;

"(C) methods of attracting and retaining primary health service providers (including physicians, dentists, physician assistants, nurse practitioners, and other health professionals), both individually and as teams, to train and practice among medically underserved populations;

"(D) different types of organizational models and relationships, including federations of providers of primary health services, designed to meet unique primary health and dental health service needs; and

"(E) methods of reducing long-term institutional costs by improving service connections between providers of primary health services and home and community-based services; or

"(F) such other matters which will enhance the availability or accessibility of primary health services.

"(b)(1) A State may not use funds allotted under section 1922 for the purposes of administering this part or administering an agreement under section 330(g).

"(2)(A) Of the amounts paid to a State under section 1928 for each fiscal year—

"(i) not less than 80 percent shall be used to make grants under paragraph (1) of subsection (a); and

"(ii) not more than 20 percent may be used to conduct, or to make grants for the conduct of, activities described in paragraph (2) of subsection (a).

"(B) Not more than 10 percent of the amounts paid to a State under section 1923 for each fiscal year may be used for activities described in paragraph (2) of subsection (a) which are directly conducted by the State.

"(3) If a State makes a grant under paragraph (1) of subsection (a) for the provision of primary health services to a medically underserved population which is in the service area (determined in accordance with section 330(e)(3)(I) of an entity which is a recipient of a grant under section 330, a State shall make such grant to such entity.

"(c) The Secretary may provide technical assistance to States in planning and operating activities to be carried out under this part.

"(d) A State may not use amounts paid to it under section 1923 to—

"(1) provide inpatient services;

"(2) make cash payments to intended recipients of health services;

"(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

"(4) satisfy any requirement of the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

"(5) provide financial assistance to any entity other than a public or nonprofit private entity.

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

"APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

"SEC. 1925. (a) In order to receive an allotment for a fiscal year under section 1922 each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require. Each such application shall contain assurances that the legislature of the State has complied with the provisions of subsection (b) and that the State will meet the requirements of subsection (c).

"(b) After the expiration of the first fiscal year in which a State receives an allotment under section 1922, no funds shall be allotted to such State for any fiscal year under such section unless the legislature of the State conducts public hearings on the proposed use and distribution of funds to be provided under section 1923 for such fiscal year.

"(c) As part of the annual application required by subsection (a), the chief executive officer of each State shall certify that the State—

"(1) agrees to use the funds allotted to it under section 1922 in accordance with the requirements of this part;

"(2) has identified the populations, areas, and localities in the State with a need for the primary health services for which funds may be provided by the State under this part;

"(3) has established an appropriate mechanism to administer grants to be made under section 1924, and to comply with the requirements of this part;

"(4) will participate in the coordination of activities supported under this part with the activities of other providers of primary health services within the State (including entities which are recipients of grants under sections 329 and 330), to ensure that such activities are carried out in an effective manner and without duplication of effort;

"(5) will establish, after providing reasonable notice and opportunity for the submission of comments, reporting requirements and reasonable criteria to evaluate the fiscal, managerial, and clinical performance of entities which receive grants under section 1924;

"(6) will not require, for purpose of compliance with paragraph (5), entities which are recipients of grants under section 1924 and under section 329 or section 330 to comply with different reporting requirements and criteria than are required under section 329 or section 330, as the case may be; and

"(7) agrees that Federal funds made available under section 1923 for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absense of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event shall supplant such State, local, and other non-Federal funds.

The Secretary may not prescribe for a State the manner of compliance with the requirements of this subsection.

"(d)(1) The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 1923 for the fiscal year for which the application is submitted, including—

"(A) a description of the populations, areas, and localities in the State which the State has identified as needing primary health services;

"(B) a statement of goals and objectives for meeting the needs identified pursuant to subparagraph (A);

"(C) information on the activities to be supported and services to be provided with payments under this part;

"(D) after the expiration of the past fiscal year in which the State received payments under section 1923, a description of the criteria and methods that will be used by the State for the distribution of payments under such section, and the relationship of such criteria and methods to the achievement of the purposes of this part; and

"(E) the information and data which the State intends to collect respecting activities supported under this part.

"(2) The description required by paragraph (1) shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State under this part, and any revision shall be subject to the requirements of the preceding sentence.

"(e) Except where inconsistent with the provisions of this part, the provisions of section 1903(b), section 1906(a), paragraphs (1) through (5) of section 1906(b), section 1906(c), and sections 1907, 1908, and 1909 shall apply to this part in the same manner as such provisions apply to part A of this title.

"DEFINITIONS

"SEC. 1926. As used in this part:

"(1) The term 'low income person' refers to those individuals and families whose income is determined to be below the offi-

cial poverty line as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Community Services Block Grant Act.

"(2) The terms 'Indian tribe' and 'tribal organization' have the same meaning given such terms in section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

"(3) The term 'medically underserved population' has the meaning given to such term by section 330(b)(3).

"(4) The term 'primary health services' means the preventive, diagnostic, treatment, consultation, referral, and other services rendered, on an ambulatory basis, by a physician and, where feasible, by a physicians' assistant or nurse practitioner. Such term includes, at a minimum, access to routine associated laboratory services, diagnostic radiologic services, preventive health services, and emergency medical care.

"(5) The term 'eligible entity' means a public or nonprofit private entity capable of providing primary health services to medically underserved populations.".

MIGRANT HEALTH CENTERS

SEC. 7. The first sentence of section 329(h)(1) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$45,000,000 for the fiscal year ending September 30, 1985, $48,000,000 for the fiscal year ending September 30, 1986, and $51,000,000 for the fiscal year ending September 30, 1987".

REGULATIONS

SEC. 8. By the earliest possible date, but not later than June 30, 1985, the Secretary shall promulgate separate final regulations to carry out part C of title XIX of the Public Health Service Act (as added by section 6(b) of this Act) which take into account the provisions of such part which are different from the provisions of parts A and B of such title.

TECHNICAL AMENDMENT

SEC. 9. Section 329(d)(2) is amended by inserting before the semicolon "and the costs of repaying loans made by the Farmers Home Administration for buildings".

EFFECTIVE DATE

SEC. 10. This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

Mr. HATCH. Mr. President, I thank all those who have helped in the unanimous passage of S. 2308, the "Primary Health Care Amendments of 1984," which revises and extends provisions of titles III and XIX of the Public Health Service Act. After much deliberation and the cooperative efforts of majority and minority members and representatives of individual State governments and other interest groups we have reached the compromise which is before the Senate today. I want to particularly note my appreciation for the efforts of the National Association of Community Health Centers and the National Governors Association for their assistance in achieving this goal. We believe strongly that with this legislation we have created important new opportunities for a Federal-State partnership for the provision of primary care services to medically underserved populations.

The current version, which enjoys a broad base of support within the Committee for Labor and Human Resources, will accomplish two very important goals. First, it will allow the continuation of the Community Health Centers program with two new provisions for State involvement: One, encouraging the existing trend toward Federal-State memoranda of agreement; and, two, giving States more input into the designation of medically underserved areas. My committee is particularly pleased at the progress in the development of memoranda of agreement [MOA] with States. In response to provisions of the Omnibus Budget Reconciliation Act passed in July 1981, the Department has through administrative authority, entered into memoranda of agreement with approximately 40 States. By adding explicit legislative authority we wish to encourage DHHS and States to continue and further develop these MOA's, as well as include the CHC's within the State in such efforts.

Second, the revised version will authorize a relatively unrestricted State grant program for primary health services and the conduct of research and demonstrations in the areas of primary care. Specifically, this bill provides that States may use their allotments to: One, make grants to eligible entities to provide primary health services to medically underserved populations in the State; and two, conduct, or make grants for the conduct of research, demonstrations, or the development of methods to evaluate: alternative systems of reimbursement for primary health services; methods of attracting and retaining primary health service providers—including physicians, dentists, physician assistants, nurse practitioners, and other health professionals—both individually and as teams, to train and practice among medically underserved populations; new or innovative methods for the provision of primary health services; different types of organizational models and relationships, including federations of providers of primary health services, designed to meet unique primary health and dental health service needs; and methods of reducing long-term institutional costs of improving service connections between providers of primary health services, and home and community-based services and other such services that will enhance the availability or accessibility of primary health services.

By approving this bill, we will be one step closer to creating a primary care block grant the States will truly be interested in, while simultaneously strengthening the Community Health Center Programs in general. I am confident the result will ensure better primary care services to our Nation's medically underserved.

Mr. President, I ask unanimous consent that a section-by-section analysis of this legislation be printed in the RECORD at the conclusion of my remarks. At this point, I urge my colleagues to expeditiously approve S. 2308.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

SHORT TITLE

Section 1 cites the title of the bill as the "Primary Health Care Amendments of 1984."

REFERENCE

Section 2 provides that, except when otherwise indicated, an amendment or repeal contained in the bill is made to a section or other provision of the Public Health Service Act.

MEDICALLY UNDERSERVED POPULATION

Section 3 amends section 330(b) of the PHS Act by repealing the second through fifth sentences of paragraph (3); and by adding three new paragraphs. The first of these paragraphs (4), requires the Secretary to prescribe criteria for determining the specific shortages of personal health services of an area or population group. Such criteria shall—

(A) take into account comments from the chief executive officer of a State (or his designee) and local officials; and

(B) include infant mortality, other factors, indicative of the health status of a population group or residents of an area, the health status of a population group or residents of an area, the ability of the residents or of a population group to pay for health services and their accessibility to them, and the availability of health professionals to residents of an area or to a population group.

The new paragraph (5) provides that the Secretary may not designate that a medically underserved population in a State or terminate the designation or termination, the Secretary provides reasonable notice and opportunity for comment and consults with the chief executive officer of the State or his designeee, local officials, and the State organization, if any, which represents a majority of community health centers in the State.

The new paragraph (6) provides that the Secretary may designate a medically underserved population that does not meet the criteria under the new paragraph (4) if the chief executive officer (or his designee) and local officials recommend the designation based on unusual local conditions which are a barrier to access to or the availability of personal health services.

MEMORANDUM OF AGREEMENT

Section 4 amends section 330 by authorizing the Secretary, in carrying out section 330, to enter into a memorandum of agreement with a State. This memorandum may include, where appropriate, provisions permitting the State to—

(1) analyze the need for primary health services for medically underserved populations within the State;

(2) assist in the planning and development of new community health centers;

(3) review and comment upon annual program plans and budgets of community health centers, including comments on allocations of health care resources in the State;

(4) assist community health centers in the development of clinical practices and fiscal and administrative systems through a technical assistance plan which is responsive to the requests of community health centers; and

(5) share information and data relevant to the operation of new and existing community health centers.

AUTHORIZATION OF APPROPRIATIONS

Section 5 authorizes appropriations for grants under section 330 of $360 million for fiscal year 1985, $380 million for fiscal year 1986, and $400 million for fiscal year 1987.

It also provides that, in any fiscal year, the Secretary could not expend (1) more than 5 percent of appropriations for grants to serve medically underserved populations which do not meet the designating criteria specified in law, as provided in the new subsection (b)(6); and (2) more than 5 percent of appropriations for grants to community health centers to enable them to provide health services on a prepaid basis.

STATE GRANTS FOR PRIMARY CARE RESEARCH, DEMONSTRATION, AND SERVICES

Section 6 repeals Part C of title XIX of the PHS Act (Primary Care Block Grant) and replaces it with a new program of State Grants for Primary Care Research, Demonstration, and Services.

The new section 1921 authorizes appropriations of $15 million in fiscal year 1985, $20 million in fiscal year 1986, and $25 million in fiscal year 1987 for allotments to States for (1) improving access to primary health services for medically underserved populations; (2) improving the delivery of primary health services to medically underserved populations; particularly the effectiveness, efficiency, and quality of such services; (3) improving the health status of such populations, through reductions in the incidence of preventable disease and illnesses and premature death, and the need for costly inpatient and long-term care services.

ALLOTMENTS

The new section 1922(a) provides that allotments will be made to the States on the basis of ratio of the total number of low-income persons residing in the State to the total number of low-income persons residing in all States. The allotment for each State, D.C., and Puerto Rico may not be less than one percent of the total amount appropriated in a fiscal year. The allotment for each of the Virgin Islands, Guam and the Trust Territories of the Pacific Islands may not be less than one-fourth of one percent of the total amount appropriated in a fiscal year. The allotment for each of the American Samoa and the Commonwealth of the Northern Mariana Islands may not be less than one-sixteenth of one percent of the total amount appropriated in a fiscal year.

Subsection (b) of section 1922 provides that is all of the funds appropriated for a fiscal year and available for allotment are not allotted to States because one or more States have not applied for an allotment or some State allotments are offset or repaid, excess amounts will be allotted among each of the remaining States in proportion to the amount otherwise allotted to States.

The new subsection (c) of section 1922 provides for direct allotments to Indian tribes or tribal organization if the Secretary determines that the members of the tribe or organization would be better served by a direct grant. The amount of the direct grant would be based on the ratio of the number of low-income persons in the tribe to the number of low-income persons in the State.

PAYMENTS UNDER ALLOTMENTS TO STATES

The new section 1923 requires the Secretary to make payments to each State from its allotment from amounts appropriated in each fiscal year, as provided by section 6503(a) of title 31, United States Code.

Any amount paid to a State in a fiscal year and remaining unobligated at the end of the year shall remain available for the next year to the State if the Secretary determines that there is good cause for the funds remaining unobligated. If the amount remaining unobligated at the end of a year exceeds 20 percent of the State's allotment for the year, the amount of excess will not remain available for the following year, but will be returned to the Teasury and credited as miscellaneous receipts.

USE OF ALLOTMENTS

New section 1924 provides that States may use their allotments to—

(1) make grants to eligible entities to provide primary health services to medically underserved populations in the State; and

(2) conduct, or make grants for the conduct of, research, demonstrations, or the development of methods to evaluate—

(A) alternative systems of reimbursement for primary health services;

(B) new or innovative methods for the provision of primary health services;

(C) methods of attracting and retaining primary health service providers (including physicians, dentists, physician assistants, nurse practitioners, and other health professionals), both individually and as teams, to train and practice among medically underserved populations;

(D) different types of organizational models and relationships, including federations of providers of primary health services, designed to meet unique primary health and dental health service needs; and

(E) methods of reducing long-term institutional costs of improving service connections between providers of primary health services and home and community-based services; or

(F) such other matters which will enhance the availability or accessibility of primary health services.

States could not use their allotments for the administration of this program or of memoranda of agreement which they might enter into with the Secretary. States could not use less than 80 percent of their allotments for grants to provide primary care services. In addition, they would be required to use not more than 20 percent of their allotments for research and demonstrations, and not more than 10 percent of this amount for activities which are conducted directly by the State. If a State makes a grant for the the provision of primary health services to a medically underserved population which is in the service area of a section 330 grantee, the State would be required to make the grant to this grantee.

States could not use their allotments to (1) provide inpatient services; (2) make cash payments to intended recipients of health services; (3) purchase or improve land, purchase, construct, or permanently improve (other than minor remolding) any building or other facility, or purchase major medical equipment except with special waiver; (4) satisfy any requirements for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or (5) provide financial assistance to any entity other than a public or nonprofit private entity.

This section also authorizes the Secretary to provide technical assistance to States in planning and operating activities to be carried out under this newly authorized grant program.

APPLICATION AND DESCRIPTION OF ACTIVITIES; REQUIREMENTS

New section 1925 requires States to submit an application for a grant. This application would be in the form and submitted by the date specified by the Secretary and would be required to contain assurances that the State legislature will hold hearings on the proposed use of its allotments (after the first fiscal year a State receives an allotment), and that the State—

(1) agrees to use its allotment in accordance with the requirements of this part;

(2) has identified the populations, areas, and localities in the State with a need for the primary health services for which funds may be provided by the State under this part;

(3) has established an appropriate mechanism to administer its allotments and to comply with the requirements of this part;

(4) will participate in the coordination of activities supported under this part with the activities of other providers of primary health services within the State (including entities which are recipients of grants under sections 329 and 330), to ensure that such activities are carried out in an effective manner and without duplication of effort;

(5) will establish, after providing reasonable notice and opportunity for the submission of comments, reporting requirements and reasonable criteria to evaluate the fiscal, managerial, and clinical performance of entities which receive grants under this program, and that for the purposes of compliance with this paragraph, the State will not require entities which are recipients of grants under this program and under section 329 or section 330 to comply with different reporting requirements and criteria than are required under section 329 or section 330, as the case may be; and

(6) agrees that allotments will be used to supplement and increase the level of State, local, and other non-Federal funds available for the activities conducted under this program and will in no event supplant such funding.

The Secretary may not prescribe for a State the manner of compliance with the requirements of this subsection.

The chief executive officer of a State would also be required to prepare a description of the intended use of the State's allotment, including—

(1) a description of the populations, areas, and localities in the State which the State has indentified as needing primary health services;

(2) a statement of goals and objectives for meeting these needs;

(3) information on the activities to be supported and services to be provided with parments under this program;

(4) after the expiration of the first fiscal year in which the States received an allotment, a description of the criteria and methods that will be used by the State for the distribution of funds received under this program, and the relationship of such criteria and methods to the achievement of the purposes of this part; and

(5) the information and data which the State intends to collect respecting activities supported under this part.

States would be required to make description of intended use of funds public so as to facilitate comment during the development of the description and after its transmittal. The description would also be revised throughout the year as may be necessary to reflect substantial changes in the activities supported with funds received under this program.

The allotment of funds to State would also be subject to many of the same general provisions governing the Preventive Health and Health Services Block Grant, including requirements for audits, evaluations by the Comptroller General, withholding, reductions in allotments for in-kind assistance, nondiscrimination, and criminal penalties for false statements.

DEFINITIONS

The new section 1926 defines the following terms used in this part:

(1) "low-income persons" means those individuals and families whose income is below the official poverty line as defined by the Office of Management and Budget.

(2) "Indian tribe" and "Tribal organization" have the same meaning as provided by section 4(b) and section 4(c) of the Indian Self-Determination and Education Assistance Act.

(3) "medically underserved population" has the meaning as given in section 330(b)(3) of the PHS Act.

(4) "primary health services" means the preventive, diagnostic, treatment, consultation, referral, and other services rendered, on an ambulatory basis, by a physician and, where feasible, by a physicians' assistant or nurse practitioner. The term includes, at a minimum, access to routine associated laboratory services, diagnostic radiologic services and emergency medical care.

(5) "eligible entity" means a public or nonprofit private entity capable of providing primary health services to medically underserved populations.

MIGRANT HEALTH CENTERS

Sections 7 of the bill amends section 329 of the PHS Act to extend the authorization of appropriations for migrant health centers for three years, at $45 million for fiscal year 1985, $48 million for fiscal year 1986, and $51 million for fiscal year 1987.

REGULATIONS

Section 8 requires the Secretary, by the earliest possible date, but not later than June 30, 1985, to promulgate separate final regulations to carry out part C of title XIX of the PHS Act as added by this bill, taking into account the provisions of part C which are different from the provisions of parts A and B.

TECHNICAL AMENDMENT

Section 9 amends the migrant health authority to add that grants may be made under this program for the costs of repaying loans made by the Farmers Home Administration for buildings.

EFFECTIVE DATE

Section 10 specifies the effective date of the bill as October 1, 1984.

Mr. KENNEDY. Mr. President, I am pleased to support enactment of S. 2308, the Primary Health Care Amendments of 1984. S. 2308 is, in my view, a creative compromise on the appropriate role of the Federal Government and States in the deliver of primary care services to disadvantaged populations. Senator HATCH and I worked long and hard to develop this compromise, and I am enthusiastic about the bill we have produced.

The Community Health Centers Program is one of the great success stories of the various Federal attempts to secure access to health care for the poor and underserved.

This program has not only provided services to people with no other satisfactory access to health care, it has done so in a truly exemplary manner.

Last year, Community Health Centers provided high quality, comprehensive care to over 4.5 million people. they have a proven record of increasing the use of preventive services, of reducing illness and hospitalization rates among the deprived populations they serve, and of holding their costs to levels considerably below those of other health care providers.

To cite just a few examples, CHC's between 1974 and 1983 increased their volume of services by more than 300 percent while grant funding increased by only 43 percent. At the same time, costs per encounter decreased 60 percent in real terms. Independent studies have found hospitalization rates that are 50 percent lower for individuals using CHC's then for comparable persons without access to CHC services. These lower hospitalization rates are estimated to have saved the Medicaid Program alone over one-half billion dollars last year; more important than the dollar savings are the needless suffering and illness avoided.

All in all, Community Health Centers have a tremendous record of accomplishment in providing health care services to the poor.

Despite the excellent track record of the Community Health Centers in providing services to the poor and underserved, the administration proposed to convert the program into a block grant in 1981. The legislation that emerged, the Omnibus Budget and Reconciliation Act of 1981, offered States the choice of taking Community Health Center Funds as a block grant or continuing the existing direct relationship between CHC's and the Federal Government, with careful coordination of the Federal program with State activities in cases where the State had an interest in primary care.

Only one State—West Virginia—chose the block grant, and it has just decided to return the program to the Federal Government.

The legislation that we are considering today amends current law in three important ways. First, it assures the continuation of the Community Health Centers program by eliminating the authority provided in the 1981 law for States to take over the CHC program by accepting the block grant.

Second, the legislation assures that Federal and State primary care activities will be complementary and coordinated in situation in which the State has a genuine interest in and commitment to providing primary care services to underserved populations. The bill does this by providing a statutory basis for memoranda of understanding between States and Federal program managers. These memoranda have proved an effective coordinating device, and placing them on a statutory basis provides an additional impetus for these efforts.

Finally, the bill establishes a new State grant for the provision of primary care services. This new program should be an effective device for assisting State innovation in primary care area and for involving States without a prior commitment to primary care in this important activity.

While I believe the structure of this bill is an excellent compromise, I must express my concern at the inadequate funding levels provided in the bill. This is a problem which has pervaded all the human service areas since the Reagan administration took office.

The services provided by the Community Health Centers are needed more today than ever before. The Reagan administration's failed economic policies have plunged an additional 8 million people into poverty; reckless changes in welfare policies have denied Medicaid eligibility to hundreds of thousands of mothers and children. Cuts in Medicare benefits have made access to care of the elderly more difficult.

Despite this need, community health centers are funded today at a level that, after correcting for inflation, is almost 50 percent below the 1980 level. I believe real growth is as important in the health budget as it is in the defense budget.

The amendment was agreed to.

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

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NURSE EDUCATION AMENDMENTS OF 1984

The Senate proceeded to consider the bill (S. 2574) entitled the "Nurse Education Amendments of 1984," which had been reported from the Committee on Labor and Human Rsources with amendments.

(The parts intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Nurse Education Amendments of 1984".

REFERENCE

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

SPECIAL PROJECTS

SEC. 3. (a) Section 820(a) is amended—

[(1) by inserting "such as projects" after "special projects" in the matter preceding paragraph (1);**]**

[(2)**]** *(1)* by striking out "or" after the semicolon in paragraph (4);

[(3)**]** *(2)* by striking out the period at the end of paragraph (5) and inserting in lieu thereof a semicolon; and

[(4)**]** *(3)* by inserting after paragraph (5) the following:

["(6) demonstrate institutional and nursing service organizational arrangement

that support more cost effective health care delivery systems; or

[(7) demonstrate effective means of facilitating the transition of students in schools of nursing to nursing practice.".]

"(6) demonstrate clinical nurse education programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities;

"(7) demonstrate methods to improve access to nursing services in noninstitutional settings through support of nursing practice arrangements in communities; or

"(8) demonstrate methods to encourage nursing graduates to practice in health manpower shortage areas (designated under section 332) in order to improve the specialty and geographical distribution of nurses in the United States.".

[(c)] *(b)* Section 820(d) is amended—

(1) by striking out the first sentence and inserting in lieu thereof: "(1) For payments under grants and contracts under paragraphs (1) through (5) of subsection (a), there are authorized to be appropriated [$7,000,000] *$10,000,000* for the fiscal year ending September 30, 1985, [$7,300,000] *$11,000,000* for the fiscal year ending September 30, 1986, and [$7,700,000] *$12,000,000* for the fiscal year ending September 30, [1987";] *1987.";*

(2) by striking out "this subsection" in the second sentence and inserting in lieu thereof "this paragraph";

(3) by striking out "1981," in such sentence and inserting in lieu thereof "1984,"; and

(4) by adding at the end thereof the following new paragraph:

"(2) For payments under grants and contracts under paragraphs [(6) and (7)] *(6), (7), and (8)* of subsection (a), there are authorized to be appropriated [$2,000,000] *$5,000,000* for the fiscal year ending September 30, 1985, [$2,100,000] *$5,500,000* for the fiscal year ending September 30, 1986, and [$2,200,000] *$6,000,000* for the fiscal year ending September 30, [1987".] *1987. Not less than 25 percent of the amounts appropriated under this paragraph shall be obligated for grants and contracts under paragraph (7) of subsection (a).".*

ADVANCED NURSE EDUCATION

SEC. 4. Section 821 is amended to read as follows:

"ADVANCED NURSE EDUCATION

"SEC. 821. (a) The Secretary may make grants to and enter into contracts with public and private nonprofit collegiate schools of nursing to meet the cost *of projects* to—

"(1) plan, develop, and operate,

"(2) expand, *or*

"(3) maintain,

programs which lead to masters' and doctoral degrees and which prepare professional nurses to serve as nurse educators, administrators, consultants, *or* researchers or to serve in clinical nurse specialties determined by the Secretary.

"(b) For payments under grants and contracts under this section, there are authorized to be appropriated [$11,000,000] *$17,500,000* for the fiscal year ending September 30, 1985, [$11,500,000] *$18,500,000* for the fiscal year ending September 30, 1986, and [$12,000,000] *$19,500,000* for the fiscal year ending September 30, 1987.".

NURSE PRACTITIONER PROGRAMS

SEC. 5. (a)(1) Paragraph (1) of section 822(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to and enter into contracts with public and private nonprofit schools of nursing *to meet the costs of projects* to—

"(i) plan, develop, and operate,

"(ii) expand, or

"(iii) maintain,

programs for the education of nurse practitioners.

"(B) The Secretary may make grants to and enter into contracts with public and private nonprofit schools of nursing and appropriate public and private nonprofit entities *to meet the costs of projects* to—

"(i) plan, develop, and operate,

"(ii) expand, or

"(iii) maintain,

accredited certificate programs for nurse midwives.".

(2) Paragraph (2) of such section is amended—

(A) by striking out subparagraph (A) and inserting in lieu thereof the following:

"(2)(A) For purposes of this section, the term, 'programs for the education of nurse practitioners' means educational programs for registered nurses which—

"(i) meet guidelines prescribed by the Secretary in accordance with subparagraph (B);

"(ii) have as their objective the education of nurses (including pediatric nurses, geriatric nurses, and nurse midwives) who will, upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities, and other health care institutions; and

"(iii) lead to a masters' degree or a doctoral degree, except that compliance with the provisions of this clause is not required for programs to educate nurse midwives."; and

"(B) by striking out "training" in subparagraph (B) and inserting in lieu thereof "education".

(b) Section 822 is further amended by striking out subsections (b) and (d) and by redesignating subsections (c) and (e) as subsections (b) and (c), respectively.

(c) Section 822(b) (as redesignated by subsection (b) of this section) is amended by striking out "training" and inserting in lieu thereof "education".

(d) Section 822(c) (as redesignated by subsection (b) of this section) is amended to read as follows:

"(c) For payments under grants and contracts under this section, there are authorized to be appropriated [$9,000,000] *$12,000,000* for the fiscal year ending September 30, 1985, [$9,400,000] *$13,000,000* for fiscal year ending [September] *September* 30, 1986, and [$9,900,000] *$14,000,000* for the fiscal year ending September 30, 1987.".

(e)(1) Notwithstanding the amendments made by subsections (a), (b), and (c) of this section, the Secretary of Health and Human Services may make one grant or enter into one contract with a school, hospital, or entity which, in fiscal year 1984, received a grant or contract under section 822 of the Public Health Service Act (as such section was in effect on September 30, 1984) in order to enable such school, hospital, or entity to maintain programs for the training of nurse practitioners which are in existence on September 30, 1984, or traineeship programs to train nurse practitioners which are in existence on such date. The provisions of such section (as such section was in effect on September 30, 1984) shall apply to grants made and contracts entered into under the preceding sentence.

(2) The Secretary of Health and Human Services may use funds appropriated under subsection (c) of section 822 of the Public Health Service Act (as amended and redesignated by subsections (b) and (d) of this section) for grants and contracts under paragraph (1) of this subsection.

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

SEC. 6. (a) Paragraph (1) of section 830(a) is amended to read as follows:

"(1)(A) The Secretary may make grants to public and private nonprofit schools of nursing to cover the cost of traineeships for nurses in masters' degree and doctoral degree programs in order to educate such nurses to—

"(i) serve in and prepare for practice as nurse practitioners,

"(ii) serve in and prepare for practice as nurse administrators, *nurse* educators, and nurse researchers, or

"(iii) serve in and prepare for practice in other professional nursing [specialities] *specialties* determined by the Secretary to require advanced education.

"(B) The Secretary may make grants to public and private nonprofit schools of nursing *and appropriate public and private nonprofit entities* to cover the cost of traineeships to educate nurses to serve in and prepare for practice as nurse midwives.".

[(b) Section 830(b) is amended to read as follows:

["(b) There are authorized to be appropriated for purposes of this section $9,000,000 for the fiscal year ending September 30, 1985, $9,400,000 for the fiscal year ending September 30, 1986, $9,900,000 for the fiscal year ending September 30, 1987.".

[(c) Section 830 is further amended by striking out "TRAINING" in the section heading and inserting in lieu thereof "EDUCATION".]

(b) Section 830 is further amended—

(1) by redesignating subsection (b) as subsection (c);

(2) by inserting "(1)" before "There" in such subsection;

(3) by striking out "this section" in the first sentence of such subsection and inserting in lieu thereof "subsection (a)";

(4) by striking out "and" after "1983," in such sentence;

(5) by inserting a comma and "$12,000,000 for the fiscal year ending September 30, 1985, $13,000,000 for the fiscal year ending September 30, 1986, and $14,000,000 for the fiscal year ending September 30, 1987" before the period in such sentence;

(6) by striking out the second sentence of such subsection;

(7) by adding at the end of such subsection the following new paragraph:

"(2) To carry out subsection (b), there are authorized to be appropriated $3,000,000 for the fiscal year ending September 30, 1985, $3,500,000 for the fiscal year ending September 30, 1986, and $4,000,000 for the fiscal year ending September 30, 1987.";

(8) by inserting after subsection (a) the following new subsection:

"(b) The Secretary may make grants to public or private nonprofit schools of nursing to cover the costs of post baccalaureate and post doctoral fellowships for faculty in such schools to enable such faculty to—

"(1) expand knowledge with respect to nursing by working with groups of students;

"(2) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature infants, physically and mentally disabled individuals, and ethnic and minority groups;

"(3) examine nursing interventions that result in positive outcomes in health status

with attention to interventions which address family violence, drug and alcohol abuse, the health of women, adolescent care, disease prevention, and ethical concerns; and

"(4) address other areas of nursing practice considered by the Secretary to require additional study."; and

(9) by striking out "TRAINING" in the section heading and inserting in lieu thereof "EDUCATION".

NURSE ANESTHETISTS

SEC. 7. (a) Section 831(a)(1) is amended by striking out "Commissioner" and inserting in lieu thereof "Secretary".

(b) Section 831 is further amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following new subsection:

"(b) The Secretary may make grants to public or private nonprofit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists which are accredited by an entity or entities designated by the Secretary of Education, including grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such nurse anesthetists to obtain advanced education relevant to their teaching functions.".

(c) Section 831(c) (as redesignated by subsection (b) of this section) is amended to read as follows:

"(c) For the purpose of making grants under this section, there are authorized to be appropriated **[**$400,000**]** $1,000,000 for the fiscal year ending September 30, 1985, **[**$420,000**]** $1,300,000 for the fiscal year ending September 30, 1986, and **[**$440,000**]** $1,600,000 for the fiscal year ending September 30, 1987.".

(d) The section heading for such section is amended by striking out "TRAINEESHIPS FOR THE TRAINING OF".

STUDENT LOANS

SEC. 8. (a) The last sentence of section 836(a) is amended by striking out "and to persons who enter as first-year students after enactment of this title".

(b) Section 837 is amended—

(1) by striking out the first sentence and inserting in lieu thereof the following: "There are authorized to be appropriated for allotments under section 838 to schools of nursing for Federal capital contributions to their student loan funds established under section 835, **[**$4,000,000**]** *$1,000,000* for the fiscal year ending September 30, 1985, **[**$4,200,000**]** *$1,300,000* for the fiscal year ending September 30, 1986, and **[**$4,400,000**]** *$1,600,000* for the fiscal year ending September 30, 1987.";

(2) by striking out "1985," in the second sentence and inserting in lieu thereof "1988,";

(3) by striking out "1984," in such sentence and inserting in lieu thereof "1987,"; and

(4) by striking out the last two sentences.

(c) Section 838 is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"(a)(1) The Secretary shall from time to time set dates by which schools of nursing must file applications for Federal capital contributions.

"(2) If the total of the amounts requested for any fiscal year in such applications exceeds the total amount appropriated under section 837 for that fiscal year, the allotment from such total amount to the loan fund of each school of nursing shall be reduced to whichever of the following is the smaller: (A) the amount requested in its application or (B) an amount which bears the same ratio to the total amount appropriated as the number of students estimated by the Secretary to be enrolled on a full-time basis in such school during such fiscal year bears to the estimated total number of students enrolled in all such schools on a full-time basis during such year. Amounts remaining after allotment under the preceding sentence shall be reallotted in accordance with clause (B) of such sentence among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school's loan fund under this paragraph and paragraph (3) from exceeding the total so requested by it.

"(3) Funds which, pursuant to section 839(c) or pursuant to a loan agreement under section 835, are returned to the Secretary in any fiscal year, shall be available for allotment in such fiscal year and in the fiscal year succeeding the fiscal year. Funds described in the preceding sentence shall be allotted among schools of nursing in such manner as the Secretary determines will best carry out the provisions of this subpart, except that in making such allotments, the Secretary shall give priority to schools of nursing which established student loan funds under this subpart after September 30, 1975.

"(b) Allotments to a loan fund of a school shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.".

(d) Section 839 is amended—

(1) by striking out "1987," each place it appears in subsections (a) and (b) and inserting in lieu thereof "1990,"; and

(2) by adding at the end thereof the following new subsection:

"(c)(1) Within 30 days after the termination of any agreement with a school under section 835 or the termination in any other manner of a school's participation in the loan program under this subpart, such school shall pay to the Secretary from the balance of the loan fund of such school established under section 835, an amount which bears the same ratio to the balance in such fund on the date of such termination as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 835(b)(2)(A) bears to the total amount in such fund on such date derived from such Federal capital contributions and from funds deposited in the fund pursuant to section 835(b)(2)(B). The remainder of such balance shall be paid to the school.

"(2) A school to which paragraph (1) applies shall pay to the Secretary after the date on which payment is made under such paragraph and not less than quarterly, the same proportionate share of amounts received by the school after the date of termination referred to in paragraph (1) in payment of principal or interest on loans made from the loan fund as was determined for the Secretary under such paragraph.".

(e) Section 6103(m) of the Internal Revenue Code of 1954 is amended—

(1) by inserting "ADMINISTERED BY THE DEPARTMENT OF EDUCATION" before the period in the paragraph heading of paragraph (4); and

(2) by adding at the end thereof the following new paragraph:

"(5) INDIVIDUALS WHO HAVE DEFAULTED ON STUDENT LOANS ADMINISTERED BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—

"(A) IN GENERAL.—Upon written request by the Secretary of Health and Human Services, the Secretary may disclose the mailing address of any taxpayer who has defaulted on a loan made under **[**subpart II of**]** part C of title VII of the Public Health Service Act or under subpart II of part C of title VIII of such Act, for use only by officers, employees, or agents of the Department of Health and Human Services for the purposes of locating such taxpayer for purposes of collecting such loan.

["(B) DISCLOSURE TO SCHOOLS.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part C of title VIII of such Act, for use only by officers, employees, or agents of such school whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subparts for the purposes of collecting such loans.".**]**

"(B) DISCLOSURE TO SCHOOLS AND ELIGIBLE LENDERS.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to—

"(i) any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part C of title VIII of such Act, or

"(ii) any eligible lender (within the meaning of section 737(4) of such Act) participating under subpart I of part C of title VII of such Act.

for use only by officers, employees, or agents of such school or eligible lender whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subparts for the purposes of collecting such loans.".

REPEALS

SEC. 9. (a) Sections 801, 802, 803, 805, 810, 811, and 815 are repealed.

(b) Part A of title VIII is amended by striking out the headings for subparts I, II, III, and IV.

(c) Section 804 is redesignated as section 858, and is amended—

(1) by striking out "this subpart" in the matter preceding clause (1) and inserting in lieu thereof "subpart I of part A (as such subpart was in effect prior to September 30, 1984);

(2) by inserting "under subpart I of part A (as such subpart was in effect prior to September 30, 1984) after "Federal participation" in the matter following clause (3); and

(3) by adding "FOR CONSTRUCTION ASSISTANCE" at the end of the section heading.

(d) Section 851(b) is amended by striking out ", and in the review of applications for construction projects under subpart I of part A, of applications under section 805, and of applications under subpart III of part A".

(e) Section 853(1) is amended by striking out "the Canal Zone,".

(f) Section 853(6) is amended to read as follows:

"(6) The term 'accredited' when applied to any program of nurse education means a program accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accredited by a rec

ognized body or bodies, or by a State agency, approved for such purpose by the Secretary of Education, except that a school of nursing seeking an agreement under subpart II of part C for the establishment of a student loan fund, which is not, at the time of the application under such subpart, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of such subpart if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the agreement with such school is made under such subpart; except that the provisions of this clause shall not apply for purposes of section 838. For the purpose of this paragraph, the Secretary of Education shall publish a list of recognized accrediting bodies, and of State agencies, which [he determines to] the Secretary of Education *determines to be* reliable authority as to the quality of education offered.".

BUREAU OF NURSING

SEC. 10. (a) Parts B and C of title VIII are redesignated as parts C and D, respectively.

(b) Title VIII is amended by inserting before section 820 the following:

"PART B—SPECIAL PROJECTS"

(c) Part A of title VIII is amended to read as follows:

"PART A—BUREAU OF NURSING

"ESTABLISHMENT

"SEC. 801. (a) There is established in the Health Resources and Services Administration the Bureau of Nursing. The Bureau shall be composed of—

"(1) the Division for advanced Nurse Education established by section 802;

"(2) the Division for Nurse Educational Support established by section 803; and

"(3) the Center for Nursing Studies and Research established by section 804.

"(b) The Bureau shall be headed by a Director, who shall be apppointed by the Secretary. The Secretary shall carry out this title through the Director.

"(c) The Secretary shall carry out the provisions of section 951 of the Nurse Training Act of 1975 through the Director.

"DIVISION FOR ADVANCED NURSE EDUCATION

"SEC. 802. There is established in the Bureau the Division for Advanced Nurse Education. The Secretary shall carry out part B through the Director and the Division.

"DIVISION FOR NURSE EDUCATIONAL SUPPORT

"SEC. 803. There is established in the Bureau the Division of Nurse Educational Support. The Secretary shall carry out part C through the Director and the Division.

"CENTER FOR NURSING STUDIES AND RESEARCH

"SEC. 804. (a) There is established in the Bureau the Center for Nursing Studies and Research. The Secretary, through the Center, shall conduct and support programs of basic and clinical research, training, and information dissemination relating to—

(1) the promotion of health;

(2) the prevention of illness;

(3) the responses of patients and their families to acute and chronic illnesses, disabilities, and the aging process; and

(4) nursing education, nursing services, and professional nursing resources.

Programs conducted under this subsection shall be in addition to the programs described in paragraphs (1) and (2) of subsection (b).

"(b) The Secretary shall carry out through the Center—

"(1) programs of research, training, and information dissemination relating to nursing conducted and supported by the Secretary under section 301; and

"(2) the program of National Research Service Awards relating to nursing under section 472.

AUTHORIZATION OF APPROPRIATIONS

"SEC. 805. (a) To carry our section 804 (a), there are authorized to be appropriated [$10,000,000] *$5,000,000* for the fiscal year ending September 30, 1985, [$10,500,000] *$5,500,000* for the fiscal year ending September 30, 1986, and [$11,000,000] *$6,000,000* for the fiscal year ending September 30, 1987. Amounts appropriated under this subsection shall be in addition to amounts appropriated under sections 301 and 472.

"(b) For the establishment and initial operation of the Bureau, there are authorized to be appropriated $2,000,000 for the fiscal year ending September 30, [1985.".] *1985, and each of the two succeeding fiscal years.".*

(d) Section 853 is amended by adding at the end thereof the following new paragraphs:

"(11) The term 'Bureau' means the Bureau of Nursing established under section 801.

"(12) The term 'Director' means the Director of the Bureau.".

(e)(1) The Division of Nursing of the Health Resources and Services Administration of the Department of Health and Human Services is terminated.

(2) Section 472 is amended—

(A) by striking out "Division of Nursing of the Health Resources Administration," in subsection (a)(1)(A)(i) and inserting in lieu thereof "Bureau of Nursing of the Health Resources and Services Adminstration,"; and

(B) by striking out "Division" in such subsection and inserting in lieu thereof "Bureau".

EFFECTIVE DATE

SEC. 11. This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

Mr. HATCH. Mr. President, the Senate is today considering S. 2574, the Nurse Education Amendments of 1984. This legislation represents a new focus for Federal support of nurse education programs. S. 2574 was written to address these changing needs. It recognizes that technology and increasing medical knowledge has created a vast need for nurses with specialized training in administration, research, primary care, geriatrics, pediatrics, home and community-based nursing, and many other areas of our health care system.

This new focus originated in the Nurse Training Act Amendments of 1979. These amendments mandated that a study be conducted to assist Congress in determining the future of Federal support for nurse education. The Institute of Medicine [IOM] conducted the study and finished their work in January 1982. The result was 21 recommendations to Congress with regards to nursing practice as well as nursing education. The report recommended that there be no Federal support to increase the total number of nurses, but that specific Federal, State, and private actions should be taken to reduce shortages and needs. This is the philosophy that forms the major focus of the reauthorization.

To accomplish this objective, we recommend that the Division of Nursing, now housed within the Bureau of Health Professions, be elevated to a Bureau of Nursing with three new divisions: The Division of Nurse Educational Support, the Center for Nursing Studies and Research, and the Division of Advanced Nurse Education.

This IOM study also provided the impetus for several other important changes in the areas of nursing education and training included in S. 2574. First, section 820, entitled "Special Projects", is amended to allow grants and contracts for the purpose of demonstrating: First, more effective means of facilitating the transition of students in schools of nursing to nursing practice; second, methods to improve access to nursing services through support of nurse practice arrangements in communities; and third, means of encouraging nursing graduates to practice in areas with shortages of health personnel.

A second change deals with nursing faculty fellowships. The IOM, study reported that State boards of nursing were increasingly requiring that the deans and faculty of nursing schools hold graduate degrees. However, the low number of current nursing faculty with advanced degrees, especially doctorates, means a scarcity of nurse faculty with adequate academic credentials to meet those requirements. The committee's bill creates a fellowship program that allows nursing faculty to apply for funds to continue their teaching duties while pursuing research and other pertinent activities.

The most important product resulting from these changes is the formation of the new Center for Nursing Studies and Research. Through the efforts of the Division of Nursing, many resources have been tapped to support nurses interested in careers in research. Many of today's nurse researchers are a result of these educational efforts and have gained the skills and obtained access to the resources they need to continue in this field. My hope is that through the formation of this Center, many more nurses will become interested in and seek research career opportunities.

It is our intent that the Center for Nursing Studies and Research become the coordinating body through which information dealing with nursing research throughout the Federal Government can be disseminated to nursing researchers in public and private settings, universities, and academic centers as well. Also, it is intended that the Center will be responsible for the administration and awards of re-

search funds under this act and sections 472 and 301 of the Public Health Service Act.

A new demonstration authority is included in these amendments as well. It will facilitate development of cost-effective institutional and nursing service organizational frameworks, as well as demonstrations dealing with educational and practice methods. These demonstrations are designed to promote nursing efficiency in a variety of health care settings. This increased efficiency will save health dollars and encourage nurses to choose careers that would improve the quality and provision of care to our Nation's aged and needy patients in both home- and community-based settings.

I encourage my colleagues to join with me in supporting this effort to continue important nursing programs with the changes I have discussed. I ask unanimous consent that a summary of the bill be placed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

X. SECTION-BY-SECTION ANALYSIS

Section 1 establishes the title of the bill as the Nurse Education Amendments of 1984.

REFERENCE

Section 2 provides that, except when otherwise specifically indicated, any amendment or repeal contained in the bill is made to a section or other provision of the Public Health Service Act.

SPECIAL PROJECTS

Section 3 reauthorizes the nursing special projects program providing grants and contracts for: (1) increasing nursing education opportunities for individuals from disadvantaged backgrounds; (2) providing continuing education for nurses; (3) providing appropriate retraining opportunities for nurses; (4) helping to increase the supply or improve the distribution by geographic area or by specialty group of adequately trained nursing personnel. For these projects, the bill authorizes $10 million for fiscal year 1985, $11 million for fiscal year 1986, and $12 million for fiscal year 1987. Section 3 also adds three new purposes for which grants and contracts may be awarded under the special projects authority: (1) demonstrating clinical nurse training programs which combine educational curricula and clinical practice in health care delivery organizations, including acute care facilities, long-term care facilities, and ambulatory care facilities; (2) improve access to nursing services in non-institutional settings through support of nursing practice arrangements in communities; or (3) encourage nursing graduates to practice in health manpower shortage areas, to improve specialty geographical distribution of nurses in the United States. For these projects, the bill authorizes $5 million for fiscal year 1985, $5.5 million for 1986, and $6.0 million for fiscal year 1987, and not less than 25 percent of the funds appropriated for this purpose will be obligated for improving access to nursing services in non-institutional settings.

ADVANCED NURSE EDUCATION

Section 4 revises the advance nurse education program to authorized grants to and contracts with public and private nonprofit collegiate schools of nursing to: (1) plan, develop, and operate; (2) expand; or (3) maintain programs which lead to master and doctoral degrees and which prepare professional nurses to serve as nurse educators, administrators, consultants, researchers, or to serve in clinical nurse specialties determined by the Secretary. The bill authorizes $18 million for fiscal year 1985, $18.5 million for fiscal year 1986, and $19.5 million for fiscal year 1987.

NURSE PRACTITIONER PROGRAMS

Section 5 revises the authority for nurse practitioner programs to authorize grants and contracts for schools of nursing to: (1) plan, develop, and operate; (2) expand; or (3) maintain programs for the education of nurse practitioners. The bill also authorizes grants and contracts for schools of nursing and appropriate public and private entities for accredited certificate programs for nurse midwives. For these grants and contracts, the bill authorizes $12 million for fiscal year 1985, $13 million for fiscal year 1986, and $14 million for fiscal year 1987.

Section 5 also amends the definition of programs for the education of nurse practitioners to add that, except for programs for nurse midwives, these programs must lead to a master's or doctoral degree. In addition, this section repeals authority for nurse practitioner traineeships programs and authority for grants and contracts to be used for costs of preparation of faculty members to conform to prescribed guidelines. The bill also authorizes the Secretary to use funds appropriated under this section as amended to make a one-year grant to or contract with a school, hospital, or entity which received a grant or contract under the previous authority during fiscal year 1984 for nurse practitioner training programs or traineeships programs to maintain any such programs which are in existence at the end of fiscal year 1984.

TRAINEESHIPS FOR ADVANCED EDUCATION OF PROFESSIONAL NURSES

Section 6 revises the authority for traineeships for the advanced education of professional nurses to authorize the Secretary to make grants to public and private nonprofit schools of nursing to cover the cost of traineeships for nurses in master's and doctoral degree programs to educate such nurses to serve in and prepare for practice as: (1) nurse practitioners and nurse midwives; (2) nurse administrators, nurse educators, and nurse researchers; and (3) other professional nursing specialities determined by the Secretary to require advanced training. It also provides an authority to the Secretary to make grants to cover the costs of post baccalaureate and post doctoral fellowships for faculty in schools of nursing to enable such faculty to: (1) expand knowledge with respect to nursing by working with groups of students; (2) investigate cost-effective alternatives to traditional health care modalities, with special attention to the needs of at-risk populations, such as the elderly, premature newborns, physically and mentally disabled individuals, and ethnic minority groups; (3) examine nursing interventions that result in positive outcomes in health status, with attention to interventions which address family violence, drug and alcohol abuse, the health of women, adolescent care, disease prevention, and ethical concerns; and (4) address other areas of nursing practice considered by the Secretary to require additional study.

The bill authorizes for these traineeships $12 million for fiscal year 1985, $13 million for fiscal year 1986, and $14 million for fiscal year 1987, and authorizes for faculty fellowships $3 million for fiscal year 1985, $3.5 million for fiscal year 1986, and $4.0 million for fiscal year 1987.

NURSE ANESTHETISTS

Section 7 extends the authority for traineeships for training of nurse anesthetists and adds new authority for grants to public or private non-profit institutions to cover the cost of projects to improve existing programs for the education of nurse anesthetists, including grants to such institutions for the purpose of providing financial assistance and support to certified registered nurse anesthetists who are faculty members of accredited programs to enable such persons to obtain advanced education relevant to their teaching functions. The bill authorizes for the revised authority $1 million for fiscal year 1985, $1.3 million for fiscal year 1986, and $1.6 million for fiscal year 1987.

NURSING STUDENT LOANS

Section 8 extends the nursing student loan program and authorizes for new capital contributions to schools' revolving loan funds $1 million for fiscal year 1985, $1.3 million for fiscal year 1986, and $1.6 million for fiscal year 1987. This section repeals the provision which requires that not less than $1 million of nursing student loan appropriations for any fiscal year be reserved for loans to those students who have not been students or employed on a full-time basis for the past seven years. In addition, it eliminates the preference for nursing student loans which currently must be given to first-year students.

Section 8 revises the method by which new capital contributions to schools' loan funds are to be allocated: If the total amount requested by schools exceeds available appropriations, a school's allotment would be reduced to the smaller of (A) the amount requested by the school or (B) an amount which bears the same ratio to the total amount appropriated as the number of students estimated by the Secretary to be enrolled in the school on a full-time basis bears to the estimated total number of full-time students enrolled in all nursing schools during the relevant fiscal year. In addition, this section of the bill requires the Secretary to allot to schools of nursing amounts returned to the Secretary from terminated loan funds and excess amounts collected by schools and to give schools of nursing which established student loan funds after September 30, 1975 priority in the allotment of these funds.

Section 8 also authorizes the Secretary of Treasury to disclose to the Secretary of the Department of Health and Human Services (DHHS) the address of those persons who have defaulted on nursing student loans and allows the Secretary of DHHS to disclose this information to nursing schools to assist them in the collection of defaulted loans.

REPEALS

Section 9 repeals in title VIII sections 801-803 (construction grant provisions), section 805 (loan guarantees and interest subsidies for construction), section 801 (capitation grants), section 811 (general provisions for applications for grants), and section 815 (financial distress grants). This section makes other technical and conforming changes to title VIII.

BUREAU OF NURSING

Section 10 establishes in the Health Resources and Services Administration a new Bureau of Nursing, to be headed by a Direc-

tor appointed by the Secretary and composed of: (1) the Division for Advanced Education; (2) the Division for Nurse Educational Support; and (3) the Center for Nursing Studies and Research. Among other things, the Director would be responsible for collecting and analyzing data on the supply, distribution, and requirements for nurses. The Center for Nursing Studies and Research would conduct and support programs of basic and clinical research, training, and information dissemination relating to: (1) the promotion of health; (2) the prevention of illness; (3) the responses of patients and their families to acute and chronic illnesses, disabilities, and the aging process; and (4) nursing education, nursing services, and professional nursing resources. In addition, the Center would administer: (1) programs of research, training, and information dissemination relating to nursing conducted and supported by the Secretary under section 301 of the PHS Act; and (2) the program of National Research Service Awards relating to nursing under section 472 of the PHS Act. The existing Division of Nursing of the Health Services Resources Administration would be terminated.

This section of the bill authorizes $5 million for fiscal year 1985, $5.5 million for fiscal year 1986, and $6 million for fiscal year 1987 for research conducted and supported by the Center for Nursing Research. These amounts would be in addition to those appropriated under sections 301 and 472. This section also authorizes $2 million for fiscal year 1985 for the establishment and initial operation of the Bureau of Nursing.

EFFECTIVE DATE

Section 11 specifies the effective date of the bill as October 1, 1984.

Mr. KENNEDY. Mr. President, I rise in support of S. 2574, the Nurse Education Amendments of 1984. The thrust of this bill is consistent with the recommendations of the Institute of Medicine, which suggested that the direction of nursing training funding be shifted to favor advanced nurse training. Furthermore, there are authorized in this bill funds for traineeships, fellowships, and special projects.

This bill rejects the notion offered by the President in his fiscal year 1985 budget proposal that essentially said that the Federal Government should decrease its participation in the education of nurses in this country. The $68.5 million authorized by this bill, while short of the estimated need of $85 million, is sufficiently more than Mr. Reagan's proposed $14 million that nursing programs will not suffer.

The programs authorized by this bill are necessary. There are identified shortages of nurses that occur unevenly throughout the Nation in different geographic areas and in different health care settings, especially those that serve the economically disadvantaged and in specialty nursing. This bill will help address those problems.

Also included in S. 2574 is the proposal to create a Bureau of Nursing and a Center for Nursing Research, both of which are designed to increase the visibility and status of nursing. I support the idea of a bureau status for nursing and the idea of a Center for Nursing Research within the Health Resources Administration.

Mr. President, I urge my colleagues to support this very important measure.

The amendments were agreed to.

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

The title was amended so as to read: "A bill to revise and extend title VIII of the Public Health Service Act, relating to nurse education.".

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RENEWABLE ENERGY INDUSTRY DEVELOPMENT ACT OF 1983

The Senate proceeded to consider the bill (H.R. 3169) to amend the Energy Policy and Conservation Act to facilitate commerce by the domestic renewable energy industry and related service industries, which had been reported from the Committee on Energy and Natural Resources with an amendment.

(The part intended to be stricken is shown in boldface brackets and the part to be inserted is shown in italics.)

H.R. 3169

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Renewable Energy Industry Development Act of 1983".

SEC. 2. Part B of title II of the Energy Policy and Conservation Act (42 U.S.C. 6271 and following), relating to the international energy program, is amended by adding at the end thereof the following:

"DOMESTIC RENEWABLE ENERGY INDUSTRY AND RELATED SERVICE INDUSTRIES

"SEC. 256. (a) It is the purpose of this section to implement the responsibilities of the United States under chapter VII of the international energy program with respect to development of alternative energy by facilitating the overall abilities of the domestic renewable energy industry and related service industries to create new markets.

"(b)(1) Before the later of—

"(A) 6 months after the date of the enactment of this section, and

"(B) May 31, 1985,

the Secretary of Commerce shall conduct an evaluation regarding the domestic renewable energy industry and related service industries and submit a report of his findings to the Congress.

"(2) Such evaluation shall include—

"(A) an assessment of the technical and commercial status of the domestic renewable energy industry and related service industries in domestic and foreign markets;

"(B) an assessment of the Federal Government's activities affecting commerce in the domestic renewable energy industry and related service industries and in consolidating and coordinating such activities within the Federal Government; and

"(C) an assessment of the aspects of the domestic renewable energy industry and related service industries in which improvements must be made to increase the international commercialization of such industry.

"(c)(1) On the basis of the evaluation under subsection (b), the Secretary of Commerce shall, consistent with existing law, establish a program for enhancing commerce in renewable energy technologies and consolidating or coordinating existing activities for such purpose.

"(2) Such program shall provide for—

"(A) the broadening of the participation by the domestic renewable energy industry and related service industries in such activities;

"(B) the promotion of the domestic renewable energy industry and related service industries on a worldwide basis;

"(C) the participation by the Federal Government and the domestic renewable energy industry and related service industries in international standard-setting activities; and

"(D) the establishment of an information program under which—

"(i) technical information about the domestic renewable energy industry and related service industries shall be provided to appropriate public and private officials engaged in commerce, and

"(ii) marketing information about export opportunities shall be available to the domestic renewable energy industry and related service industries.

"(3) Necessary funds required for carrying out such program shall be requested in connection with fiscal years beginning after September 30, 1984.

"(d) There shall be estabished an interagency working group which, in consultation with the representative industry groups and relevant agency heads, shall make recommendations to coordinate the actions and programs of the Federal Government affecting commerce in renewable energy products and related services. The Secretary of [Commerce] *Energy* shall be the chairman of such group. The heads of appropriate agencies may detail such personnel and may furnish such services to such working group, with or without reimbursement, as may be necessary to carry out its functions.".

(b) The table of contents for such Act is amended by inserting the following item after the item relating to section 255:

"Sec. 256. Domestic renewable energy industry and related service industries.".

SEC. 3. The amendments made by this Act shall take effect on the date of the enactment of this Act.

The amendment was agreed to.

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

The bill was read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

WILLIAM R. GIANELLI TO CONTINUE TO SERVE AS A MEMBER OF THE BOARD OF THE PANAMA CANAL COMMISSION

The bill (H.R. 5404) allowing William R. Gianelli to continue to serve as a member of the Board of the Panama Canal Commission after his retirement as an officer of the Department of Defense, was considered, ordered to a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL LAW ENFORCEMENT HEROES MEMORIAL

The Senate proceeded to consider the bill (S.J. Res. 235) to authorize the Law Enforcement Officers Memorial Fund, Incorporated, to establish a National Law Enforcement Heroes Memorial, which had been reported from the Committee on the Judiciary with amendments.

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Law Enforcement Officers Memorial Fund, Incorporated, a nonprofit corporation organized and existing under the laws of the District of Columbia, is authorized to establish a memorial on public grounds in the District of Columbia or its environs to honor and recognize law enforcement officers in the United States who died in the line of duty. Such memorial shall be known as the National Law Enforcement Heroes Memorial.

SEC. 2. (a) The Secretary of the Interior, **[**in consultation with the Law Enforcement Officers Memorial Fund, Incorporated,**]** is authorized and directed to select with the approval of the Commission of Fine Arts and the National Capital Planning Commission a suitable site on grounds owned by the Federal Government in the District of Columbia or its environs.

(b) The Law Enforcement Officers Memorial Fund, Incorporated, shall be responsible for the development of a design and plans for such **[**memorial which shall be subject to the approval of the Secretary of the Interior, the Commission of Fine Arts, and the National Capital Planning Commission fails to approve or make specific objection to such design and plans within ninety days of submission, his or its approval shall be deemed to be given.**]** *memorial. The architectural design for such memorial shall be subject to the approval of the Secretary of the Interior, in consultation with the Commission of Fine Arts and the National Capital Planning Commission.*

(c) Neither the United States nor the District of Columbia shall bear any expense in the **[**establishment**]** *designing, planning, or erecting* of the memorial **[**other than,**]** *including* expenses incurred in the process of site selection and approval of design and plans.

[SEC. 3. The authority conferred pursuant to this resolution shall lapse unless—

[(1) prior to groundbreaking for actual construction of the memorial, funds are certified available in an amount sufficient, in the judgment of the Secretary of the Interior, to insure completion of the memorial in accordance with the approved design and plans, and

[(2) the construction of such memorial is commenced within five years from the date of adoption of this resolution.**]**

SEC. 3. The authority conferred pursuant to this resolution for the construction of the memorial shall lapse on the date five years after the date of the enactment of this resolution unless (1) the construction of such memorial is commenced within such five-year period, and (2) prior to the commencement, the Secretary of the Interior certifies that funds are available in an amount sufficient, in the judgment of the Secretary, to ensure completion of the memorial.

SEC. 4. The maintenance and care of the memorial established under this resolution shall be the responsibility of **[**the Secretary of the Interior.**]** *whomever has jurisdiction over said public grounds.*

Mr. PELL. Mr. President, I rise in strong support of Senate Joint Resolution 235, legislation to establish a National Police Memorial within the District of Columbia. This resolution was reported by the Judiciary Committee on June 25 and has won the cosponsorship of over 40 of my colleagues.

During the past decade, the FBI has estimated that Over 1,600 law enforcement officers were killed in the line of duty. In the last 2 years alone, 309 police officers have been killed while performing their official duties. With good reason we have honored those who lost their lives in foreign wars, and it is appropriate that we establish a similar memorial in the Nation's Capital to honor the men and women who are our first line of defense in the war against crime.

I would like to point out that this measure is cost-free to the taxpayers. A private, nonprofit corporation, the "Law Enforcement Officers Memorial Fund," will seek private contributions from police groups for the construction of the memorial. Moreover, the memorial fund will reimburse the Government for its administrative costs in selecting a site and approving a design for the police memorial. The only expenses borne by the taxpayers will be cost of cutting the grass and maintaining the memorial once it has been built.

As the sponsor of this legislation, I am especially proud that my own State of Rhode Island has been a national leader in advancing the idea of the police memorial. Last year, the Rhode Island General Assembly became the first State legislative body to pass a resolution calling upon the Congress to establish a National Police Memorial in the District of Columbia. I would like to take this opportunity to commend the Rhode Island Fraternal Order of Police for their leadership in advancing this proposal.

Finally, I would like to express my deep appreciation to Chairman THURMOND of the Judiciary Committee and to Senator BIDEN, the ranking minority member, for their great cooperation and assistance with this measure. In that regard, both Nancy Scott of Senator THURMOND's staff and Scott Green of Senator BIDEN's staff have been of particular help.

Certainly no memorial can fully acknowledge the sacrifice made by those professionals in the law enforcement community who have lost their lives in the line of duty. What we can do is better focus national attention and recognition on the men and women who risk their lives every day to better protect us against crime. I urge my colleagues to join with me in commerating the Nation's law enforcement heroes who have given their lives in the line of duty.

The amendments were agreed to.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SOVIET UNION NONDELIVERY OF MAIL FROM THE UNITED STATES

The Senate proceeded to consider the concurrent resolution (H. Con. Res. 294) expressing the sense of the Congress that the President should express to the Government of the Soviet Union the disapproval of the American people concerning the Soviet Union's systematic nondelivery of international mail addressed to certain persons residing within the Soviet Union, and that the U.S. delegation to the Congress of the Universal Postal Union seek the compliance of the Government of the Soviet Union with the treaties governing international mail to which it is a party.

Mr. BOSCHWITZ. Mr. President, I am pleased that the Senate today is considering House Concurrent Resolution 294, which is virtually identical to Senate Concurrent Resolution 121, a resolution I introduced earlier.

This resolution expresses the sense of the Congress that the President, acting through the Secretary of State, take up the subject of the interception of international mail by the Soviet Government. The resolution also calls for the U.S. Postal Service delegation to the Universal Postal Union [UPU] Convention, which is currently under way in Hamburg, Germany, to bring

this issue before the 167 nations which are members of the UPU.

For the past year Representative BENJAMIN GILMAN of New York, has led a congressional investigation that has come to the conclusion that the Soviets are interfering with the international mail in a cold and calculated manner. This resolution is necessary for the following reason:

First, the Soviet Union is trying to cut the lifeline of communication between those living behind the Iron Curtain with their friends and family members on the outside of the Soviet Union.

Second, the Soviets are deriving a great deal of hard Western currency by intercepting parcels mailed to the Soviet Union, returning them with surcharges to senders under such fabricated claims as, "import prohibited," when in fact the packages are legal. These procedures force American citizens to do business with Soviet-licensed parcel agencies in some 25 American cities, where patrons are required to pay service and duty prepaid charges often running $180 to $300 and more, in order to be reasonably certain that their packages are delivered.

The Soviet's actions are in violation of the rules and regulations established by the UPU and should not be tolerated. Additionally, their actions are a direct threat and challenge to the credibility and effectiveness of the UPU. The member countries must not permit one country to set its own rules and still remain a member if the union is to continue as a legitimate, functioning body.

The Soviet's blatant disregard of the accepted and standard rules of the UPU is also of great humanitarian concern. It is well known that the Soviets are hostile toward all religions, the Jewish and Christian evangelical faiths in particular. The interception of mail, both in and out of the Soviet Union, is depriving those whom the Soviets select to prosecute, the right to communicate with family and friends. The Soviet Union is an isolation tank for these people.

The Soviets are harassing people for no other reason than their religious beliefs and background. I fear this type of treatment may become so common that it will begin to go unnoticed. If this were to happen, the results would be disastrous for those left in the Soviet Union. Left with no form of outside contact, they would be shut off from the rest of the world and left at the mercy of the Soviets.

This humanitarian action by Congress will make clear our determination that those being persecuted by the Government of the Soviet Union will not be forgotten. We must do all that we can to aid these people in their struggles.

Mr. President, I believe this resolution will have a positive effect on the Soviet Government's treatment of mail and give hope to a great many people. I urge my colleagues to support it.

Mr. BINGAMAN. Mr. President, I fully support House Concurrent Resolution 294, and I urge my colleagues to support it.

House Concurrent Resolution 294 is identical to legislation which I have cosponsored, Senate Concurrent Resolution 121, along with the Senator from Minnesota. Both the House and Senate resolutions urge the President, acting through the Secretary of State, to take up the subject with the proper Soviet authorities and calls for the U.S. Postal Service delegation to the Universal Postal Union Convention, now being held, to present this issue before the 167-member nations of the UPU.

The Soviet interception of international mail has been documented by the work of the House Post Office and Civil Service Committee and others. Over 2,000 exhibits have been acquired which document the Soviet interference of international mail. Some effort must be made to put an end to this disruption of communication among citizens of the world.

Disruption of mail is a serious matter which is in violation of the general regulations of the Universal Postal Union. Censorship of this type designed to inhibit religious freedoms and the free flow of ideas violates individual human rights and civil liberties. It is absolutely vital to the interest of all citizens of the world that the confidentiality and orderly delivery of the written communications of the world be maintained. I urge, in whatever ways may be possible that steps be taken to preserve international mail service to all citizens of the world.

I support the prompt consideration of this resolution by the U.S. Senate so our delegation to the UPU will have a strong position on this issue.

The concurrent resolution was considered and agreed to.

The preamble was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill concurrent resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOHN F. KENNEDY CENTER ACT AMENDMENTS

The bill (S. 2562) to amend the John F. Kennedy Center Act, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2562

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 9 of the Kennedy Center Act (20 U.S.C. 76o) is amended—

(1) by inserting "(a)" immediately after "SEC. 9.", and by striking out the third, fourth, and seventh sentences thereof; and

(2) by adding at the end thereof the following new subsections:

"(b) Effective as of the date of enactment of this subsection the obligations of the Board incurred under subsection (a) of this section shall bear no interest, and the requirement of the Board to pay the unpaid interest which has accrued on such obligations is terminated.

"(c) There is hereby established in the Treasury of the United States a sinking fund, the Kennedy Center Revenue Bond Sinking Fund (hereinafter referred to as the "Fund"), which shall be used to retire the obligations of the Board incurred under subsection (a) of this section upon the respective maturities of such obligations. The Board shall pay into the Fund, beginning on January 1, 1987 and ending on January 1, 2016, the annual sum of $200,000 in amortization of the principal amount of the obligations. Such sums shall be invested by the Secretary of the Treasury in public debt securities with maturities suitable for the needs of the Fund and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities. The interest on such investments shall be credited to and form a part of the Fund. Moneys in the Fund shall be used exclusively to retire the obligations of the Board incurred under subsection (a) of this section. Adjustments of not greater than plus or minus 5 per centum may be made from time to time in the annual payments to the Fund in order to correct any gains or deficiencies as a result of fluctuations in interest rates over the life of the investments: *Provided, however,* That a final adjustment shall be made between the Board and the Secretary of the Treasury at the end of the amortization period to correct any overall gain or deficiency in the Fund. The terms of this adjustment shall be covered by a memorandum of understanding between the Board and the Secretary of the Treasury to be consummated on or before the time the initial payment into the Fund is made.".

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

RELIEF OF KENNETH L. PERRIN

The bill (H.R. 3927) for the relief of Kenneth L. Perrin, was considered, ordered to a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

POSTAL SAVINGS SYSTEM STATUTE OF LIMITATIONS ACT

The bill (H.R. 3922) to establish a 1-year limitation on filing of claims for unpaid accounts formerly maintained in the Postal Savings System, was considered, ordered to a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AUTHORIZATION FOR THE SELECT COMMITTEE ON INDIAN AFFAIRS

The Senate proceeded to consider the resolution (S. Res. 365) authorizing expenditures by the Select Committee on Indian Affairs, which had been reported from the Committee on Rules and Administration with an amendment to strike out all after the resolving clause and insert:

Resolved, That S. Res. 354, agreed to March 2, 1984, be amended by—

(1) section 2, paragraph (a), line 7, strike out "$48,050,680," and insert in lieu thereof "$48,612,229"; and

(2) section 2, paragraph (b), strike out lines 6 through 8 and insert in lieu thereof, "practicable date, but not later than February 28, 1985."; and

(3) section 21, paragraph (a), line 9, strike out "July 1, 1984," and insert in lieu thereof "February 28, 1985,"; and

(4) section 21, paragraph (b), strike out lines 16 through 17 and insert in lieu thereof, "shall not exceed $836,628, of which amount not to exceed $2,000 may be expended for the procurement of the services of".

The amendment was agreed to.

The resolution, as amended, was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

GRATUITY TO MARY P. METCALF

The resolution (S. Res. 417) to pay a gratuity to Mary P. Metcalf, was considered, and agreed to as follows:

S. RES. 417

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Mary P. Metcalf, daughter of Ann W. Metcalf, an employee of the Senate at the time of her death, a sum equal to ten and one-half months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

JOINT CONGRESSIONAL COMMITTEE ON INAUGURAL CEREMONIES

The resolution (S. Con. Res. 122) to provide for a Joint Congressional Committee on Inaugural Ceremonies, was considered, and agreed to as follows:

S. CON. RES. 122

Resolved by the Senate (the House of Representatives concurring), That a Joint Congressional Committee on Inaugural Ceremonies consisting of three Senators and three Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make the necessary arrangements for the inauguration of the President-elect and Vice-President-elect of the United States on the 21st day of January 1985.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BOUNDARY FOR THE BLACK CANYON OF THE GUNNISON NATIONAL MONUMENT

The Senate proceeded to consider the bill (H.R. 3825) to establish a boundary for the Black Canyon of the Gunnison National Monument, and for other purposes, which had been reported from the Committee on Energy and Natural Resources with amendments.

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italics.)

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

SECTION 1. (a) The Congress finds that—

(1) the Black Canyon of the Gunnison National Monument (hereafter in this Act referred to as the "Monument") is an integral and widely recognized part of the national park system, and possesses outstanding recreational opportunities and natural characteristics of high value which, if properly managed, contribute as an enduring resource for the benefit of the American people;

(2) the preservation of these valuable resources is significantly threatened by increased development activity and the subdivision of adjacent private lands;

(3) the Monument does not have a boundary established by legislation; and

(4) it is in the best interest of the United States to establish the boundary of the Monument so as to encompass the lands described as being within the Monument and those private lands posing the most immediate threat to the visual quality of the area.

(b) The purpose of this Act is to establish a boundary for the Monument in order to promote, perpetuate, and preserve the character of the land and to preserve scenic and historic resources.

SEC. 2. (a) The boundary of the Monument shall be as generally depicted on the map entitled "Boundary Map, Black Canyon of the Gunnison National Monument", dated February 1984, and numbered 144-80,010-B, which shall be on file and available for public inspection in the office of the Director, National Park Service, Department of the Interior and in the office of the Park Superintendent, Black Canyon of the Gunnison National Monument.

(b) Not later than six months after the date of enactment of this Act, the Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") shall file a legal description of the revised boundary with the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. Such legal description shall have the same force and effect as if included in this Act, except that corrections of clerical and typographical errors in such legal description (and in the map referred to in subsection (a)) may be made. Such legal descriptions shall be on file and available for public inspection in the office of the Director, National Park Service, Department of the Interior.

[SEC. 3. (a) The Secretary is authorized and directed to acquire lands or interests therein within the boundary of the Monument by donation, exchange in accordance with this Act or other provisions of law, or purchase with donated or appropriated funds. The Secretary shall acquire less than fee interests in such lands in all cases where such interest will adequately protect the visual quality, natural, or cultural resources of the Monument: *Provided,* That the Secretary shall not acquire lands in fee interest unless the owner of such land concurs with such action.]

SEC. 3. (a) The Secretary is authorized to acquire lands or interests therein within the boundary of the Monument by donation, exchange, or purchase with donated or appropriated funds. The Secretary may acquire less than fee interests in such lands in cases where such interest will adequately protect the visual quality, natural, or cultural resources of the Monument: Provided, That the Secretary shall not acquire lands in fee interest unless the owner of such land concurs with such action.

(b) All lands under the administrative jurisdiction of the Secretary within the boundary of the Monument as of the date of enactment of this Act, shall be transferred to the administrative jurisdiction of the National Park Service to be administered as a part of the Monument.

(c) Upon request by a landowner, and if determined by the Secretary that such action would not be detrimental to the visual resources of the Monument, the Secretary shall permit as a condition of the acquisition of any less than fee interest in land under this Act—

(1) livestock grazing to continue at the levels and locations customarily exercised by the owner of such land prior to August 1, 1983, and

(2) commonly accepted operation and maintenance practices supporting livestock grazing to continue to be allowed, including the maintenance of domestic, livestock and agricultural water conveyance systems, and the construction and maintenance of required fencing and stock ponds.

(d) Subject to valid existing rights, federally owned lands and interests therein within the Monument are withdrawn from entry or appropriation under the mining laws of the United States, from the operation of the mineral leasing laws of the United States, from operation of the Geothermal Steam Act of 1970, and from disposition under the public land laws.

SEC. 4. The Secretary shall administer the Monument in accordance with the provisions of this Act and the provisions of law generally applicable to units of the [National Park Service] *National Park System* including the Acts of August 25, 1916 (39 Stat. 535), and August 21, 1935 (49 Stat. 666).

SEC. 5. Effective October 1, 1984, there is hereby authorized to be appropriated to the Department of the Interior such sums as may be necessary to carry out the provisions of this Act.

Mr. HART. Mr. President, it is my great pleasure to recommend to the Senate approval of H.R. 3825, legislation to establish a boundary for the Black Canyon of the Gunnison National Monument in western Colorado.

This legislation will provide necessary authorization for the Federal Government to purchase development rights to 6,700 acres on the north rim of the canyon, establishing for the first time a statutory northern monument boundary. Acquisition of these conservation easements will expand the monument and insure the long-term protection of the viewshed on the north rim of the canyon.

The Black Canyon of the Gunnison has long been heralded as a unique national resource. The people of Montrose County and western Colorado recognized this and mounted an effort which culminated in the proclamation of March 2, 1933, designating the Black Canyon as a national monument. The monument was enlarged by similar actions in 1938-39, and 1960 to its present size of 13,672 acres. In 1978, over 11,000 acres of the monument were designated wilderness, an effort this Senator actively supported in Congress.

Today, the outstanding vistas and unique experience afforded visitors to the Black Canyon of the Gunnison is threatened by development encroaching on certain areas of the monument. As agricultural lands become available for subdividing, areas along the northern boundary stand to lose, and in some cases have already lost, the natural beauty visitors expect from the Nation's parklands. If this threat is not addressed it will only be a matter of time before development extends to the Gunnison River, severely degrading the monument's appeal.

Unfortunately, a situation has developed which threatens to permanently alter the untouched beauty of the canyon. A landowner who owns 4,000 of the 6,700 acres proposed for acquisition in this bill has started preliminary construction activities on a planned vacation home development. When complete, these homes will be plainly visible from the south rim of the canyon where the primary visitor viewpoints are located. Should Congress fail to authorize the purchase of conservation easements on this property, further construction can be expected in coming weeks, permanently defacing the canyon.

I believe this legislation, which passed the House last March, represents the best approach available to preserve the magnificent beauty of the black Canyon Monument, one of several national treasures in the State of Colorado. Purchase of conservation easements will cost the Federal Government substantially less money than fee simple acquisition of the acreage in the bill. In addition, the legislation pending before the Senate has the support of a variety of interests, including affected landowners, the cities of Montrose and Delta, the counties of Montrose and Gunnison, local businesses, the environmental community, the National Park Service and the State of Colorado.

Perhaps most important, the legislation is in accordance with existing plans of the National Park Service for the monument. Given the present threat to the monument, it is essential these longstanding plans of the Park Service be implemented.

Mr. President, because Congress is scheduled to adjourn tomorrow, I cannot overstate the importance of Senate action on this bill. By approving this legislation, the Senate will help preserve for many generations the spectacular, unspoiled beauty of the Black Canyon of the Gunnison National Monument in Colorado.

Mr. ARMSTRONG. Mr. President, the Black Canyon of the Gunnison River is unquestionably one of the world's premier wild canyons, distinguished by its unique depth, sheerness, and narrowness. Flowing down from the Saguache Mountain Range, the Gunnison River has carved its way for centuries through hard, metamorphic rock, creating this magnificent canyon which extends over 50 miles. Back in 1933, President Hoover recognized this uniqueness, designating 12 miles of the canyon's center section a national monument, and in 1976, 11,180 acres of the monument's 13,672 acres were designated by Congress for wilderness preservation.

The 7,000 acres at issue in this legislation are a necessary and desirable addition to the monument, and with Senate approval today of H.R. 3825, we have cleared the way to protect this spectacular viewshed from a major scar on what is truly one of the wonders of the West. There is a very real possibility that, without legislation of this kind, a large residential development will be built on a site that is visible from many parts of the Black Canyon, including the National Park Service visitors' center. For several weeks now, the papers in Colorado have graphically illustrated the threat posed by a single landowner in difficult financial circumstances; as congressional consideration of this matter has gone forward, we have been working in the shadow of a bulldozer's blade. At one point, that bulldozer went to work and miles of subdivision roads were scratched into the viewshed of the Black Canyon. Passage today of this bill moves us much closer toward purchase of an easement that will protect all of that viewshed for future generations to wonder at.

But, I would like to make it very clear in the legislative history of this bill that unusual circumstances required extraordinary legislative measures to protect a very special scenic resource and circumstances are not likely to recur very often and should not.

The need for this legislation and the unusual circumstances I am referring to are well outlined in the hearing record and other committee documents, and it is not my purpose to rehearse them all now. I do want to take a moment and give well-deserved public recognition to the Nature Conservancy, a nonprofit public lands trust that is very active in Colorado and with which I have had the pleasure of working on several projects that have greatly benefited our State. The Nature Conservancy has been negotiating with the landowner involved in this case, to determine whether they can reach an accord that will meet the landowner's needs and protect the canyon's viewshed until Congress acts to appropriate the moneys authorized in the bill we are approving today. The Nature Conservancy often acts as this kind of middleman, and typically it gets the results that benefit the public generally and add great riches to the wealth of lands being held in trust and unspoiled for new generations. My experience of the men and women of the Nature Conservancy is that they are bright, practical, hard working and effective men and women who are truly dedicated to an important cause. In this particular case, they have helped defuse a potentially disastrous situation, and this is typical of an organization that has developed a national reputation for commonsense preservation that everyone can benefit from.

I would like to express my thanks to Senators MCCLURE and JOHNSTON, whose wise and capable leadership of the Energy and Natural Resources Committee made swift action on this measure possible. I am also grateful to the dedicated staff of the Senate Energy and Natural Resources Committee, especially Tony Bevinetto, Gary Ellsworth, and Tom Williams, and to the staff of the majority and minority leaders for responding so quickly and successfully to the need

for moving this legislation forward in what may have been somewhat unorthodox ways. Their tireless energies and great expertise were invaluable in protecting the unique scenic resource that is the Black Canyon, and I am very grateful for their assistance.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BARROW GAS FIELD TRANSFER ACT OF 1984

The bill (H.R. 5740) entitled the "Barrow Gas Field Transfer Act of 1984" was considered.

Mr. MURKOWSKI. Mr. President, today I rise to urge the adoption of the Barrow Gas Field Transfer Act of 1984. This legislation proposes to transfer certain natural gas fields near Barrow, AK, from the Federal Government to the North Slope Borough, the unit of local government encompassing Barrow and the majority of the Alaska's North Slope.

Under the provisions of the Naval Petroleum Reserves Production Act of 1976, the Department of Interior is obligated to supply the community of Barrow with natural gas at reasonable and equitable rates. As a consequence of that provision, the Government has subsidized the operation and maintenance of those fields at a cost of approximately $6 million per year.

Several years ago, the Department of Interior initiated discussions with the North Slope Borough to transfer the responsibility for providing gas to the residents from the Federal Government to the borough. After months of negotiations, an agreement was finally reached and signed on September 22, 1983. This agreement is not self-executing, however, and Congress must confirm the agreement immediately in order to facilitate a transfer on October 1, 1984. This legislation will accomplish that goal.

The residents of Barrow will benefit from this bill because they will be able to exercise a higher degree of control over their energy future. The Federal Government clearly isn't in the natural gas business, and it cannot be expected to act in the best long term interests of Barrow's gas consumers. New investments will one day be needed to develop new fields and maintain existing ones if the future needs of the Barrow community are to be provided for. Because these gas fields provide the fuel used to heat Barrow's homes and businesses throughout the harsh arctic winters, the community's leadership feels the time has come to control their own energy destiny.

The taxpayers of this Nation also benefit under this legislation, Mr. President. The U.S. Geological Survey has estimated that the average net savings to the Federal Government to the year 2000 will range from $256 million to $97 million if this legislation is enacted.

The Department of the Interior, the North Slope Borough, the Arctic Slope Regional Corp., and the Ukpeagvik Inupiat Corp., have all endorsed this approach. In light of the merits of the bill that the broad, unanimous support that it enjoys, I urge my colleagues to adopt this measure.

Mr. STEVENS. Mr. President, I rise in support of passage of H.R. 5740. This bill has been extensively reviewed by the Congress. The House Interior Subcommittee on Public Lands and National Parks held a hearing June 5 of this year. With the exception of a minor technical amendment the bill was subsequently ordered reported by the full Interior and Insular Affairs Committee. It passed the House June 18. The Senate Energy and Natural Resources Subcommittee on Public Lands and Reserved Water held a hearing chaired by my colleague from Alaska on the bill this past Friday, June 22.

Mr. President, the village of Barrow—which is located within the National Petroleum Reserve in Alaska—is the northernmost community in the United States. The primary source of energy for Barrow's residents is natural gas obtained from gas fields surrounding the village. These fields, which were originally developed to supply the now largely unused Naval Arctic Research Laboratory at Barrow, have been operated for many years by the Federal Government.

Under the Naval Petroleum Reserves Production Act of 1976, the Secretary of the Interior must continue to operate the existing fields and develop new fields for the benefit of Barrow and Federal Government facilities in the area. Development of new gas fields or other energy sources to meet this obligation could run into the hundreds of millions of dollars.

In light of changed circumstances in the Barrow area—notably the reduction of Federal activities and the expansion of the North Slope Borough's governmental activities—the Interior Department and the North Slope Borough have agreed to seek legislation to authorize the transfer of the Barrow gas fields and associated facilities to the borough. The borough would then assume the burden of producing gas for the Barrow community.

The bill authorizes the transfer of the gas fields and associated facilities pursuant to an agreement worked out between the borough and the Interior Department. It also provides for a $30 million transition payment to the borough for operation, maintenance, and development of the fields; compensates the Arctic Slope Regional Corp. for its interest in the gas fields; and effects other changes in law to facilitate the transfer and aid the borough's future energy plans. Finally, the bill terminates the Federal Government's obligation to supply gas to Barrow.

Mr. President, this bill and the associated agreement between the Department of the Interior and the North Slope Borough and the agreement between the Department and the Arctic Slope Regional Corp. are the products of delicate and exhaustive negotiations. They will relieve the Federal Government of a substantial financial burden under the Naval Petroleum Reserves Production Act and will transfer the responsibility for supplying Barrow's future energy needs to the North Slope Borough.

Mr. President, so that there is no misunderstanding about what is being proposed here, I will describe the bill. It should be noted that the House Interior and Insular Affairs Committee, when it reported the bill, filed House Report No. 98-843 which includes the text of the two agreements.

Section 2 of the bill, including the agreement between the Department of the Interior and the North Slope Borough to convey the Barrow gas fields to the borough, has been written as broadly as possible to ensure that the rights and resources the borough will need to provide for the short- and long-term energy needs of its residents will be there when needed. This includes ample supplies of, and right to, natural gas, and broad rights to sand and gravel, water, and easements.

It should be noted that while the agreement between the North Slope Borough and the Secretary of the Interior contains two appendixes, we are incorporating by reference only appendix No. 1. Appendix No. 2, which is not included, was the draft legislative language agreed to between the Secretary and the borough. This language has been modified extensively and includes provisions relating to the Arctic Slope Regional Corp.'s rights.

Section 3 deals with Ukpeagvik Inupiat Corp.'s interests under the amendment. Much of the surface estate to the Barrow gasfields and the Walakpa gas discovery site is owned by Ukpeagvik Inupiat Corp. [UIC], the Alaska Native Claims Settlement Act [ANCSA] village corporation for the natives of Barrow, AK. Any effective use of the subsurface resources by the

North Slope Borough will require that appropriate easements be granted by UIC.

Section 3 is intended to facilitate such an easement agreement. This section will convey to UIC all the U.S. interest in the sand and gravel resources underlying the surface estate owned by UIC in the Barrow gasfields and Walakpa gas discovery site, contingent upon the execution of an agreement between UIC and the borough granting the borough easements necessary for energy development and transportation.

Section 4 makes technical amendments to the Naval Petroleum Reserves Production Act of 1976 which terminate Federal responsibility for supplying gas to the borough and facilitate development of energy resources for the use of borough residents.

Section 5 addresses the rights of Arctic Slope Regional Corp. [ASRC] under section 1431(o) of the Alaska National Interest Lands Conservation Act to the subsurface estate beneath lands the surface estate of which is owned by UIC. ASRC could exercise these rights to obtain much of the Barrow gasfields and the Walakpa gas discovery site. In consideration for the relinquishment of ASRC's rights to the subsurface resources conveyed to the borough and UIC pursuant to this amendment, ASRC and the Secretary of the Interior are authorized to implement a January 24, 1984, exchange agreement.

Certain provisions of the two agreements incorporated in this bill, the January 24, 1984, agreement between ASRC and the Secretary of the Interior and the September 22, 1983, agreement between the North Slope Borough and the Secretary of the Interior, cannot be implemented in a consistent manner. All parties in interest have agreed that, to the extent the two agreements are not consistent, the provisions of the ASRC agreement shall control and prevail.

The lands and interests in land received by ASRC are to be treated as lands received under ANCSA and are deemed to be conveyed and received pursuant to an ANCSA section 22(f) exchange. This section of the legislation also confirms that the lands and interest in land received by ASRC pursuant to an agreement between ASRC and the Secretary of the Interior, dated August 9, 1983, are also to be treated as lands received under ANCSA and are deemed to be conveyed to and received under ANCSA pursuant to an exchange under section 22(f) of ANCSA. Thus, for example, section 21 (c) and (d) and subsection 23(j) of ANCSA, as amended, would be applicable to the lands and interests in land so received.

With the Senate's passage of this bill today, it can go to the President for his signature. The people of the North Slope Borough will have 3 months to get ready to take over operation of the gasfields. That is not much time, but they are ready to take on the challenge.

Mr. President, we have a piece of legislation which has been extensively reviewed and has been the subject of considerable negotiation. it gives the people of Barrow energy self-determination and relieves the Federal Government of an expensive obligation under current law. I urge its passage.

The bill (H.R. 5740) was ordered to a third reading, read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

YEAR OF THE ST. LAWRENCE SEAWAY AND ST. LAWRENCE SEAWAY DAY

The joint resolution (H.J. Res. 567) to designate 1984 as the "Year of the St. Lawrence Seaway" and June 27, 1984, as "St. Lawrence Seaway Day," was considered.

Mr. MOYNIHAN. Mr. President, yesterday marked the 25th anniversary of the opening of the St. Lawrence Seaway. In June 1959, as President Eisenhower and Queen Elizabeth looked on, the first ship entered the new waterway. The St. Lawrence Seaway remains one of the world's great engineering feats.

It has often been said that the seaway created a "fourth seacoast" for America. It linked the great manufacturing and agricultural regions of the United States and Canada to world markets. Dozens of harbors on the Great Lakes and St. Lawrence, from Duluth, MN, east to Ogdensburg, NY, became international ports. Many inland ports were now closer to Europe by water than their counterparts on the Atlantic coast. By providing a convenient, direct trade route from the interior of the continent to the sea, the St. Lawrence Seaway enriched the Great Lakes region and the entire Nation. And it stands as a monument to our historic friendship and continuing spirit of cooperation with Canada.

As with many great public works, there was a long delay between the idea of a seaway and its actual construction. Representative John Lind of Minnesota first proposed a study in 1892. It was not until 1954 that Congress finally authorized American participation in the project. The mammoth task was completed in just 5 years, creating 200 miles of navigable channel from Lake Ontario to Montreal, seven new locks including the Snell and Eisenhower locks in New York, and the giant Moses-Saunders power dam.

Now a ship can travel from the Atlantic Ocean through the St. Lawrence Seaway and climb the height of a 60-story building to Lake Superior. Over 40 million tons of cargo transit the seaway annually, and the cumulative total surpassed 1 billion tons last year.

The seaway faces some tough challenges in the future. With the recent recession that was especially severe in the Great Lakes region, commercial shipping has been declining. The seaway's competitiveness must be maintained, but without activities potentially damaging to the environment such as winter navigation. Nevertheless, I am confident that the next 25 years will be as productive as the first.

I ask all Senators to join Senator D'AMATO and me in celebrating St. Lawrence Seaway Day.

The joint resolution was ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER INDEFINITELY POSTPONING CONSIDERATION OF SENATE CONCURRENT RESOLUTION 121

Mr. STEVENS. Mr. President, I ask unanimous consent that Calendar Order No. 1000, which is Senate Concurrent Resolution 121, be indefinitely postponed.

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

HEALTH PROFESSIONS TRAINING ASSISTANCE AMENDMENTS OF 1984

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate calendar No. 935, which is S. 2559.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 2559) to revise and extend provisions of the Public Health Service Act relating to health professions educational assistance.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources with amendments.

(The parts intended to be stricken are shown in boldface brackets and the parts intended to be inserted are shown in italic.)

S. 2559

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Health Professions Training Assistance Amendments of 1984".

REFERENCE

SEC. 2. Except as otherwise specifically provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act.

TITLE I—AUTHORIZATIONS OF APPROPRIATIONS

SCOPE AND DURATION OF FEDERAL LOAN INSURANCE PROGRAM

SEC. 101. (a) The first sentence of section 728 (a) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and "$250,000,000 for the fiscal year ending September 30, 1985; [$250,000,000] *$275,000,000* for the fiscal year ending September 30, 1986; [$250,000,000] *$290,000,000* for the fiscal year ending September 30, 1987; and [$250,000,000] *$305,000,000* for the fiscal year ending September 30, 1988".

(b) The second sentence of such section is amended by striking out "1987," and inserting in lieu thereof "1991,".

STUDENT LOANS

SEC. 102. (a) Section 742(a) is amended by striking out "and" after "1983," and by inserting before the period a comma and ["$5,000,000] *"$5,500,000* for the fiscal year ending September 30, 1985, [$5,000,000] *$7,000,000* for the fiscal year ending September 30, 1986, [$5,000,000] *$7,500,000* for the fiscal year ending September 30, 1987, and [$5,000,000] *$8,000,000* for the fiscal year ending September 30, 1988".

(b) Section 743 is amended by striking out "1987" each place it appears and inserting in lieu thereof "1991".

SCHOLARSHIPS FOR STUDENTS OF EXCEPTIONAL FINANCIAL NEED

SEC. 103. Section 758 (d) is amended by striking out "and" after "1983," and by inserting before the period a comma and ["$5,600,000] *"$7,000,000* for the fiscal year ending September 30, 1985, [$5,600,000] *$8,000,000* for the fiscal year ending September 30, 1986, [$5,600,000] *$9,000,000* for the fiscal year ending September 30, 1987, and [$5,600,000] *$10,000,000* for the fiscal year ending September 30, 1988".

DEPARTMENTS OF FAMILY MEDICINE

SEC. 104. Section 780 (c) is amended by striking out "and" after "1983," and by inserting a comma and "$7,500,000 for the fiscal year ending September 30, 1985, [$7,500,000] *$8,000,000* for the fiscal year ending September 30, 1986, [$7,500,000] *$8,500,000* for the fiscal year ending September 30, 1987, and [$7,500,000] *$9,000,000* for the fiscal year ending September 30, 1988" after "1984".

AREA HEALTH EDUCATION CENTERS

SEC. 105. The first sentence of section 781 (g) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$18,000,000 for the fiscal year ending September 30, 1985, [$18,000,000] *$19,000,000* for the fiscal year ending September 30, 1986, [$18,000,000] *$20,000,000* for the fiscal year ending September 30, 1987, and [$18,000,000] *$21,000,000* for the fiscal year ending September 30, 1988".

PHYSICIAN ASSISTANTS

SEC. 106. Section 783 (d) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$4,800,000 for the fiscal year ending September 30, 1985, [$4,800,000] *$5,200,000* for the fiscal year ending September 30, 1986, [$4,800,000] *$5,600,000* for the fiscal year ending September 30, 1987, and [$4,800,000] *$6,000,000* for the fiscal year ending September 30, 1988".

GENERAL INTERNAL MEDICINE AND GENERAL PEDIATRICS

SEC. 107. Section 784 (b) is amended by striking out "and" after "1983," and by inserting before the period a comma and ["$17,500,000] *"$18,500,000* for the fiscal year ending September 30, 1985, [$17,500,000] *$19,500,000* for the fiscal year ending September 30, 1986, [$17,500,000] *$21,500,000* for the fiscal year ending September 30, 1987, and [$17,500,000] *$22,500,000* for the fiscal year ending September 30, 1988".

FAMILY MEDICINE AND GENERAL PRACTICE OF DENTISTRY

SEC. 108. (a) The first sentence of section 786 (c) is amended by striking out "and" after "1983," and by inserting before the period a comma and ["$34,000,000] *"$36,000,000* for the fiscal year ending September 30, 1985, [$34,000,000] *$37,500,000* for the fiscal year ending September 30, 1986, [$34,000,000] *$39,000,000* for the fiscal year ending September 30, 1987, and [$34,000,000] *$41,000,000* for the fiscal year ending September 30, 1988".

(b) The second sentence of such section is amended by striking out "and" after "1983," and by inserting "September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988," after "1984,".

EDUCATIONAL ASSISTANCE TO INDIVIDUALS FROM DISADVANTAGED BACKGROUNDS

SEC. 109. The first sentence of section 787 (b) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$24,000,000 for the fiscal year ending September 30, 1985, [$24,000,000] *$25,000,000* for the fiscal year ending September 30, 1986, [$24,000,000] *$26,000,000* for the fiscal year ending September 30, 1987, and [$24,000,000] *$27,000,000* for the fiscal year ending September 30, 1988".

[CONVERSION AND] CURRICULUM DEVELOPMENT AND FACULTY TRAINING GRANTS

SEC. 110. Section 788 (f) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and "$6,000,000 for the fiscal year ending September 30, 1985; [$6,000,000] *$6,500,000* for the fiscal year ending September 30, 1986; [$6,000,000] *$7,000,000* for the fiscal year ending September 30, 1987; and [$6,000,000] *$7,500,000* for the fiscal year ending September 30, 1988".

ADVANCED FINANCIAL DISTRESS ASSISTANCE

SEC. 111. The first sentence of section 788B(h) is amended by inserting before the period a comma and "and $5,600,000 for the fiscal year ending September 30, 1985, and each of the three succeeding fiscal years".

GRADUATE PROGRAMS IN HEALTH ADMINISTRATION

SEC. 112. Section 791 (d) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$1,500,000 for the fiscal year ending September 30, 1985, [$1,500,000] *$2,000,000* for the fiscal year ending September 30, 1986, [$1,500,000] *$2,500,000* for the fiscal year ending September 30, 1987, and [$1,500,000] *$3,000,000* for the fiscal year ending September 30, 1988".

TRAINEESHIPS FOR STUDENTS IN OTHER GRADUATE PROGRAMS

[SEC. 113. Section 791A (c) is amended by striking out "two" and inserting in lieu thereof "six".]

SEC. 113. Section 791A(c) is amended—

(1) by striking out "and" after "1980;";

(2) by striking out "two" and inserting in lieu thereof "three"; and

(3) by inserting before the period a semicolon and "$750,000 for the fiscal year ending September 30, 1986; $1,000,000 for the fiscal year ending September 30, 1987; and $1,500,000 for the fiscal year ending September 30, 1988".

PUBLIC HEALTH TRAINEESHIPS

SEC. 114. Section 792 (c) is amended by striking out "and" after "1983;" and by inserting before the period a semicolon and ["$2,500,000] *"$3,000,000* for the fiscal year ending September 30, 1985; [$2,500,000] *$3,500,000* for the fiscal year ending September 30, 1986; [$2,500,000] *$4,000,000* for the fiscal year ending September 30, 1987; and [$2,500,000] *$4,500,000* for the fiscal year ending September 30, 1988".

TRAINING IN PREVENTIVE MEDICINE

SEC. 115. Section 793 (c) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$1,600,000 for the fiscal year ending September 30, 1985, [$1,600,000] *$2,000,000* for the fiscal year ending September 30, 1986, [$1,600,000] *$2,500,000* for the fiscal year ending September 30, 1987, and [$1,600,000] *$3,000,000* for the fiscal year ending September 30, 1988".

NATIONAL CENTER FOR HEALTH SERVICES RESEARCH

SEC. 116. (a) The first sentence of section 308(i)(1) is amended by striking out "and" after "1983," and by inserting before the period a comma and "$16,600,000 for the fiscal year ending September 30, 1985, $17,250,000 for the fiscal year ending September 30, 1986, $17,900,000 the fiscal year ending September 30, 1987, and $18,600,000 for the fiscal year ending September 30, 1988".

(b) The last sentence of such section is amended by striking out "and" after "1983," and by inserting "September 30, 1985, September 30, 1986, September 30, 1987, and September 30, 1988," after "1984,".

NATIONAL CENTER FOR HEALTH STATISTICS

SEC. 117. Section [309(i)(2)] *308(i)(2)* is amended by striking out "and" after "1983," and by inserting before the period a comma and "$43,000,000 for the fiscal year ending September 30, 1985, $44,000,000 for the fiscal year ending September 30, 1986, $45,000,000 for the fiscal year ending September 30, 1987, and $46,000,000 for the fiscal year ending September 30, 1988".

TITLE II—PROGRAM REVISIONS

SCHOOLS OF CHIROPRACTIC

SEC. 201. (a) Section 701(4) is amended—

(1) by striking out "and" after " 'school of veterinary medicine',";

(2) by inserting a comma and "and 'school of chiropractic'," after " 'school of public health' ";

(3) by striking out "and" after "a degree of doctor of veterinary medicine or an equivalent degree,"; and

(4) by inserting "and a degree of doctor of chiropractic or an equivalent degree,"

before "and including advanced training [relating] *related* to".

(b) Section 701(5) is amended—

(1) by striking out "or", after "pharmacy,"; and

(2) by inserting "or chiropractic," after "public health,".

(c) Section 737 is amended by striking out paragraph (2) and by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

(d) Section 787(a) is amended by inserting "chiropractic," after "allied health,".

TRAINING OF PHYSICIAN ASSISTANTS

SEC. 202. Section 701(8) is amended to read as follows:

"(8)(A) The term 'program for the training of physician assistants' means an educational program which (i) has as its objective the education of individuals who will, upon completion of their studies in the program, be qualified to competently provide primary health care under the supervision of a physician and (ii) meets regulations prescribed by the Secretary in accordance with subparagraph (B).

"(B) After consultation with appropriate organizations, the Secretary shall (within 180 days after the date of enactment of the Health Professions Training Assistance Amendments of 1984) prescribe regulations for programs for the training of physician assistants. Such regulations shall, as a minimum, require that such a program—

"(i) extend for at least one academic year and consist of (I) supervised clinical practice, and (II) at least four months (in the aggregate) of classroom instruction, directed toward preparing students to deliver health care;

"(ii) have an enrollment of not less than eight students; and

"(iii) train students in primary care, disease prevention, health promotion, geriatric medicine, and home health care.".

SCHOOLS OF ALLIED HEALTH

SEC. 203. (a)(1) Section 701(10) is amended—

(A) by inserting "college," before "junior college,"; and

(B) by striking out "in a discipline of allied health leading to a baccalaureate or associate degree (or an equivalent of either) or to a more advanced degree" in subparagraph (A) and inserting in lieu thereof "to enable individuals to become allied health professionals or to provide additional training for allied health professionals".

(2) Section 701 is amended by adding at the end thereof the following new paragraph:

"(13) The term 'allied health professional' means an individual—

"(A) who has received a certificate, an associate's degree, a bachelor's degree, a masters' degree, a doctoral degree, or postbaccalaureate training, in a science relating to health care;

"(B) who has responsibility for the delivery of health care services or related services, including—

"(i) services relating to the identification, evaluation, and prevention of diseases and disorders;

"(ii) dietary and nutrition services;

"(iii) health promotion services;

"(iv) rehabilitation services; or

"(v) health systems management services; and

"(C) who is not a graduate of a school of medicine, osteopathy, dentistry, veterinary medicine, optometry, podiatry, pharmacy, public health, or chiropractic, or a graduate program in health administration or clinical psychology.".

(b) The last sentence of section 702(a)(1) is amended—

(1) by striking out "six" the first place it appears and inserting in lieu thereof "five";

(2) by striking out "four" and inserting in lieu thereof "five"; and

(3) by inserting "allied health," after "podiatry,".

GRADUATE PROGRAMS IN CLINICAL PSYCHOLOGY

SEC. 204. (a) Section 701 (as amended by section 203 (a) (2) of this Act) is further amended by adding at the end thereof the following new paragraph:

"(14) The term 'graduate program in clinical psychology' means [a] *an accredited* graduate program in a public or nonprofit private institution in a State which provides training leading to a doctoral degree in clinical psychology or an equivalent degree.".

(b) Section 701(5) (as amended by section 201 (b) of this Act) is further amended—

(1) by striking out "or" after "chiropractic,"; and

(2) by inserting "or a graduate program in clinical psychology," after "health administration,".

(c) Section 737 (as amended by section 201 (c) of this Act) is further amended by striking out paragraph (2) (as redesignated by section 201 (c) of this Act) and by redesignating paragraphs (3) and (4) (as redesignated by section 201 (c) of this Act) as paragraphs (2) and (3), respectively.

(d) Section 787(a) (as amended by section 201 (d) of this Act) is further amended by inserting a comma and "graduate programs in clinical psychology," after "podiatry".

HEALTH PROFESSIONS DATA

SEC. 205. Subsection (c) of section 708 is repealed. Subsections (d), (e), and (g) of such section are redesignated as subsections (c), (d), and (e), respectively.

ACQUISITION OF EQUIPMENT AND INSTRUMENTATION FOR TEACHING FACILITIES

[SEC. 205.] SEC. *206.* (a) Section 720(a)(1) is amended to read as follows:

"(a)(1) The Secretary may make grants to assist in the construction of teaching facilities or the acquisition of equipment for the training of physicians, dentists, pharmacists, optometrists, podiatrists, veterinarians, and professional public health personnel.".

(b)(1) Section 721(b)(1) is amended—

(A) by inserting "or the acquisition of equipment" after "construction of any facility" in the second sentence;

(B) by striking out "Commissioner" each place it appears in such sentence and inserting in lieu thereof "Secretary"; and

(C) by inserting "or acquire equipment" after "construct a facility" in such sentence.

(2) Section 721(c)(2) is amended—

(A) by inserting "or equipment" after "the facility" in clause (A);

(B) by inserting "or acquiring the equipment" after "the facility" in clause (B); and

(C) by striking out clause (C) and inserting in lieu thereof: "(C) sufficient funds will be available, when construction of the facility or acquisition of the equipment is completed, for effective use of such facility or equipment to provide the training for which such facility is being constructed or such equipment is being acquired;".

(3) Section 721(c)(7) is amended by inserting "in the case of an application for a grant to assist in the construction of a teaching facility," before "the application".

(d) Section 721(d) is amended by inserting "to assist in the construction of teaching facilities" after "applications for grants" in the matter preceding paragraph (1).

(e)(1) Section 722(a)(1) is amended to read as follows:

"(a)(1) The amount of any grant under section 720(a)(1) for construction of a project or the acquisition of equipment shall be such amount as the Secretary determines to be appropriate after obtaining advice from the Council, except that no grant may exceed 80 percent of the necessary costs of construction of a project, as determined by the Secretary, or 80 percent of the necessary costs of acquisition of equipment, as determined by the Secretary.".

(2) The last sentence of section 722(b) is amended by inserting "or acquisition of the equipment, as the case may be" before the period.

(3) Section 722(c) is amended—

(A) by inserting "of a project or the acquisition of equipment" after "cost of construction"; and

(B) by inserting "or acquisition" before "which is to be financed".

(f) Clause (1) of section 725 is amended by inserting "or the acquisition of any equipment" after "any facility".

(g) Part B of title VII is amended by adding at the end thereof the following new section:

"DEFINITION

"SEC. 726A. For purposes of this part, the term 'equipment' means any equipment, device, tool, or other medical or scientific instrumentation to be used by students, faculty, or administrative or maintenance personnel for clinical purposes, research activities, libraries, classrooms, offices, auditoriums, or other related purposes necessary for, and appropriate to, the conduct of programs of education.".

HEALTH EDUCATION ASSISTANCE LOAN PROGRAM

[SEC. 206. (a)(1) Section 731(a)(2)(B) is amended by striking out "ceases to be a participant in an accredited internship or residency program or (if he was not a participant in such a program)".

(2) Section 731(a)(2)(C) is amended by striking out "or the 33-year period".]

SEC. 207. (a)(1) Section 731(a)(2)(B) is amended to read as follows:

"(B) provides for repayment of the principal amount of the loan in installments over a period of not less than 10 years (unless sooner repaid) nor more than 25 years beginning not earlier than 9 months nor later than 12 months after the date on which—

"(i) the borrower ceases to be a participant in an accredited internship or residency program of not more than four years in duration;

"(ii) the borrower completes the fourth year of an accredited internship or residency program of more than four years in duration; or

"(iii) a borrower who was not a participant in a program described in clause (i) or (ii) ceases to carry, at an eligible institution, the normal full-time academic workload as determined by the institution,

except (I) as provided in subparagraph (C), (II) that the period of the loan may not exceed 33 years from the date of execution of the note or written agreement evidencing it, and (III) that the note or other written instrument may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the costs of insurance premiums, or other default by the borrower, as may be author-

ized by regulations of the Secretary in effect at the time the loan is made;".

(2) Section 731(a)(2)(C) is amended—

(A) by inserting "(including any period in such a program described in clause (i) or clause (ii) of subparagraph (B))" before the comma in clause (ii); and

(B) by striking out "or the 33-year period" in clause (vi).

(3) Section 731 is further amended—

(A) by striking out subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(b) The first sentence of section 732(c) is amended [to read as follows: "The Secretary shall, pursuant to regulations, charge a premium for insurance on each loan under this subpart, payable in advance, at such times and in such manner as may be prescribed by the Secretary."] *by striking out "2" and inserting in lieu thereof "6".*

(c) The first sentence of subsection (a) of section 734 and the first sentence of subsection (b) of such section are each amended by inserting "collection or" before "default".

(d)(1) Section 729 is amended by inserting "allied health," after "public health," each place it appears.

(2) Section 737 (as amended by sections 201(c) and 204(c) of this Act) is further amended by adding at the end thereof the following new paragraph:

"(4) The term 'school of allied health' means a program in a school of allied health (as defined in section 701(10)) which leads to a masters' degree or a doctoral degree.".

HEALTH PROFESSIONS STUDENT LOAN PROGRAM

SEC. 208. (a)(1) Section 740(a) is amended by inserting "public health," after "optometry,".

(2) Section 740(b)(4) is amended—

(A) by inserting "doctor of pharmacy or an equivalent degree," before "doctor of podiatry";

(B) by striking out "or" before "doctor of veterinary medicine"; and

(C) by inserting a comma and "or a graduate degree in public health or an equivalent degree" before the semicolon.

(3) Section 741(b) is amended—

(A) by inserting "doctor of pharmacy or an equivalent degree," before "doctor of podiatry";

(B) by striking out "or" before "doctor of veterinary medicine"; and

(C) by inserting a comma and "or a graduate degree in public health or an equivalent degree" before the period.

(4) Section 741(c) is amended by inserting "public health," after "optometry,".

(5) Subpart II of part C of title VII is amended by adding at the end thereof the following new section:

"DEFINITION

"SEC. 745. For purposes of this subpart, the term 'school of pharmacy' means a public or nonprofit private school in a State which provides training leading to a degree of bachelor of science in pharmacy or an equivalent degree or a degree of doctor of pharmacy or an equivalent degree and which is accredited in the manner described in section 701(5).".

[SEC. 207. (a)] *(b)* Section 741(i) is amended to read as follows:

"(i) Subject to regulations of the Secretary, a school may assess a charge with respect to loans made under this subpart to cover the costs of insuring against cancellation of liability under subsection (d).".

[(b) Section 741(j) is amended by striking out the second sentence and inserting in lieu thereof the following: "The amount of any such charge shall equal the sum of (A) the product of the outstanding loan amount and at least six percent (calculated on an annual basis) but not more than the most recent interest rate for three-month Treasury bills, plus (B) the costs of collection of such charge and installment.".]

(c) Section 741(j) is amended—

(1) by inserting "and in accordance with this section" after "Secretary" in the first sentence;

(2) by striking out "may" in such sentence and inserting in lieu thereof "shall"; and

(3) by striking out the second sentence and inserting in lieu thereof the following: "No such charge may be made if the payment of such installment or the filing of such evidence is made within 60 days after the date on which such installment or filing is due. The amount of any such charge may not exceed an amount equal to 6 percent of the amount of such installment.".

[(c)] *(d)* Section 741 is amended by adding at the end the following new subsection:

"(m) The Secretary is authorized to attempt to collect any loan which was made under this subpart and which is in default, referred to the Secretary by a school with which the Secretary has an agreement under this subpart, on behalf of that school under such terms and conditions as the Secretary may prescribe (including reimbursement from the school's student loan fund for expenses the Secretary may reasonably incur in attempting collection), but only if the school has [previously exercised all due diligence (as specified by the Secretary) in attempting to collect the loan.] *complied with such requirements as the Secretary may specify by regulation with respect to the collection of loans under this subpart.* A loan so referred shall be treated as a debt subject to section 5514 of title 5, United States Code. Amounts collected shall be deposited in the school's student loan fund. Whenever the Secretary desires the institution of a civil action regarding any such loan, the Secretary shall refer the matter to the Attorney General for appropriate action.".

[(d) Section 742(b)(1) is amended by adding at the end thereof the following new sentence: "For fiscal years beginning after September 30, 1984, the Secretary may only accept applications for Federal capital contributions under this subpart from schools of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine which established after July 1, 1972, a student loan fund with Federal capital contributions under this subpart.".]

(e) Section 742(b)(1) is amended by adding at the end thereof the following new sentence: "Except with respect to amounts described in paragraph (5), for fiscal years beginning after September 30, 1984, the Secretary may only allot amounts appropriated under subsection (a) to—

"(A) schools of public health which have established student loan funds with Federal capital contributions under this subpart; and

"(B) schools of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine which established after July 1, 1972, student loan funds with Federal capital contributions under this subpart.".

[(e)] *(f)* Section 742(b) (as amended by subsection [(d) *(e)* of this section) is further amended by adding at the end thereof the following new paragraph:

["(5) If a school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine at which a student loan fund has been established with a Federal capital contribution under this subpart reduces its enrollment significantly or closes, any excess cash balance in such fund shall be returned to the Secretary and shall be available for allotment under this subpart.".]

"(5) Any funds from a student loan fund established under this subpart which are returned to the Secretary in any fiscal year shall be available for allotment under this subpart, in such fiscal year and the fiscal year succeeding such fiscal year, to any school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, veterinary medicine, or public health which has established a student loan fund with Federal capital contributions under this subpart.".

(g)(1) Subpart II of part C of title VII (as amended by subsection (a)(5) of this section) is further amended—

(A) by redesignating section 745 (as added by subsection (a)(5) of this section) as section 747; and

(B) by inserting after section 744 the following new sections:

"STUDENT LOAN INFORMATION BY INSTITUTIONS

"SEC. 745. (a) With respect to loans made by a school under this subpart after June 30, 1985, each school, in order to carry out the provisions of sections 740 and 741, shall, at any time such school makes such a loan to a student under this subpart, provide thorough and adequate loan information on loans made under this subpart to the student. The loan information required to be provided to the student by this subsection shall include—

"(1) the yearly and cumulative maximum amounts that may be borrowed by the student;

"(2) the terms under which repayment of the loan will begin;

"(3) the maximum number of years in which the loan must be repaid;

"(4) the interest rate that will be paid by the borrower and the minimum amount of the required monthly payment;

"(5) the amount of any other fees charged to the borrower by the lender;

"(6) any options the borrower may have for deferral, cancellation, prepayment, consolidation, or other refinancing of the loan;

"(7) a definition of default on the loan and a specification of the consequences which will result to the borrower if the borrower defaults, including a description of any arrangements which may be made with credit bureau organizations;

"(8) to the extent practicable, the effect of accepting the loan on the eligibility of the borrower for other forms of student assistance; and

"(9) a description of the actions that may be taken by the Federal Government to collect the loan, including a description of the type of information concerning the borrower that the Federal Government may disclose to officers, employees, or agents of the Department of Health and Human Services, officers, employees, or agents of schools with which the Secretary has an agreement under this subpart, or any other person involved in the collection of a loan under this subpart.

"(b) Each school shall, immediately prior to the graduation from such school of a student who received a loan under this subpart after June 30, 1985, provide such student with a statement specifying—

"(1) each amount borrowed by the student under this subpart;

"(2) the total amount borrowed by the student under this subpart; and

"(3) a schedule for the repayment of the amounts borrowed under this subpart, including the number, amount, and frequency of payments to be made.

"PROCEDURES FOR APPEAL OF TERMINATIONS

"SEC. 746. (a) In any case in which the Secretary intends to terminate an agreement with a school under this subpart, the Secretary shall provide the school with a written notice specifying such intention and stating that the school may request a formal hearing with respect to such termination. If the school requests such a hearing within 30 days after the receipt of such notice, the Secretary shall provide such school with a hearing conducted by an administrative law judge.".

(h) Section 6103(m) of the Internal Revenue Code of 1954 is amended—

(1) by inserting "ADMINISTERED BY THE DEPARTMENT OF EDUCATION" before the period in the paragraph heading of paragraph (4); and

(2) by adding at the end thereof the following new paragraph:

"(5) INDIVIDUALS WHO HAVE DEFAULTED ON STUDENT LOANS ADMINISTERED BY THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—

"(A) IN GENERAL.—Upon written request by the Secretary of Health and Human Services, the Secretary may disclose the mailing address of any taxpayer who has defaulted on a loan made under part C of title VII of the Public Health Service Act or under subpart II of part B of title VIII of such Act, for use only by officers, employees, or agents of the Department of Health and Human Services for purposes of locating such taxpayer for purposes of collecting such loan.

"(B) DISCLOSURE TO SCHOOLS AND ELIGIBLE LENDERS.—Any mailing address disclosed under subparagraph (A) may be disclosed by the Secretary of Health and Human Services to—

"(i) any school with which the Secretary of Health and Human Services has an agreement under subpart II of part C of title VII of the Public Health Service Act or subpart II of part B of title VIII of such Act, or

"(ii) any eligible lender (within the meaning of section 737(2) of such Act) participating under subpart I of part C of title VII of such Act,

for use only by officers, employees, or agents of such school or eligible lender whose duties relate to the collection of student loans for purposes of locating individuals who have defaulted on student loans made under such subparts for the purposes of collecting such loans.".

SCHOLARSHIPS FOR FIRST-YEAR STUDENTS OF EXCEPTIONAL FINANCIAL NEED

SEC. 209. (a) Section 758(b) is amended by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) A scholarship provided to a student for a school year under a grant under subsection (a) shall consist of—

"(A) payment to, or (in accordance with paragraph (4)) on behalf of, the student of the amount (except as provided in section 710) of—

"(i) the tuition of the student in such school year; and

"(ii) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the student in such school year; and

"(B) payment to the student of a stipend of $400 per month (adjusted in accordance with paragraph (5)) for each of the 12 consecutive months beginning with the first month of such school year.

"(3) Notwithstanding paragraph (2), the total scholarship award to a student for each year shall not exceed the cost of attendance for that year at the educational institution attended by the student (as determined by such educational institution).

"(4) The Secretary may contract with an educational institution in which is enrolled a student who has received a scholarship with a grant under subsection (a) for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in paragraph (2)(A). Payment to such an educational institution may be made without regard to section 3324 of title 31, United States Code.

"(5) The amount of the monthly stipend, specified in paragraph (2)(B) and as previously adjusted (if at all) in accordance with this paragraph, shall be increased by the Secretary for each school year ending in a fiscal year beginning after September 30, 1978, by an amount (rounded to the next highest multiple of $1) equal to the amount of such stipend multiplied by the overall percentage (as set forth in the report transmitted to the Congress under section 5305 of title 5, United States Code) of the adjustment (if such adjustment is an increase) in the rates of pay under the General Schedule made effective in the fiscal year in which such school year ends.".

(b) Section 338A(g)(1) is amended by striking out "or under section 758 (relating to scholarships for first-year students of exceptional financial need),".

CAPITATION GRANTS FOR SCHOOLS OF PUBLIC HEALTH

[SEC. 208.] *Sec. 210.* (a) *(1)* Section 770 is amended to read as follows:

"CAPITATION GRANTS FOR SCHOOLS OF PUBLIC HEALTH

"SEC. 770. (a)(1) The Secretary shall make annual grants to schools of public health for the support of the education programs of such schools. The amount of the annual grant to each such school with an approved application shall be computed for each fiscal year in accordance with paragraphs (2) and (3).

"(2) Each school of public health shall receive for the fiscal year ending September 30, 1985, and for each of the next three fiscal years, an amount equal to the product of—

"(A) $1,400, and

"(B) the sum of (i) the number of full-time students enrolled in such school in the school year beginning in such fiscal year, and (ii) the number of full-time equivalents of part-time students, determined pursuant to paragraph (3), for such school for such school year.

"(3) For purposes of paragraph (2), the number of full-time equivalents of part-time students for a school of public health for any school year is a number equal to—

"(A) the total number of credit hours of instruction in such year for which part-time students of such school, who are pursuing a course of study leading to a graduate degree in public health or an equivalent degree, have enrolled, divided by

"(B) the greater of (i) the number of credit hours of instruction which a full-time student of such school was required to take in such year, or (ii) 9,

rounded to the next highest whole number.

"(b) Notwithstanding subsection (a), if the aggregate of the amounts of the grants to be made in accordance with such subsection for any fiscal year to schools of public health with approved applications exceeds the total of the amounts appropriated for such grants for such schools under subsection (e), the amount of a school's grant with respect to which such excess exists shall for such fiscal year be an amount which bears the same ratio to the amount determined for the school under subsection (a) as the total of the amounts appropriated for that year under subsection (e) for grants to schools of public health bears to the amount required to make grants in accordance with subsection (a) to each of the schools of public health with approved applications.

"(c)(1) For purposes of this section, regulations of the Secretary shall include provisions relating to the determination of the number of students enrolled in a school or in a particular year-class in a school on the basis of estimates, on the basis of the number of students who in an earlier year were enrolled in a school or in a particular year-class, or on such other basis as the Secretary deems appropriate for making such determination, and shall include methods of making such determination when a school or a year-class was not in existence in an earlier year at a school.

"(2) For purposes of this section, the term 'full-time students' (whether such term is used by itself or in connection with a particular year-class) means students pursuing a full-time course of study leading to a graduate degree in public health or equivalent degree.

"(d) In the case of a new school of public health which applies for a grant under this section in the fiscal year preceding the fiscal year in which it will admit its first class, the enrollment for purposes of subsection (a) shall be the number of full-time students which the Secretary determines, on the basis of assurances provided by the school, will be enrolled in the school, in the fiscal year after the fiscal year in which the grant is made.

"(e) For payments under this section, there are authorized to be appropriated $5,000,000 for the fiscal year ending September 30, 1985, and each of the three succeeding fiscal years.".

(2) Section 731(a)(1)(A)(ii) is amended by striking out "(as defined in section 770(c)(2))" and inserting in lieu thereof "(as defined in section 770(c)(2) (as such section was in effect on September 30, 1984))".

(b) Section 771 is amended to read as follows:

"ELIGIBILITY FOR CAPITATION GRANTS

"SEC. 771. (a) The Secretary shall not make a grant under section 770 to any school of public health in a fiscal year beginning after September 30, [1977,] *1984,* unless the application for the grant contains, or is supported by, assurances satisfactory to the Secretary that—

"(1) the first-year enrollment of full-time students in the school in the school year beginning in the fiscal year in which the grant applied for is to be made will not be less than the first-year enrollment of such students in the school [in the preceding school year or] in the school year beginning in the fiscal year ending September 30, [1976, whichever is greater; and] *1976; and*

"(2) the applicant will expend in carrying out its functions as a school of public health during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which is at least as great as the amount of funds

expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the fiscal year preceding the fiscal year for which such grant is sought.

[''(b)(1) To be eligible for a grant under section 770 for a fiscal year beginning after September 30, 1977, a school of public health shall maintain an enrollment of full-time, first-year students, for the school year beginning in the fiscal year ending September 30, 1978, and for each school year thereafter beginning in a fiscal year for which a grant under section 770 is applied for, which exceeds the number of full-time, first-year students enrolled in such school in the school year beginning in the fiscal year ending September 30, 1976—

[''(A) by 5 percent of such number if such number was not more than 100, or

[''(B) by 2.5 percent of such number, or 5 students, whichever is greater, if such number was more than 100.]

[''(2)] *(b)* The Secretary may waive (in whole or in part) application to a school of public health of the requirement of [paragraph (1)] *subsection (a)(1)* if the Secretary determines, after receiving the written recommendation of the appropriate accreditation body or bodies (approved for such purpose by the Commissioner of Education) that compliance by such school with such requirement will prevent it from maintaining its [accreditation. The requirements of subsection (a)(1) shall not apply to schools of public health.".] *accreditation.".*

(c)(1) Section 772(b) is amended—

(A) by striking out "or subsection (a) or (b) of section 788";

(B) by striking out "of medicine, osteopathy, dentistry, public health, veterinary medicine, optometry, pharmacy, or podiatry," and inserting in lieu thereof "public health,";

(C) by striking out "Secretary" each place it appears and inserting in lieu thereof "Secretary of Health and Human Services";

(D) by striking out "Commissioner of Education" and inserting in lieu thereof "Secretary of Education"; and

(E) by striking out "Commissioner" each place it appears and inserting in lieu thereof "Secretary of Education".

(2) The section heading for section 772 is amended to read as follows:

"APPLICATIONS FOR CAPITATION GRANTS"

[(3) Section 788 is amended by redesignating subsection (f) (as amended by section 110 of this Act) as subsection (g) and by inserting after subsection (e) the following new subsection:

[''(f) To be eligible for a grant under subsection (a) or (b), the applicant must (1) be a public or other nonprofit school of medicine, osteopathy, dentistry, public health, veterinary medicine, optometry, pharmacy, or podiatry, and (2) be accredited by a recognized body or bodies approved for such purpose by the Secretary of Education, except that the requirement of this clause shall be deemed to be satisfied if (A) in the case of a school which by reason of no, or an insufficient, period of operation is not, at the time of application for a grant under this part, eligible for such accreditation, the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the Secretary of Health and Human Services makes a final determination as to approval of the application, or (B) in the case of any other school, the Secretary of Education finds after such consultation and after consultation with the Secretary of Health and Human Services that there is reasonable ground to expect that, with the aid of a grant (or grants) under those sections, having regard for the purposes of the grant for which application is made, such school will meet such accreditation standards within a reasonable time.".]

(d) The heading for part E of title VII is amended to read as follows:

"PART E—GRANTS TO IMPROVE THE QUALITY OF SCHOOLS OF PUBLIC HEALTH"

AREA HEALTH EDUCATION CENTERS

[SEC. 209.] *Sec. 211. (a) Section 781(a)(2) is amended by inserting a comma and "and with public or private nonprofit entities which have served as regional area health education centers and which have previously received such assistance," after "this section".*

(b) Section 781(c) is amended—

(1) by inserting "and" at the end of paragraph (2);

(2) by striking out paragraph (3);

(3) by redesignating paragraph (4) as *paragraph* (3);

(4) by striking out the second sentence; and

(5) by striking out "if another such school participating in the same program meets the requirement of that paragraph" in the last sentence.

[(b)] *(c)* Section 781(d)(2)(F) is amended to read as follows:

"(F) conduct interdisciplinary training and practice involving physicians and other health personnel including, where practicable, physician assistants and nurse practitioners;".

TRAINING IN GENERAL DENTISTRY

[SEC. 210.] *Sec. 212. (a)* Section 786(b) is amended—

(1) by inserting "or an approved advanced educational program in the general practice of dentistry" before the semicolon in paragraph (1); and

(2) by striking out "residents" in paragraph (2) and inserting in lieu thereof "participants".

(b) Section 786(c) (as amended by section 108 of this Act) is further amended by inserting before the period in the second sentence a comma and "and shall obligate not less than 8 percent of such amounts in each fiscal year for grants under subsection (b)".

SPECIAL PROJECTS

[SEC. 211. Section 788(b) is amended by striking out paragraphs (1) through (24) and inserting in lieu thereof the following:

[''(1) training in health promotion and disease prevention;

[''(2) training in geriatric care and long-term care;

[''(3) projects to promote economy in health professions teaching and practice;

[''(4) projects to develop initiatives for assuring the competence of health professionals;

[''(5) faculty development for health professions schools, including schools of allied health; and

[''(6) curriculum development in nutrition.".]

SEC. 213. Section 788(b) is amended to read as follows:

"(b)(1) The Secretary may make grants to and enter into contracts with any health profession, allied health profession, or nurse training institution, or any other public or nonprofit private entity for projects to provide curriculum development and faculty training in areas such as—

"(A) health promotion and disease prevention;

"(B) geriatric care and long-term care;

"(C) the promotion of economy in health professions teaching, health care practice, and health care systems management;

"(D) the development of initiatives for assuring the competence of health professionals;

"(E) curriculum development in clinical nutrition; and

"(F) large animal care and animal research.

"(2)(A) Of the amounts available for grants and contracts under this subsection from amounts appropriated under subsection (f), at least 75 percent shall be obligated for grants to and contracts with health professions institutions, allied health institutions, and nurse training institutions.

"(B) Any application for a grant or contract to institutions described in subparagraph (A) shall be subject to appropriate peer review by peer review groups composed principally of non-Federal experts.

"(C) The Secretary may not approve an application for a grant or contract to an institution described in subparagraph (A) unless the Secretary has received recommendations with respect to such application from the appropriate peer review group required under subparagraph (A) and from the National Advisory Council on Health Professions Education.

"(3) Of the amounts available for grants and contracts under this subsection from amounts appropriated under subsection (f), not more than 25 percent shall be obligated for grants to and contracts with public and nonprofit entities which are not health professions institutions, allied health institutions, or nurse training institutions.".

ADVANCED FINANCIAL DISTRESS ASSISTANCE

SEC. 214. The first sentence of section 788B(f) is amended by striking out "five" and inserting in lieu thereof "six".

GRADUATE PROGRAMS IN HEALTH ADMINISTRATION

SEC. 215. Section 791(c)(2)(A)(i) is amended by inserting before the semicolon a comma and "except that in any case in which the number of minority students enrolled in the graduate educational programs of such entity in such school year exceeds an amount equal to 45 percent of the number of all students enrolled in such programs in such school year, such application shall only be required to contain assurances that at least 20 individuals will complete such programs in such school year".

PROGRAM ELIMINATIONS

[SEC. 212.] *Sec. 216.* (a) Section 703 is repealed.

(b) Section 759 is repealed.

(c) Part D of title VII is repealed.

(d) Section 782 is repealed.

(e) Section 785 is repealed.

(f)(1) Section 788A is repealed.

(2) The second sentence of section 788B(a) is amended by inserting "(as such section was in effect prior to October 1, 1984)" after "section 788A".

(3) Section 788B(f) [is amended] *(as amended by section 214 of this Act) is further amended* by striking out the last sentence.

(4) Section 788B(h) (as amended by section 111 of this Act) is further amended—

(A) by striking out "and section 788A" in the first sentence; and

(B) by striking out the second sentence.

(g) Section 789 is repealed.

HEALTH SERVICES RESEARCH

[SEC. 213.] *Sec. 217. (a)* Section 305(c) is amended—

(1) by redesignating clauses (1), (2), and (3), as clauses (A), (B), and (C), respectively;

(2) by inserting "(1)" before "The"; and

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

"(2) In carrying out this section, the Secretary shall assist State and local health agencies, including the establishment of a user liaison program and a technical assistance program.".

(b) The second sentence of section 308(i)(1) is amended by striking out "and at least 5 per centum of such amount or $1,000,000, whichever is less, shall be available only for dissemination activities directly undertaken through such Center" and inserting in lieu thereof "and at least 10 per centum of such amount or $1,500,000, whichever is greater, shall be available only for the user liaison program referred to in section 305(c)(2).".

ANALYSIS OF FINANCIAL DISINCENTIVES TO CAREER CHOICES IN HEALTH PROFESSIONS

[SEC. 214.] *Sec. 218.* The Secretary of Health and Human Services shall include in the report required to be submitted on October 1, 1985, pursuant to section [708(d)(2)] *708(c)(2)* of the Public Health Service [Act—] *Act (as redesignated by section 205 of this Act)*—

(1) an analysis of any financial disincentive to graduates of health professions schools which affects the specialty of practice chosen by such graduates or the decision of such graduates to practice their profession in an area which lacks an adequate number of health care professionals; and

(2) recommendations for legislation and administrative action to correct any disincentive identified pursuant to clause (1), including the appropriateness of providing financial assistance to mitigate such disincentives.

EFFECTIVE DATE

[SEC. 215.] *Sec. 219.* This Act and the amendments and repeals made by this Act shall take effect on October 1, 1984.

Mr. STEVENS. Mr. President, I move that the committee amendments be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

AMENDMENT NO. 3370

(Purpose: To provide for the designation of a Regional Palaminto Research Center)

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senators D'AMATO, HATCH, and MOYNIHAN.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS] for himself, Mr. D'AMATO, Mr. HATCH, and Mr. MOYNIHAN proposes amendment No. 3370.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

AMENDMENT No. 3370

On page 42, between lines 11 and 12, insert the following:

DESIGNATION OF REGIONAL PRIMATE RESEARCH CENTER

SEC. 219, (a) The Secretary of Health and Human Services, through the Division of Research Resources of the National Institutes of Health, shall designate as a Regional Primate Research Center a laboratory for experimental medicine and surgery in primates which is in existence on the date of enactment of this Act. The laboratory designated under this subsection shall be a laboratory which was initially established in 1965 and which became formally sponsored by an association of schools of medicine in 1967.

(b) The Secretary of Health and Human Services shall provide the Regional Primate Research Center designated under subsection (a) with opportunities for consideration for core support and grants to support biomedical research equal to the opportunities for consideration for such support and grants provided to all other Regional Primate Research Centers designated by the Secretary.

On page 42, line 13, strike out "SEC. 219." and insert "SEC. 220.".

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 3370) was agreed to.

AMENDMENT NO. 3371

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senators QUAYLE, HATCH, and KENNEDY and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska (Mr. STEVENS), for himself and Mr. QUAYLE, Mr. HATCH, and Mr. KENNEDY, proposes an amendment numbered 3371.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 41, between lines 11 and 12, insert the following:

(b) Section 305 of such Act is further amended—

(1) by striking out "and" at the end of paragraph (3) in subsection (b);

(2) by striking out the period at the end of paragraph (4) of such subsection and inserting in lieu thereof a semicolon and "and";

(3) by inserting after paragraph (4) the following new paragraph:

"(5) the safety, effectiveness, cost effectiveness, and economic impacts of health care technologies.".

(5) by redesignating subsection (e) as subsection (g); and

(6) by inserting after subsection (d) the following new subsections:

"(e) The Center shall advise the Secretary respecting medical technology issues and make recommendations with respect to whether specific medical technologies should be reimbursable under federally financed health programs.

"(2) In making recommendations respecting medical technologies, the center shall consider the cost effectiveness and appropriate uses of such technologies.

"(3) In carrying out its responsibilities under this section respecting medical technologies, the Center shall cooperate and consult with the National Institutes of Health, the Food and Drug Administration, and any other interested Federal departments or agencies.

"(f)(1) The Secretary, through the Center, shall undertake and support (by grant or contract) research regarding technology diffusion, methods to assess medical technology, and specific medical technologies.

"(2) Any grant or contract under paragraph (1), the direct cost of which will exceed $50,000, may be made or entered into only after appropriate peer review.".

On page 41, line 12, strike out "(b)" and insert "(c)".

On page 41, between lines 19 and 20, insert the following:

HEALTH CARE TECHNOLOGY

SEC. 218. Section 309 of the Public Health Service Act is amended to read as follows:

"COUNCIL ON HEALTH CARE TECHNOLOGY

"SEC. 309. (a) In accordance with this section, the Secretary shall make grants to the National Academy of Sciences for the planning, development, establishment, and operation in such Academy of a Council on Health Care Technology. The Council shall comply with the provisions of this section.

"(b) The purposes of the Council are to—

"(1) promote the development and application of appropriate health care technologies; and

"(2) promote the review of existing health care technologies in order to identify obsolete or inappropriately used health care technologies

"(c)(1) The Council may—

"(A) serve as a clearinghouse for information on health are technologies and health care technology assessment;

"(B) collect and analyze data concerning specific health care technologies;

"(C) identify needs in the assessment of specific health care technologies;

"(D) develop and evaluate criteria and methodologies for health care technology assessment;

"(E) provide education, traininig, and technical assistance in the use of health care technology assessment methodologies and results; and

"(F) conduct assessments of health care technologies.

"(2) No funds from any grant made by the Secretary to the National Academy of Sciences under this section be used to conduct any assessment of a health care technology.

"(d) The Council shall be composed of:

"(1) Fifteen members appointed by the National Academy of Sciences from individuals who have education, training, experience, or expertise relating to the quality and cost-effectiveness of health care technologies and who are representatives of organizations of health professionals, hospitals, health care insurers, employers, consumers, and manufacturers of products for health care.

"(2) The Secretary of Health and Human Services (or the designee of the Secretary), who shall be an ex officio member.

"(3) The Director of the Office of Technology Assessment (or the designee of the

Director), who shall be an ex officio member.

"(4) The Director of the National Institutes of Health (or the designee of the Director), who shall be an ex officio member.

"(5) The Director of the National Center for Health Services Research (or the designee of the Director), who shall be an ex officio member.

"(e) Any vacancy in the Council shall not affect its power, but shall be filled in the manner which the original appointment was made.

"(f) The President of the National Academy of Science shall designate one of the members appointed to the initial Council under subsection (d)(1) as Chairman of the Council for a one-year term. Thereafter, the members of the initial and succeeding Councils shall elect one of their members appointed under such subsection as Chairman for such terms as may be determined by the Council.

"(g) The Council shall have an executive director and such other employees as may be appointed by the Council at rates of compensation fixed by the Council.

"(h) The Council shall not contribute to or otherwise support any political party or candidate for elective public office.

"(i) The Council shall submit an annual report for the preceding fiscal year to the Secretary of Health and Human Services. The report shall include a comprehensive and detailed report of the Council's operations, activities, financial condition, and accomplishments under this section and may include such recommendations as the Council considers appropriate.

"(j) No grant may be made under this section unless the National Academy of Sciences submits an application for such grant to the Secretary in such form and containing such information as the Secretary shall prescribe.

"(k)(1) From the amounts appropriated under subsection (m), the Secretary shall make a grant to the National Academy of Sciences in an amount not in excess of $500,000 for the planning, development, and establishment of the Council.

"(2) From the amounts appropriated under subsection (m) which remain available after a grant is made under paragraph (1), the Secretary shall make grants to the National Academy of Science for the operation of the Council. The Secretary may not make a grant under this paragraph unless the application submitted to the Secretary under subsection (j) for such grant contains written assurances from such Academy that such Academy will expend from non-Federal sources for the operation of the Council an amount equal to or in excess of such grant.

"(l) For purposes of this section, health care technologies mean drugs, devices, and medical and surgical procedures, and knowledge and skills necessary for their appropriate use in the delivery of health care.

"(m) To carry out this section, there are authorized to be appropriated $2,000,000 for fiscal year 1985, which shall remain available until September 30, 1987.".

On page 41, line 22, strike out "Sec. 218." and insert "Sec. 219.".

On page 42, line 13, strike out "Sec. 219." and insert "Sec. 220.".

Mr. QUAYLE. Mr. President, today I rise in support of S. 2559, the Health Professions Training Assistance Amendments of 1984 and join in sponsoring an amendment to this measure with the Senator from Utah [Mr. HATCH] and the Senator from Massachusetts [Mr. KENNEDY]. This amendment authorizes the Secretary of Health and Human Services to make a grant to the National Academy of Science for the establishment of a Council on Health Care Technology.

This amendment is a modified version of S. 2504, a bill which would have established a private-public sector consortium to further the appropriate use of health care technologies. A hearing was conducted by the Senate Labor and Human Resources Committee on June 7, 1984, on S. 2504.

The hearing provided important direction in the expanding area of health care technology. Testimony that day clearly indicated the need for more and better assessment of health care technology and for improvement in systems for disseminating information developed by assessments. There was a consensus that the private sector should assume an even more active role in promoting assessment. Furthermore, there was agreement that the private sector, in partnership with government, should encourage more coordination between the groups carrying out assessments and support the development of an entity, such as the one proposed by my bill, S. 2504, to act as a clearinghouse for information on health care technologies. It was also concluded that such an entity should be spawned in the National Academy of Sciences along the line of the recommendations of the report "Medical Technology Assessment: A Plan for a Private/Public Sector Consortium," prepared by an Institute of Medicine committee.

More assessment, better coordination of assessment activities and improved dissemination of assessment information will not be a cure-all. However, by fostering the most appropriate use of health care technologies, these activities would help hold down health care costs and contribute to an even higher quality of care.

The modifications to S. 2504 provided for in this amendment will place the consortium in the National Academy of Science and authorize the Secretary of Health and Human Services to provide a $2 million grant to support the development of a Council on Health Care Technology. The National Academy of Sciences will receive $500,000 to establish the Council. The remaining one and a half million dollars authorized for the Council will have to be matched by private sector funding and will be available until September 30, 1987. This funding scheme is important because the Council will only be viable if it receives support from the private sector.

The purpose of the Council will be to promote the development and application of appropriate health care technologies and promote the review of existing health care technologies in order to identify obsolete or inappropriately used health care technologies. The hearings conducted by the committee indicated that a great deal of assessment is already going on in the public and private sectors. Therefore, the primary role of the Council will be to provide coordination between all the various groups involved in assessments and to serve as a clearinghouse for information in health care technologies and health care technology assessment.

I appreciate the guidance and support I received from Senators HATCH and KENNEDY in the development of this amendment.

Mr. D'AMATO. Mr. President, more than 15 percent of the Nation's biomedical research takes place in the New York metropolitian area. A facility serving the research scientists in the tristate area is the Laboratory for Experimental Medicine and Surgery in Primates [LEMSIP] at Sterling Forest, NY.

LEMSIP has had many significant achievements in medical research. It is well run, productive, and cost effective. Its staff has produced hundreds of research papers and publishes the world's leading journal in primatology.

To the detriment medical research, LEMSIP's status and funding have not been included in the regional primate research center program, despite its accomplishments and the support and sponsorship of the Associated Medical Schools of New York and its 12 member medical schools.

To remedy this inequitable and counterproductive situation, I am offering an amendment to the legislation now before the Senate, S. 2559.

Mr. MOYNIHAN. Mr. President, 4 years ago, Senator Javits and I were very concerned about the possible closing of the Laboratory for Experimental Medicine and Surgery in Primates [LEMSIP] in Sterling Forest, NY. This would have been a great loss since researchers using LEMSIP have been involved in the development of important advances in the prevention and the treatment of alcoholism, hepatitis, sickle-cell disease, reproductive problems and birth defects, genetic disease, blood transfusion, and other health problems. Today, I am pleased once again to offer my support to LEMSIP. This amendment, designating LEMSIP a regional primate research center, will mean much to the continuation of the research efforts essential not only to the work of the scientific community in New York, but to the Nation as a whole.

Mr. HATCH. As I understand the amendment, the Division of Research Resources of the National Institutes of Health would be directed to designate LEMSIP as a regional primate research center with all that that implies for NIH cooperation.

Mr. D'AMATO. That is correct. LEMSIP has been in operation for more than 19 years. The facility is fully operational. We intend that the tristate area be served by this NIH-designated regional primate research center with core support. This will mean that work in New York, New Jersey, and Connecticut will have the same opportunity to compete provided elsewhere in the country when primates are involved in biomedical research.

Mr. HATCH. The amendment is agreeable to me.

Mr. D'AMATO. So that the record may be clear, in the Senator's view, does the amendment affect existing authority for other NIH-supported primate centers or expand the Nation's primate facilities?

Mr. HATCH. No; it does not. It only opens up the competition. LEMSIP is a highly respected primate center, and this amendment allows them to compete for grants. It does not guarantee that they will win. I have examined LEMSIP very carefully. I have concluded that they are worthy of the opportunity to compete.

Mr. D'AMATO. I thank the Senator.

Mr. HATCH. Mr. President, I urge my colleagues to expeditiously approve S. 2559. The programs reauthorized in this bill, the Health Professions Training Assistance Amendments of 1984, are found in title VII of the Public Health Service Act. These programs have a proud history of successful response to concerns related to health care delivery expressed by our citizens. As a result, the numbers of health care providers has increased, students have been encouraged to pursue careers in family medicine and other primary care specialties, and barriers to a career in one of the health professions have been diminished by providing needy students with financial assistance.

But today needs are much different than they were 20 years ago. In fact, health education is at a crossroads in our history. Past Federal efforts, in cooperation with State initiatives, have resulted in training an adequate number of health professionals in most categories, and in most regions of our country. There has been a dramatic increase in the number of physicians, nurses, dentists, and allied health personnel. In fact, there are almost twice the number of students graduating each year from our medical and nursing schools today than there were 20 years ago. The 1981 report of the Graduate Medical Education National Advisory Committee (GMENAC) suggests there will be a significant surfeit of physicians by 1990, possibly as many as 70,000 more medical doctors than are required to provide adequate medical services. However, the same report makes clear that the excess number of physicians will vary according to medical specialty, and there will be ongoing needs for more primary care physicians, rehabilitation specialists, and preventive and public health experts. So in spite of an overall abundance of health care providers, my committee believes it essential that the Federal Government maintain those programs which train individuals to provide primary health care services, particularly those who can serve in medically needy areas.

The Health Professions Training Assistance Act, as reported by the Labor and Human Resources Committee, is tailored to meet today's needs. Access to health care today is far less a problem than it was a decade ago, but access by students to a career in health is a problem. Therefore, reauthorization of the Health Professions Training Assistance Act continues current programs which provide: loans for needy students; Federal loan insurance for students pursuing post baccalaureate training in health careers; scholarships for students with exceptional financial needs to insure the economically disadvantaged an opportunity to become health professionals; and increase our ability to reach out to minority students to become health professionals. This bill also repeals several obsolete or redundant sections of title VII, emphasizing current concerns and targeting the Federal effort on student indebtedness and primary care training. It specifically repeals provisions in title VII of the PHS Act which encouraged the growth of our health professional schools. There are no provisions in the proposed legislation to encourage expansion of existing training programs for health professionals.

Mr. President, I am also pleased to join with my colleagues in offering two noncontroversial amendments to S. 2559 as reported from committee. One is sponsored by myself, along with Senators QUAYLE and KENNEDY, and will authorize the National Academy of Science to establish a council on health care technology. This is a complementary effort to existing activities within the Federal Government to evaluate the cost-benefit of various medical technologies and the appropriateness of reimbursement for such services. This new council will provide for more participation of the private sector—health professionals, the hospital industry, manufacturers, and consumer representative organizations—in evaluating new and existing health technologies. There is clear consensus among health policy experts that the kind of information the proposed council will provide can result in millions of dollars of savings annually in our Federal health expenditures.

The other amendment relates to the designation by the National Institutes of Health of the Laboratory of Experimental Medicine and Surgery in Primates [LEMSIP] as a regional primate research center. I have joined with my colleagues from New York, Senators D'AMATO and MOYNIHAN, in this effort. At this point, I wish to enter into a colloquy with Senator D'AMATO and Senator MOYNIHAN with regard to his amendment.

Mr. President, at the request of Senator INOUYE, I wish to make clear that there is authority in this legislation which could be used to address a special initiative being developed by the University of Hawaii at Manoa, which would address the pressing health manpower needs of the Trust Territory of the Pacific Islanders and American Samoa.

It is my understanding that the primary burden of providing health care for the Pacific basin region presently falls on approximately 35 Micronesian medical officers, who graduated from a non-M.D. school in Fiji. These dedicated medical officers are all now approching retirement and changes since Fijian independence have closed access to the school by Micronesians. The authority to train physicians assistants capable of providing high quality preventive and primary care services and other nonphysician health professionals, will enable new health personnel to fill in this gap. It is the sense of the committee that the health problems of citizens in the Pacific basin are likely to best be met by funding a single grant program to address the needs for a variety of health personnel.

Mr. President, not only is it in our national security interest to ensure the health and well-being of the residents of the Pacific basin region, but I understand that we also have clear treaty obligations to do so. It is my expectation that this special project may cost $10 million over a 10-year time period and, further, that once the 70 new Micronesian medical officers are trained, the program will be terminated.

In essence, Mr. President, this Pacific basin initiative is an example of why we need to continue targeted funding for primary care training.

Mr. President, I ask unanimous consent that a memorandum from Dr. Terence A. Rogers, dean of the John A. Burns School of Medicine at the University of Hawaii at Manoa, describing this project in depth be printed in the RECORD.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM FROM JOHN A. BURNS SCHOOL OF MEDICINE

To: Claudia Ingram.
From: Terry Rogers.
Re training appropriate health professionals for the Trust Territory of the Pacific Islands and American Samoa.

The U.S. presence in Micronesia is the result of a deliberate policy in our own best national defense interests. Our presence is not a historical accident or a mistake.

It follows then that we have a responsibility for the physical quality of life for the Micronesians.

The region could be described as "superrural". The 140,000 inhabitants live on islands scattered over an area of ocean as large as the continental U.S. itself. There are at least a dozen languages; transportation and communications are slow and uncertain, except for the few major population centers served by two or three airline flights per week. Although there is no outright starvation, the prevalance of poverty and disease resemble that of the "Third World" rather than our perception of a region under American jurisdiction.

In the health field, the main U.S. effort has been in the construction of hospitals and the employment of U.S. doctors under contract.

The main burden of primary health care has fallen on about 35 Micronesian Medical Officers who graduated from a non-M.D. School in Fiji. These medical officers now approach retirement and changes since Fijian independence have closed access to the school by Micronesians.

It is proposed to train 70 new Micronesian Medical Officers over a 10 year period to provide primary health care coverage for the next 25 years.

The plan is to base the program in Ponape, in the Eastern Carolina Islands, and to use all appropriate health facilities in the region for clinical training.

The curriculum will be directed at the health problems of Micronesia. These problems include intestinal parasites, leprosy, filariasis, tuberculosis, cholera and a whole array of other entirely preventable and curable diseases. For example, in one ethnic group on the island of Ponape there is a leprosy epidemic in which 10 percent of the population become new cases each year. On the island of Pingelap a survey showed only three persons without intestinal parasites; they were nursing infants.

The health care resources of Micronesia are currently absorbed in dealing with the outcomes of grass roots problems which were virtually eliminated in the continental U.S. prior to 1914.

The current status of primary and secondary education in Micronesia prevents the training of enough Micronesians as M.D.s in U.S. medical schools. Many Micronesian students who even enter the Community College of Micronesia have tested reading skills at about the 8th grade norm. Unfortunately, even those Micronesians who have completed the M.D. degree in Hawaii find the qualification a passport to a more affluent region, leaving the home problems unsolved.

The training of Micronesian Medical Officers makes sense from the cultural and language aspects and, most importantly, develops Micronesian responsibility for Micronesian problems.

The Plan sensibly calls for a training program, with a beginning, a middle and an end; it does not propose the establishment of a permanent school.

The University of Hawaii School of Medicine has a track record of 12 years training, research and outreach in Micronesia, and has established the necessary rapport with the health establishment and Micronesian governments.

Mr. GRASSLEY. Mr. President, I am pleased to support passage of S. 2559, the Health Professions Training Assistance Amendments of 1984. These programs authorized by title VII of the Public Health Service Act have been among the most successful health programs the Congress has authorized. The student loans and guarantees, support for schools which train our health practitioners have helped us to encourage careers in family medicine, general dentistry, allied health, and public health, fields which might otherwise not have attracted sufficient practitioners to meet the country's needs in these areas. They have also helped to redress to some extent the maldistribution of health professionals, a problem which has been particularly acute in rural areas of the country.

I am particularly pleased that, as a consequence of an amendment made to the bill in committee by Senator QUAYLE and myself, the special projects authorized under provisions of section 788(b) of the act will provide an opportunity for schools of veterinary medicine to compete for grants and contracts related to faculty and curriculum development related to large animal care and animal research.

This amendment is designed to help remedy a distressing situation which has arisen at schools and colleges of veterinary medicine. The situation is that some of our best schools of veterinary medicine are having difficulty recruiting faculty who both veterinarians and trained at advanced Ph.D. levels in the various specializations that are represented in the curriculum of good schools of veterinary medicine.

At my own Iowa State College of Veterinary Medicine, one of the major schools of veterinary medicine in the country, I might add, the dean expects great difficulty in finding veterinarians for the faculty with advanced training in radiology, parasitology, ophthalmology, pharmacology, toxicology and urology to replace older faculty who are retiring. In two fields I did not just mention, food animal surgery and food animal medicine, the dean at Iowa State has been trying to fill two positions for 2 years, but has been unable to find appropriately trained people.

The funds available through the special projects program may help schools of veterinary medicine to upgrade the faculty of their schools through advanced training opportunities.

This small program will hardly solve this problem for these schools. But it will be a small, helpful step forward.

Mr. STEVENS. Mr. President, I ask for adoption of the Quayle-Hatch-Kennedy amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Alaska.

The amendment (No. 3371) was agreed to.

Mr. STEVENS. Mr. President, I ask for consideration of the bill as amended.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and the third reading of the bill.

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

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

TRADEMARK COUNTERFEITING ACT OF 1984

Mr. STEVENS. Mr. President, I ask the Chair to lay before the Senate Calendar No. 1005, S. 875.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (S. 875) to amend title 18 of the United States Code to strengthen the laws against the counterfeiting of trademarks, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on the Judiciary with an amendment to strike all after the enacting clause and insert:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Trademark Counterfeiting Act of 1984".

SEC. 2. (a) Chapter 113 of title 18, United States Code, is amended by inserting after section 2319 the following:

"§ 2320. Trafficking in counterfeit goods or services

"(a) Whoever intentionally traffics or attempts to traffic in goods or services knowing such goods or services to be counterfeit shall, if such offender is an individual, be fined not more than $250,000 or imprisoned for not more than five years, or both, or if such offender is a corporation, partnership, association, or other legal entity, be fined not more than $1,000,000.

"(b) As used in this section—

"(1) 'counterfeit goods or services' means—

"(A) goods or services—

"(i) on or in connection with which a spurious mark, which is identical to or substantially indistinguishable from a genuine mark, is used or intended to be used; and

"(ii) for which the genuine mark is registered on the principal register in the United States Patent and Trademark Office and is in use; or

"(B) goods or services on or in connection with which a designation that is identical to or substantially indistinguishable from a designation that is specifically protected by section 110 of the Amateur Sports Act of 1978 (36 U.S.C. 380) is used or intended to be used in a manner prohibited by such Act,

without the consent of the United States Olympic Committee; and

"(2) 'traffic' means to—

"(A) transfer, assign, or dispose of, to another, for value;

"(B) offer to so transfer, assign, or dispose of;

"(C) receive, possess, transport, or exercise control of, with intent to so transfer, assign, or dispose of; or

"(D) assist or conspire with another in doing anything prohibited by subparagraphs (A) through (C); and

"(3) 'spurious mark' means a mark that is not genuine or authentic.

"(c)(1) A defendant who traffics in goods or services that are alleged to be counterfeit shall not be subject to the criminal penalties or civil remedies of this section if the defendant establishes by a preponderance of the evidence that adequate labeling was provided on the goods or services and that adequate notice was provided to the registrant of the genuine mark.

"(2)(A) Labeling shall be deemed adequate if, in each place where the allegedly spurious mark is used, the labeling clearly and conspicuously identifies the manufacturer of the goods or provider of the services, and disclaims any license from or affiliation with the owner of the genuine mark.

"(B) Notice to the registrant of the genuine mark shall be deemed adequate if it was in writing and—

"(i) was actually served upon the registrant of the mark at least thirty days before the defendant trafficked in goods or services using the allegedly spurious mark,

"(ii) stated the defendant's full name and business addresses,

"(iii) identified in detail the proposed mark, and the goods or services for which the defendant planned to use the mark, and

"(iv) stated the date upon which the defendant intended to begin trafficking in goods or services using the mark.

The notice shall be deemed inadequate if the trafficking began before the date specified in the notice.

"(3) Adequate notice and labeling under this subsection shall not be an affirmative defense for a defendant who traffics in counterfeit goods or services while the defendant is subject to a court order restraining or enjoining such trafficking.

"(4) A party's compliance with the notice and labeling provisions of this subsection shall not be dispositive of that party's liability under any other provision of law, including any Federal, State, or other law.

"(d)(1) An action seeking civil remedies for a violation of subsection (a) of this section may be brought, without regard to the amount in controversy, in any district court of the United States in the district in which the violation occurred or in which the defendant resides, is found, has an agent, or transacts business. Such an action may be brought by either a registrant of a mark registered on the principal register in the United States Patent and Trademark Office whose business or property is or may be injured by reason of a violation of this section involving the mark of the registrant, or by the United States Olympic Committee. Upon establishing such a violation by a preponderance of the evidence, such civil claimant shall recover—

"(A) the greater of treble claimant's damages or treble defendant's profits,

"(B) the claimant's costs of the action, and

"(C) the claimant's costs of investigating the violation and prosecuting the suit, including reasonable investigator's and attorney's fees.

In assessing defendant's profits, the claimant shall be required to prove defendant's sales only. The defendant must prove all elements of cost or deduction claimed therefrom.

"(2) The court, on a motion promptly made, may in its discretion award prejudgment interest on the monetary recovery awarded under this subsection and subsections (f)(3) and (i) of this section, at an annual interest rate established under section 6621 of the Internal Revenue Code of 1954, commencing on the date of the service of the civil claimant's pleadings setting forth the claim for monetary recovery and ending on the date such judgment is awarded, or for such shorter time as the court deems appropriate.

"(3) A final judgment or decree rendered in favor of the United States in any criminal proceeding brought by the United States under this section shall estop the defendant from denying the essential allegations of the criminal offense in any civil proceeding brought by any civil claimant under this section.

"(e) All defenses available in an action brought under the Act of July 5, 1946, commonly known as the Trademark Act of 1946 (60 Stat. 427; 15 U.S.C. 1051 et seq.) shall be available, if relevant, in any criminal or civil action brought under this section.

"(f)(1) In any civil proceeding brought pursuant to this section the district courts of the United States shall have jurisdiction to prevent and restrain trafficking in counterfeit goods or services by issuing appropriate orders, including, in appropriate circumstances, temporary restraining orders on notice to the defendant, ex parte temporary restraining orders, and ex parte orders for the seizure of counterfeit goods and the following materials:

"(A) spurious marks;

"(B) the means of making such spurious marks;

"(C) articles in the defendant's possession bearing such spurious marks, or on or in connection with which such spurious marks are intended to be used; and

"(D) business records documenting the manufacture, purchase, or sale of counterfeit goods or of the materials listed in subparagraphs (A) through (C) of this paragraph.

"(2) Any business records seized through an ex parte seizure order in a civil proceeding under this section shall be taken into the custody of the court. The applicant or its representatives shall not be permitted to see any such records during the course of the seizure or thereafter, except under an appropriate protective order, issued on notice to the person from whom the records were seized, with respect to confidential business information.

"(3) Ex parte seizure orders under this section shall be subject to the Federal Rules of Civil Procedure. No such order shall be issued unless the applicant—

"(A) provides an affidavit clearly setting forth specific facts in support of the need for the seizure order, and

"(B) provides security in an amount the court deems adequate to compensate any person for damages such person may suffer as a result of a wrongful seizure or wrongful attempted seizure of such person's property under this subsection.

Such damages shall include, but not be limited to, lost profits, the cost of materials, and loss of good will. In any case in which it is shown that the applicant caused the seizure without adequate evidence that the goods or materials were counterfeit, damages shall include reasonable attorney's fees. The court shall place under seal any order for an ex parte seizure under this section until the defendant has been given an opportunity to contest such order.

"(4) No order for an ex parte seizure under this subsection shall be issued unless the court finds that a temporary restraining order on notice to the defendant, or an ex parte temporary restraining order, would be inadequate to protect the applicant's interests. In particular, no court shall issue any order for an ex parte seizure under this subsection unless it clearly appears from specific facts offered under oath or affirmation that—

"(A) counterfeit goods or the materials described in paragraph (1) are located at the place identified in the affidavit, and

"(B) The applicant will suffer immediate and irreparable injury, loss or damage if the goods or materials are not seized through execution of an ex parte order, in that—

"(i) the person from whom the goods or materials are to be seized would not comply with an order to retain the goods or materials and to make them available to the court, but would instead make the goods or materials inaccessible by destroying, hiding, or transferring them; or

"(ii) the person from whom the goods or materials are to be seized will otherwise act to frustrate the jurisdiction of the court in a proceeding under this section.

If the applicant can make this showing, the applicant need not make any further showing about the defendant's state of mind in order to obtain an ex parte seizure order.

"(5) Any order for a seizure under this subsection shall particularly describe the goods or materials to be seized, the place from which they are to be seized, and the amount of security provided by the applicant.

"(6) Any seizure ordered under this subsection shall specify that such order is to be carried out by a United States Marshal or other law enforcement officer or agency designated by the court. Any matter seized shall be taken into the custody of the court, pending a hearing to be conducted within 10 days after the seizure concerning the legality of the seizure and the need for injunctive relief, if any. Such hearing shall be conducted pursuant to rule 65 of the Federal Rules of Civil Procedure. All parties shall be granted, upon request, expedited discovery in connection with such hearing. Should the plaintiff fail to make the showing required by rule 65, the goods or materials seized shall be returned to the defendant, unless the court specifically finds that the goods or materials are counterfeit, in which case the court may retain them for evidentiary purposes. Such seizures shall be made only after the order has been served upon the defendant, his agent, accomplice, or designee. The applicant shall give notice of an application for an order under this section to the United States Attorney for the district in which the issuing court sits. Such notice shall be given at least twenty-four hours before the order becomes effective, unless the court determines that such notice would be impracticable.

"(7) No order for a seizure shall be issued under this subsection if the defendant has complied with the notice and labeling provisions of subsection (c) of this section.

"(g) The court shall employ appropriate procedures to ensure that confidential business information is not improperly disclosed in discovery proceedings in civil cases under this section.

"(h) If, in any civil or criminal action brought under this section, the court determines that the goods or services at issue are counterfeit, the court may, after reasonable notice to the United States Attorney for the district in which the issuing court sits, order the destruction of all counterfeit goods, spurious marks, means of making such spurious marks, and materials bearing such spurious marks, which are in the possession or control of the court or any party to the action; or, after obliteration of any spurious mark, the court may order the disposal of such goods, marks, means, or materials to the United States or an eleemosynary institution.

"(i) When a civil claimant in bad faith pleads or pursues a cause of action under subsection (d) of this section, the court shall award damages to the defendant, including punitive damages when appropriate, and the costs of defending the cause of action, including reasonable investigator's and attorney's fees incurred by the defendant.

"(j) Nothing in this section shall supersede or change any provision of Federal, State, or other law imposing criminal penalties or affording civil remedies in addition to those provided for in this section, except that no civil claimant who recovers treble damages or treble profits pursuant to this section shall also be entitled to corresponding recovery under any other Federal, State, or other law in connection with the same underlying occurrences or transactions. Any provisional or equitable remedy that would be available in a comparable civil action under the Trademark Act of 1946 shall, to the same extent and upon a comparable showing, be available under this section.

"(k) The remedies available in any civil action under this section shall be subject to the limitations specified in section 32 of the Trademark Act of 1946 (15 U.S.C. 1114(2)).".

SEC. 3. The table of sections for chapter 113 of title 18, United States Code, is amended by adding after the item relating to section 2319 the following new item:

"2320. Trafficking in counterfeit goods or services.".

SEC. 4. (a) Section 32(1) of the Trademark Act of 1946 (15 U.S.C. 1114(1)) is amended by striking out "counterfeit," in clauses (a) and (b).

(b) Section 36 of the Trademark Act of 1946 (15 U.S.C. 1118) is amended by striking out "counterfeit,".

(c) Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by striking out the paragraph beginning "A 'counterfeit' is".

(d) Section 526(e) of the Tariff Act of 1930 (19 U.S.C. 1526(e)) is amended by striking out "a counterfeit mark (within the meaning of section 45 of the Act of July 5, 1946 (commonly referred to as the Lanham Act, 60 Stat. 427; 15 U.S.C. 1127))" and inserting in lieu thereof "a spurious mark that is identical to, or substantially indistinguishable from, a mark registered in the United States Patent and Trademark Office,".

SEC. 5. This Act shall take effect upon enactment.

Mr. STEVENS. Mr. President, is the committee substitute before the Senate at this time?

The PRESIDING OFFICER. It is.

AMENDMENT NO. 3372

(Purpose: To make technical amendments)

Mr. STEVENS. Mr. President, I send an amendment to the desk on behalf of Senator MATHIAS.

The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. MATHIAS, proposes an amendment numbered 3372.

Mr. STEVENS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

Section 2320(b)(2) of title 18, United States Code, as added by section 2(a) of the substitute is amended to read as follows:

"(2) 'traffic' means to transport, transfer, or otherwise dispose of, to another, as consideration for anything of value, or to make or obtain control of with intent to so transport, transfer, or dispose of; and

Section 4(d) of the substitute amendment which amends section 526(e) of the Tariff Act of 1930 is amended by striking out "registered in the United States Patent and Trademark Office," in the matter intended to be inserted in such section 526(e) and inserting in lieu thereof the following: "registered on the principal register in the United States Patent and Trademark Office, which is".

Mr. STEVENS. Mr. President, I move the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3372) was agreed to.

Mr. THURMOND. Mr. President, as an original cosponsor of this important legislation, I am pleased to express my very strong support for S. 875, the Trademark Counterfeiting Act of 1984.

Like the tape piracy bill which we successfully moved through the last Congress, the Trademark Counterfeiting Act is intended to deter those who are determined to profit from the ingenuity of others, In protecting trademarks, we ensure that American consumers will actually enjoy the quality of product that a trademark is designed to represent. As we are all aware, although much of the publicity surrounding this problem has focused on designer jeans and other luxury products, counterfeit machine parts are also a problem. Thus, we are dealing not only with a trademark issue, but with a safety problem as well.

S. 875 is intended to provide strong Federal penalties for intentionally trafficking in goods or services with knowledge that they are counterfeit. Specifically, a violation of the act would be punishable by up to 5 years of imprisonment and/or maximum fines of $250,000 for individuals and $1 million for corporations and similar legal entities. In addition, civil remedies are available to victims of trademark counterfeiting, including treble damages and injunctive relief. This combination of criminal and civil penalties for conscious trademark counterfeiting will provide an effective deterrent to such activities.

Mr. President, I want to commend the members of the Subcommittee on Patents, Copyrights and Trademarks and their staff for the careful deliberations which preceded our committee action on this important measure. All concerned parties had the opportunity to comment on various drafts of this bill and the final product represents a fair balance between various interests. This bill will provide an effective weapon against deliberate counterfeiters, while protecting the rights of innocent business people.

Mr. President, recently I had the opportunity to visit an exhibit of counterfeit goods. I was absolutely appalled by the merchandise which appeared on the surface to be legitimate, but on closer inspection or use, proved shoddy or even dangerous. This intolerable situation, which injures American consumers and businesses alike, must be stopped. In addition to the valiant efforts of the U.S. Customs Service, prompt passage of S. 875 will greatly facilitate that effort. I, therefore, urge my colleagues to support this measure.

Mr. MATHIAS. Mr. President, several years ago a group of people went into the business of making and selling cheap helicopter parts that falsely bore the name of the Bell Helicopter Co. Their customers, relying on the good name of Bell, bought and used those parts. The matter ended up in Federal court in Los Angeles, where a district judge found that the falsely labeled parts were "defective, not airworthy, and created a grave risk to human life and safety." The tragic result, the court found, was that "several helicopters have crashed resulting in injuries and death as the result of the failure of these parts manufactured and sold by defendants."

Just 3 months ago, another incident dramatized the scope and dangers of trademark counterfeiting. In April, Federal marshals in Texas and New York confiscated over 3 million dollars' worth of almost certainly counterfeit automobile parts bearing the trademark of General Motors. The products ranged from engines to brakedrums, and a GM official commented that many of the parts were of lower quality than a consumer would find in a used part in a junkyard. We can only imagine what the results might have been if these parts had been installed in the automobiles of unsuspecting consumers.

These are only the most dramatic of the many documented incidents of the sale of goods and services through the use of false trademarks—now a multibillion dollar business. This practice threatens American trademark

owners, retailers, and consumers alike. It also jeopardizes American jobs, since the sale of counterfeits can cut deeply into the market for legitimate products made by American workers. For these reasons, I hope that the Senate will today approve my bill, S. 875, which would provide badly needed tools to enable both Federal prosecutors and private victims to crack down on trademark counterfeiting.

This bill is the product of lengthy discussions with numerous members of the Judiciary Committee, and I would like to take this opportunity to thank my fellow members of the committee for the valuable suggestions and assistance that they have provided as this legislation has moved through the Senate. The bill has also benefited tremendously from the advice and comments of numerous other concerned parties, including the Justice Department, the Patent and Trademark Office, countless trademark owners and trademark organizations, and many retail merchants and organizations. Without the patient help that we have received from all quarters, we would not have been able to achieve the consensus bill that we have before us today.

Mr. President, the House has been reviewing legislation similar to S. 875. Although we have worked long and hard on this bill, I have no doubt that the able Members of the House will find ways to improve and refine our product, and I look forward to following their deliberations on this important piece of legislation.

We have before us two technical amendments that will correct minor problems in S. 875 as reported by the Judiciary Committee. The first will amend the definition of "trafficking" in the bill to conform to that in the Piracy and Counterfeiting Amendments Act of 1981, now codified at 18 U.S.C. 2318. The definition of that term in the 1981 act has worked well in practice, and use of the same language in the bill now before us will prevent needless confusion. The second amendment will make a technical correction to the langugage of one of the conforming amendments in S. 875.

I would also like to take this opportunity to note a typographical error in the committee report on this bill, Senate Report 98-526, that may puzzle future readers. On page 3 of the report, several words have been omitted in the sentence beginning "In any event" in the second new paragraph on that page. The omitted words "the trademark owner," should have appeared between the words "a party affiliated with" and "the committee" in that sentence.

Mr. President, the urgent need for the protection that S. 875 affords justifies our expenditious consideration of this bill, and I hope that we can approve it without further delay.

Mr. CHAFEE. Mr. President, I am delighted that the Senate is considering and will shortly adopt this bill. It is critically needed, because it will provide a new measure of deterrence against the sale in the United States of what are termed counterfeit goods.

The influx of such goods has become an epidemic. Manufactured abroad, these look-alike products attempt to duplicate the genuine U.S. product, in part by using the U.S. trademark. This is not merely a blatantly unfair trade practice. These products can also be a threat to the safety and health of the user, when they do not perform to the standard expected of the real article. And they destroy the markets of U.S. companies and the jobs of U.S. workers.

A recent article in Congressional Quarterly explored at length the growing problem of counterfeit imports. It cited the case of an executive of the Fram Co., which happens to be located in Rhode Island. This executive spotted what appeared to be a Fram filter for sale, at a bargain price, in a Southeast Asian country. On inspection he found instead that it was merely a cleverly painted tin can. Surely it would have in short order destroyed any engine on which it was employed.

S. 875, by providing new penalties against those who sell or traffick in such goods when they are sold in the United States, will surely help deter the sale of such products. It will thus enhance the sales of those U.S. companies whose markets they have been invading.

I am especially pleased because the bill is one of those measures recommended for enactment this year by the Senate Republican Conference's Task Force on Industrial Competitiveness and International Trade, which I have had the privilege to chair. It is a product of the work of the Senate Subcommittee on Patents, Copyrights and Trademarks, led by my very able colleague, the senior Senator from Maryland [Mr. MATHIAS] and the Judiciary Committee, chaired by the distinguished senior Senator from South Carolina [Mr. THURMOND], the President pro tempore. Under their leadership this bill has been reported and I am confident will shortly be passed. Hopefully the House will soon follow suit and we can begin to curb the rampant abuse of U.S. consumers, companies and their employees that results from the influx of counterfeit imports.

Mr. LAUTENBERG. Mr. President, I rise in support of S. 875, the Trademark Counterfeiting Act of 1984. Counterfeiting of products is a problem of continuing concern to me, and I have authored and cosponsored legislation to prevent these occurrences. I was pleased to cosponsor S. 875 because I believe this act will contribute to stemming the tide of counterfeit products which are flooding the American market and damaging those businesses which produce the genuine articles. It is time that this action was taken. We cannot countenance continued trafficking in counterfeit goods and services.

We have all heard the horror stories of counterfeit goods invading the marketplace. These goods range from basketballs to Apple computers, to automobile filters, to chemical fertilizers. Some of these products are obviously recreational. Others, however, are more critical and the mistaken use of counterfeit products in place of the genuine item can lead to substantial destruction of property. In some cases, it may threaten the life of unsuspecting purchasers.

Up until now, there has been little legal recourse under Federal statutes for trademark owners so seek redress for the false use of their trademarks. S. 875 would finally establish such laws and provide sufficient means for combating this type of commercial fraud which undermines the long-term health of the American economy.

S. 875 would fine any individual who trafficks in counterfeit goods and services up to $250,000 and would provide up to 5 years of imprisonment. A corporation found guilty of the same offense would be fined up to $1,000,000. In addition, trademark owners may sue for either treble damages or treble defendant's profits, whichever is greater, in Federal district courts. Some may argue that these are stiff criminal penalties. I believe they need to be stiff in order to dissuade those who so far have only considered the profits, and not the penalties, of trafficking in counterfeit goods and services.

I hope my colleagues will join me in supporting S. 875. It represents a vital step toward curbing a lawless trade which is jeopardizing America's economic recovery and growth.

Mr. STEVENS. Mr. President, I ask that the committee substitute, as amended, be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment in the nature of the substitute, as amended.

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

The PRESIDING OFFICER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 875

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

Act may be cited as the "Trademark Counterfeiting Act of 1984".

SEC. 2. (a) Chapter 113 of title 18, United States Code, is amended by inserting after section 2319 the following:

"§ 2320. Trafficking in counterfeit goods or services

"(a) Whoever intentionally traffics or attempts to traffic in goods or services knowing such goods or services to be counterfeit shall, if such offender is an individual, be fined not more than $250,000 or imprisoned for not more than five years, or both, or if such offender is a corporation, partnership, association, or other legal entity, be fined not more than $1,000,000.

"(b) As used in this section—

"(1) 'counterfeit goods or services' means—

"(A) goods or services—

"(i) on or in connection with which a spurious mark, which is identical to or substantially indistinguishable from a genuine mark, is used or intended to be used; and

"(ii) for which the genuine mark is registered on the principal register in the United States Patent and Trademark Office and is in use; or

"(B) goods or services on or in connection with which a designation that is identical to or substantially indistinguishable from a designation that is specifically protected by section 110 of the Amateur Sports Act of 1978 (36 U.S.C. 380) is used or intended to be used in a manner prohibited by such Act, without the consent of the United States Olympic Committee; and

"(2) 'traffic' means to transport, transfer, or otherwise dispose of, to another, as consideration of anything of value, or to make or obtain control of with intent to so transport, transfer, or dispose of; and

"(3) 'spurious mark' means a mark that is not genuine or authentic.

"(c)(1) A defendant who traffics in goods or services that are alleged to be counterfeit shall not be subject to the criminal penalties or civil remedies of this section if the defendant establishes by a preponderance of the evidence that adequate labeling was provided on the goods or services and that adequate notice was provided to the registrant of the genuine mark.

"(2)(A) Labeling shall be deemed adequate if, in each place where the allegedly spurious mark is used, the labeling clearly and conspicuously identifies the manufacturer of the goods or provider of the services, and disclaims any license from or affiliation with the owner of the genuine mark.

"(B) Notice to the registrant of the genuine mark shall be deemed adequate if it was in writing and—

"(i) was actually served upon the registrant of the mark at least thirty days before the defendant trafficked in goods or services using the allegedly spurious mark,

"(ii) stated the defendant's full name and business addresses,

"(iii) identified in detail the proposed mark and the goods or services for which the defendant planned to use the mark, and

"(iv) stated the date upon which the defendant intended to begin trafficking in goods or services using the mark.

The notice shall be deemed inadequate if the trafficking began before the date specified in the notice.

"(3) Adequate notice and labeling under this subsection shall not be an affirmative defense for a defendant who traffics in counterfeit goods or services while the defendant is subject to a court order restraining or enjoining such trafficking.

"(4) A party's compliance with the notice and labeling provisions of this subsection shall not be dispositive of that party's liability under any other provision of law, including any Federal, State, or other law.

"(d)(1) An action seeking civil remedies for a violation of subsection (a) of this section may be brought, without regard to the amount in controversy, in any district court of the United States in the district in which the violation occurred or in which the defendant resides, is found, has an agent, or transacts business. Such an action may be brought by either a registrant of a mark registered on the principal register in the United States Patent and Trademark Office whose business or property is or may be injured by reason of a violation of this section involving the mark of the registrant, or by the United States Olympic Committee. Upon establishing such a violation by a preponderance of the evidence, such civil claimant shall recover—

"(A) the greater of treble claimant's damages or treble defendant's profits,

"(B) the claimant's costs of the action, and

"(C) the claimant's costs of investigating the violation and prosecuting the suit, including reasonable investigator's and attorney's fees.

In assessing defendant's profits, the claimant shall be required to prove defendant's sales only. The defendant must prove all elements of cost or deduction claimed therefrom.

"(2) The court, on a motion promptly made, may in its discretion award prejudgment interest on the monetary recovery awarded under this subsection and subsections (f)(3) and (i) of this section, at an annual interest rate established under section 6621 of the Internal Revenue Code of 1954, commencing on the date of the service of the civil claimant's pleadings setting forth the claim for monetary recovery and ending on the date such judgment is awarded, or for such shorter time as the court deems appropriate.

"(3) A final judgment or decree rendered in favor of the United States in any criminal proceeding brought by the United States under this section shall estop the defendant from denying the essential allegations of the criminal offense in any civil proceeding brought by any civil claimant under this section.

"(e) All defenses available in an action brought under the Act of July 5, 1946, commonly known as the Trademark Act of 1946 (60 Stat. 427; 15 U.S.C. 1051 et seq.) shall be available, if relevant, in any criminal or civil action brought under this section.

"(f)(1) In any civil proceeding brought pursuant to this section the district courts of the United States shall have jurisdiction to prevent and restrain trafficking in counterfeit goods or services by issuing appropriate orders, including, in appropriate circumstances, temporary restraining orders on notice to the defendant, ex parte temporary restraining orders, and ex parte orders for the seizure of counterfeit goods and the following materials:

"(A) spurious marks;

"(B) the means of making such spurious marks;

"(C) articles in the defendant's possession bearing such spurious marks, or on or in connection with which such spurious marks are intended to be used; and

"(D) business records documenting the manufacture, purchase, or sale of counterfeit goods or of the materials listed in subparagraphs (A) through (C) of this paragraph.

"(2) Any business records seized through an ex parte seizure order in a civil proceeding under this section shall be taken into the custody of the court. The applicant or its representatives shall not be permitted to see any such records during the course of the seizure or thereafter, except under an appropriate protective order, issued on notice to the person from whom the records were seized, with respect to confidential business information.

"(3) Ex parte seizure orders under this section shall be subject to the Federal Rules of Civil Procedure. No such order shall be issued unless the applicant—

"(A) provides an affidavit clearly setting forth specific facts in support of the need for the seizure order, and

"(B) provides security in an amount the court deems adequate to compensate any person for damages such person may suffer as a result of a wrongful seizure or wrongful attempted seizure of such person's property under this subsection.

Such damages shall include, but not be limited to, lost profits, the cost of materials, and loss of good will. In any case in which it is shown that the applicant caused the seizure without adequate evidence that the goods or materials were counterfeit, damages shall include reasonable attorney's fees. The court shall place under seal any order for an ex parte seizure under this section until the defendant has been given an opportunity to contest such order.

"(4) No order for an ex parte seizure under this subsection shall be issued unless the court finds that a temporary restraining order on notice to the defendant, or an ex parte temporary restraining order, would be inadequate to protect the applicant's interests. In particular, no court shall issue any order for an ex parte seizure under this subsection unless it clearly appears from specific facts offered under oath or affirmation that—

"(A) counterfeit goods or the materials described in paragraph (1) are located at the place identified in the affidavit, and

"(B) the applicant will suffer immediate and irreparable injury, loss, or damage if the goods or materials are not seized through execution of an ex parte order, in that—

"(i) the person from whom the goods or materials are to be seized would not comply with an order to retain the goods or materials and to make them available to the court, but would instead make the goods or materials inaccessible by destroying, hiding, or transferring them; or

"(ii) the person from whom the goods or materials are to be seized will otherwise act to frustrate the jurisdiction of the court in a proceeding under this section.

If the applicant can make this showing, the applicant need not make any further showing about the defendant's state of mind in order to obtain an ex parte seizure order.

"(5) Any order for a seizure under this subsection shall particularly describe the goods or materials to be seized, the place from which they are to be seized, and the amount of security provided by the applicant.

"(6) Any seizure ordered under this subsection shall specify that such order is to be carried out by a United States Marshal or other law enforcement officer or agency designated by the court. Any matter seized shall be taken into the custody of the court,

pending a hearing to be conducted within 10 days after the seizure concerning the legality of the seizure and the need for injunctive relief, if any. Such hearing shall be conducted pursuant to rule 65 of the Federal Rules of Civil Procedure. All parties shall be granted, upon request, expedited discovery in connection with such hearing. Should the plaintiff fail to make the showing required by rule 65, the goods or materials seized shall be returned to the defendant, unless the court specifically finds that the goods or materials are counterfeit, in which case the court may retain them for evidentiary purposes. Such seizure shall be made only after the order has been served upon the defendant, his agent, accomplice, or designee. The applicant shall give notice of an application for an order under this section to the United States Attorney for the district in which the issuing court sits. Such notice shall be given at least twenty-four hours before the order becomes effective, unless the court determines that such notice would be impracticable.

"(7) No order for a seizure shall be issued under this subsection if the defendant has complied with the notice and labeling provisions of subsection (c) of this section.

"(g) The court shall employ appropriate procedures to ensure that confidential business information is not improperly disclosed in discovery proceedings in civil cases under this section.

"(h) If, in any civil or criminal action brought under this section, the court determines that the goods or services at issue are counterfeit, the court may, after reasonable notice to the United States Attorney for the district in which the issuing court sits, order the destruction of all counterfeit goods, spurious marks, means of making such spurious marks, and materials bearing such spurious marks, which are in the possession or control of the court or any party to the action; or, after obliteration of any spurious mark, the court may order the disposal of such goods, marks, means, or materials to the United States or an eleemosynary institution.

"(i) When a civil claimant in bad faith pleads or pursues a cause of action under subsection (d) of this section, the court shall award damages to the defendant, including punitive damages when appropriate, and the costs of defending the cause of action, including reasonable investigator's and attorney's fees incurred by the defendant.

"(j) Nothing in this section shall supersede or change any provision of Federal, State, or other law imposing criminal penalties or affording civil remedies in addition to those provided for in this section, except that no civil claimant who recovers treble damages or treble profits pursuant to this section shall also be entitled to corresponding recovery under any other Federal, State, or other law in connection with the same underlying occurrences or transactions. Any provisional or equitable remedy that would be available in a comparable civil action under the Trademark Act of 1946 shall, to the same extent and upon a comparable showing, be available under this section.

"(k) The remedies available in any civil action under this section shall be subject to the limitations specified in section 32 of the Trademark Act of 1946 (15 U.S.C. 1114(2)).".

SEC. 3. The table of sections for chapter 113 of title 18, United States Code, is amended by adding after the item relating to section 2319 the following new item:

"2320. Trafficking in counterfeit goods or services.".

SEC. 4. (a) Section 32(1) of the Trademark Act of 1946 (15 U.S.C. 1114(1)) is amended by striking out "counterfeit," in clauses (a) and (b).

(b) Section 36 of the Trademark Act of 1946 (15 U.S.C. 1118) is amended by striking out "counterfeit,".

(c) Section 45 of the Trademark Act of 1946 (15 U.S.C. 1127) is amended by striking out the paragraph beginning "A 'counterfeit' is".

(d) Section 526(e) of the Tariff Act of 1930 (19 U.S.C. 1526(e)) is amended by striking out "a counterfeit mark (within the meaning of section 45 of the Act of July 5, 1946 (commonly referred to as the Lanham Act, 60 Stat. 427; 15 U.S.C. 1127))" and inserting in lieu thereof "a spurious mark that is identical to, or substantially indistinguishable from, a mark registered on the principal register in the United States Patent and Trademark Office, which is".

SEC. 5. This Act shall take effect upon enactment.

Passed the Senate June 28 (legislative day, June 25), 1984.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ALCOHOL ABUSE, DRUG ABUSE, AND MENTAL HEALTH AMENDMENTS OF 1984

Mr. STEVENS. Mr. President, I ask unanimous consent that the Labor and Human Resources Committee be discharged from further consideration of H.R. 5603, the Alcohol Abuse, Drug Abuse, and Mental Health Amendments of 1984, and ask for immediate consideration of the bill.

The PRESIDING OFFICER. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (H.R. 5603) to amend the Public Health Service Act to revise and extend the authorities of that Act for assistance for alcohol and drug abuse and mental health services and to revise and extend the Development Disabilities Assistance and Bill of Rights Act.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alaska?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 3373

(Purpose: To substitute the Senate bill)

Mr. STEVENS. Mr. President, on behalf of Senator HATCH, I send an amendment to the desk in the nature of a substitute and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], on behalf of Mr. HATCH, proposes an amendment numbered 3373.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment reads as follows:

(The text of the amendment was printed earlier in today's RECORD under Amendments Submitted.)

Mr. HATCH. Mr. President, on June 26, the Senate passed by voice vote S. 2572, the Developmental Disabilities Assistance and Bill of Rights Act of 1984. Previously, on June 11, 1984, the House passed their version of this reauthorization legislation as title II of H.R. 5603, the Alcohol Abuse, Drug Abuse, and Mental Health Amendments of 1983.

The substitute is the text of S. 2573 as passed unanimously by the Senate.

So that the record may be clear, we have an understanding with the House that the two distinct legislative areas contained within H.R. 5603, Alcohol, Drug Abuse, and Mental Health Programs (title I) and Developmental Disabilities Programs (title II) will be conferenced independently of each other. I anticipate the House and Senate will use an earlier Senate-passed bill, S. 2303, the Alcohol, Drug Abuse, and Mental Health Block Grant Amendments as the vehicle for conferencing title I of H.R. 5603 while H.R. 5603 will be used to conference the text of S. 2573 with title II of H.R. 5603.

Finally, to assure continuity of legislative history, I would like to specifically reference the floor debate on S. 2573 which is found on pages S. 8286 through S. 8288 of the CONGRESSIONAL RECORD of June 26, 1984. My own statement as well as the following Senators, Mr. WEICKER, Mr. DOLE, Mr. STAFFORD, Mr. LEAHY, and Mr. RANDOLPH'S statements can be found in this section of the RECORD.

Mr. STEVENS. Mr. President, I ask for the adoption of the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 3373) was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and the third reading of the bill.

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

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 5603) was passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I send to the desk an amendment to the title and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

Amend the title so as to read: "A bill to revise and extend programs for persons with developmental disabilities.".

The PRESIDING OFFICER. The question is on agreeing to the amendment to amend the title.

The amendment was agreed to.

Mr. STEVENS. Mr. President, I move that the Senate insist on its amendment and request a conference with the House and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. COCHRAN) appointed Mr. HATCH, Mr. WEICKER, Mr. STAFFORD, Mr. KENNEDY, and Mr. RANDOLPH conferees on the part of the Senate.

HIGH-SPEED INTERCITY RAIL PASSENGER STUDY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate turn to the consideration of H.R. 4308, the high-speed intercity rail passenger study now being held at the desk.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, the bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 4308) granting the consent of the Congress to an interstate compact for the preparation of a feasibility study for the development of a system of high-speed intercity rail service.

Mr. STEVENS. Mr. President, I ask for the immediate consideration of the bill.

There being no objection, the Senate proceeded to consider the bill.

Mr. PERCY. Mr. President, I rise today in support of H.R. 4308, a bill to establish a high-speed rail passenger compact for the five States of Illinois, Ohio, Indiana, Michigan, and Pennsylvania. This legislation is similar to the high-speed compact bill which I cosponsored along with several of my colleagues when it was introduced in April by Senator HEINZ.

The purpose of the high-speed rail passenger compact is to promote the design, development, construction, and use of high-speed rail transportation. I want to emphasize that H.R. 4308 provides only that the compact will qualify as a federally recognized compact and allows the five States to continue their feasibility study of a high-speed rail system. It does not authorize expenditures of any Federal funds. The bill would also establish an Interstate Rail Passenger Advisory Council which would be made up of representatives from each of the five States and eventually have the responsibility of establishing schedules, routes, and other activities.

I believe the time has come to seriously study this new transportation technology as a needed development in the public transportation infrastructure. Illinois, Ohio, Indiana, Michigan, and Pennsylvania comprise an area especially suited for a high-speed rail corridor and I have little doubt people would utilize the system if it is offered to them at a low cost and and as a timesaving method of transportation.

The economic impacts of a high-speed rail system are especially significant. A high-speed rail line would provide an ongoing source of employment as well as enhance the economic development of the States by providing permanent jobs to start and maintain such a system. Studies have indicated that a 200-mile corridor, for example, would provide 40,000 jobs during the construction period. In addition, many other jobs would be created in service and supply industries.

One of the corridors which has been contemplated for a very high speed rail line is the 80-mile route between Milwaukee and Chicago's O'Hare Airport. Other routes in Illinois have been outlined as well, including Chicago-Detroit and Chicago-St. Louis. The Illinois General Assembly has passed legislation authorizing the State to join the high-speed rail compact, and this bill was signed into law by the Governor on September 17, 1980.

A number of other corridors have been identified as well for high-speed rail within the five State compact. The technical committee of the compact has prepared a table of possible routes. Mr. President, I ask unanimous consent that the table entitles "Selected Corridor Population and Travel Data" be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SELECTED CORRIDOR POPULATION AND TRAVEL DATA

Corridor	SMSA population [1] (thousands)	Miles [2]	Population mile (thousands)	Daily person trips [3]	
				Over 100 miles	Over 50 miles
Philadelphia, Harrisburg, Pittsburgh	8,055	313	25.7	22,000	NA
Pittsburgh, Cleveland, Detroit	10,774	327	32.9	13,700	38,500
Cleveland, Columbus, Cincinnati	6,142	272	22.6	14,200	18,400
Detroit, Columbus, Cincinnati	8,728	304	28.7	13,200	25,800
Detroit, Kalamazoo, Chicago	12,925	275	47.0	15,900	26,000
Cincinnati, Indianapolis, Chicago	10,315	295	35.0	15,900	NA
Chicago, Milwaukee	8,501	87	97.7	NA	NA
Chicago, Springfield, St. Louis	9,460	291	32.5	14,500	NA

[1] 1980 U.S. Census of Population for SMSA's (over 200,000 population in contiguous urban areas) only.

[2] Highway mileage from 1984 Rand McNally Road Atlas.

[3] Preliminary estimate of total person trip travel by corridor. The columns represent the total number of person trips between corridor communities which are over 100 miles or over 50 miles in distance.

Mr. PERCY. Mr. President, let us pass this bill soon. The Federal Government ought to offer this very limited assistance to the States by lending congressional sanction to the high speed rail compact. This very small investment will, I feel certain, pay large dividends in the future.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 4308) was ordered to a third reading, was read the third time, and passed.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 746.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 746) entitled "An Act to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois, and for other purposes", do pass with the following amendment: Strike out all after the enacting clause and insert:

TITLE I

SHORT TITLE

SEC. 101. This title may be cited as the "Illinois and Michigan Canal National Heritage Corridor Act of 1984".

FINDINGS; PURPOSE

SEC. 102. (a) FINDINGS.—The Congress makes the following findings:

(1) An abundance of sites and structures within the corridor defined by the Illinois and Michigan Canal from Chicago, Illinois, to LaSalle-Peru, Illinois, symbolize in physical form the cultural evolution from prehistoric aboriginal tribes living in naturally formed ecosystems through European exploration, nineteenth century settlement, commerce, and industry right up to present-day social patterns and industrial technology.

(2) The corridor has become one of the most heavily industrialized regions of the Nation and has potential for further economic expansion and modernization. The area in which the corridor is located is currently experiencing high rates of unemployment and industrial migration. Establishment of the corridor as provided in this Act may provide the stimulus required to retain existing industry and to provide further industrial growth and commercial revitalization.

(3) Despite efforts by the State, political subdivisions of the State, volunteer associa-

tions, and private business, the cultural, historical, natural, and recreational resources of the corridor have not realized full potential social value and may be lost without assistance from the Federal Government.

(b) PURPOSE.—It is the purpose of this title to retain, enhance, and interpret, for the benefit and inspiration of present and future generations, the cultural, historical, natural, recreational, and economic resources of the corridor, where feasible, consistent with industrial and economic growth.

DEFINITIONS

SEC. 103. For purposes of this title—

(1) the term "canal" means the Illinois and Michigan Canal, as depicted on the map referred to in section 104(b);

(2) the term "Commission" means the Illinois and Michigan Canal National Heritage Corridor Commission established in section 105;

(3) the term "corridor" means the Illinois and Michigan Canal National Heritage Corridor established in section 104(a);

(4) the term "Governor" means the Governor of the State of Illinois;

(5) the term "National Park Service report" means the report of the National Park Service, dated November 1981, which contains a conceptual plan and implementation strategies for the corridor;

(6) the term "plan" means the goals, objectives, and action statements of the conceptual plan which—

(A) is contained in the National Park Service report; and

(B) may be modified by the Commission under section 108(h);

(7) the term "political subdivision of the State" means any political subdivision of the State of Illinois, any part of which is located in or adjacent to the corridor, including counties, townships, cities, towns, villages, park districts, and forest preserve districts;

(8) the term "Secretary" means the Secretary of the Interior; and

(9) the term "State" means the State of Illinois.

ESTABLISHMENT, BOUNDARIES, AND ADMINISTRATION OF CORRIDOR

SEC. 104. (a) ESTABLISHMENT.—To carry out the purpose of this title, there is established the Illinois and Michigan Canal National Heritage Corridor.

(b) BOUNDARIES.—(1) The corridor shall consist of the areas depicted on the map dated May 1983, and numbered IMC-80,000, entitled "Illinois and Michigan Canal National Heritage Corridor". Such map shall be on file and available for public inspection in the offices of the Commission and in the offices of the National Park Service.

(2) Upon a request of the Commission signed by not less than twelve members of the Commission, the Secretary may make minor revisions in the boundaries of the corridor. Any such revision shall take effect upon publication by the Secretary in the Federal Register of a revised boundary map.

(c) ADMINISTRATION.—The corridor shall be administered in accordance with this Act.

ESTABLISHMENT OF ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR COMMISSION

SEC. 105. There is established a commission to be known as the Illinois and Michigan Canal National Heritage Corridor Commission which shall carry out the duties specified in section 109.

ORGANIZATION OF COMMISSION

SEC. 106. (a) MEMBERSHIP.—The Commission shall be composed of nineteen members as follows:

(1) The Director of the National Park Service, ex officio, or a delegate.

(2) Three individuals, nominated by the Governor and appointed by the Secretary, who will represent the interests of State and local government.

(3) One member of the board of a forest preserve district, any part of which is located in or adjacent to the corridor, who shall be nominated by the Governor and appointed by the Secretary. Appointments made under this paragraph shall rotate among the three forest preserve districts, parts of which are located in the corridor, in a manner which will ensure fairly equal representation on the Commission for each such district.

(4) One member of the county board of each county, any part of which is located in the corridor (other than the county which is represented on the Commission by the member appointed under paragraph (5)), who shall be nominated by the Governor and appointed by the Secretary.

(5) Five individuals, nominated by the Governor and appointed by the Secretary, who will represent the interests of history, archaeology, and historic preservation; of recreation; and of conservation.

(6) Five individuals, nominated by the Governor and appointed by the Secretary, who will represent the interests of business and industry.

The Secretary may request that additional names be submitted for members appointed pursuant to paragraphs (2) through (6). Members appointed under paragraphs (5) and (6) shall be selected with due consideration to equitable geographic distribution. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(b) TERMS.—(1) Except as provided in paragraphs (2) and (3), members of the Commission shall be appointed for terms of three years.

(2) Of the members of the Commission first appointed under paragraphs (2), (3), (4), (5), and (6) of subsection (a)—

(A) six shall be appointed for terms of one year;

(B) six shall be appointed for terms of two years; and

(C) six shall be appointed for terms of three years, as designated by the Governor at the time of nomination.

(3) Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member of the Commission may serve after the expiration of his term until his successor has taken office.

(c) COMPENSATION.—Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

(d) CHAIRPERSON.—(1) The chairperson of the Commission shall be elected by the members of the Commission from among members appointed under paragraphs (5) and (6) of subsection (a).

(2)(A) Except as provided in subparagraph (B), the term of the chairperson shall be two years.

(B) If a member is appointed to a term on the Commission which is less than two years and is elected chairperson of the Commission, then such member's term as chairperson shall expire at the end of such member's term on the Commission.

(e) QUORUM.—(1) Ten members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(2) Any member of the Commission may vote by means of a signed proxy exercised by another member of the Commission, but any member so voting shall not be considered present for purposes of establishing a quorum.

(3) The affirmative vote of not less than ten members of the Commission shall be required to approve the budget of the Commission.

(f) MEETINGS.—The Commission shall meet at least quarterly at the call of the chairperson or ten of its members. Meetings of the Commission shall be subject to section 552b of title 5, United States Code (relating to open meetings).

STAFF OF COMMISSION

SEC. 107. (a) DIRECTOR AND STAFF.—(1) The Commission shall have a Director who shall be appointed by the Commission and who shall be paid at a rate not to exceed the minimum rate of basic pay payable for level GS-15 of the General Schedule.

(2) The Commission may appoint such additional staff personnel as the Commission considers appropriate and may pay such staff at rates not to exceed the minimum rate of basic pay payable for level GS-15 of the General Schedule. Such staff may include specialists in areas such as interpretation, historic preservation, recreation, conservation, commercial and industrial development and revitalization, financing, and fundraising.

(3) Except as otherwise provided in this subsection, such Director and staff—

(A) shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service; and

(B) shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) EXPERTS AND CONSULTANTS.—Subject to such rules as may be adopted by the Commission, the Commission may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code, but at rates determined by the Commission to be reasonable.

(c) STAFF OF OTHER AGENCIES.—(1) Upon request of the Commission, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out the Commission's duties under section 109.

(2) The Commission may accept the services of personnel detailed from the State or any political subdivision of the State and may reimburse the State or such political subdivision for such services.

POWERS OF COMMISSION

SEC. 108. (a) HEARINGS.—(1) The Commission may, for the purpose of carrying out this title, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

(2) The Commission may not issue subpenas or exercise any subpena authority.

(b) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission, if so authorized by the Commission, may take any action which the Commission is authorized to take by this title.

(c) ADMINISTRATIVE SUPPORT SERVICES.—The Administrator of General Services shall provide to the Commission, on a reimbursable basis, such administrative support services as the Commission may request.

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) USE OF APPROPRIATED AMOUNTS TO OBTAIN FEDERAL FUNDING.—Notwithstanding any other provision of law, for purposes of any law conditioning the receipt of Federal funding on a non-Federal contribution, any portion of the amounts appropriated pursuant to section 116 of this title may, at the election of the Commission, be used as such non-Federal contribution.

(f) GIFTS.—(1) Except as provided in subsection (g)(2)(B), the Commission may, for purposes of carrying out its duties, seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services, received from any source.

(2) For purposes of section 170(c) of the Internal Revenue Code of 1954, any gift to the Commission shall be deemed to be a gift to the United States.

(g) ACQUISITION OF REAL PROPERTY.—(1) Except as provided in paragraph (2) and except with respect to any leasing of facilities under subsection (c) of this section, the Commission may not acquire any real property or interest in real property.

(2) Subject to paragraph (3) of this subsection, the Commission may acquire real property, or interests in real property, in the corridor—

(A) by gift or devise; or

(B) by purchase from a willing seller.

(3) Any real property or interest in real property acquired by the Commission under paragraph (2) shall be conveyed by the Commission to an appropriate public or private land managing agency with the consent of such agency, as determined by the Commission. Any such conveyance shall be made—

(A) as soon as practicable after such acquisition;

(B) without consideration; and

(C) on the condition that the real property or interest in real property so conveyed is used for public purposes, consistent with the plan.

(h) MODIFICATION OF PLAN.—The Commission may modify the plan if the Commission determines that such modification is necessary to carry out the purpose of this Act. No such modification shall take effect until—

(1) the State and any political subdivision of the State which would be affected by such modification receives notice of such modification; and

(2) if such modification is significant (as determined by the Commission) the Commission—

(A) provides adequate notice (as determined by the Commission) of such modification by publication in the area of the corridor; and

(B) conducts a public hearing with respect to such modification.

(i) COOPERATIVE AGREEMENTS.—For purposes of carrying out the plan, the Commission may enter into cooperative agreements with the State, with any political subdivision of the State, or with any person. Any such cooperative agreement shall, at a minimum, establish procedures for providing notice to the Commission of any action proposed by the State, such political subdivision, or such person which may affect the implementation of the plan.

(j) ADVISORY GROUPS.—The Commission may establish such advisory groups as the Commission deems necessary to ensure open communication with, and assistance from, the State, political subdivisions of the State, and interested persons.

DUTIES OF COMMISSION

SEC. 109. (a) IMPLEMENTATION OF PLAN.—The Commission shall implement and support the plan as follows:

(1)(A) The Commission shall assist the State, any political subdivision of the State, or any nonprofit organization in the appropriate preservation treatment and renovation (in accordance with the plan) of structures of the canal.

(B) In providing such assistance, the Commission shall in no way infringe upon the authorities and policies of the State or of any political subdivision of the State concerning the management of canal property.

(C) In providing such assistance or in carrying out any other provision of this Act, the Commission shall not be required to adopt the specifics recommended in the Historic American Engineering Record study published in April 1981.

(2)(A) The Commission shall assist the State or any political subdivision of the State in establishing and maintaining intermittent recreational trails which are compatible with economic development interests in the corridor.

(B) In providing such assistance, the Commission shall in no way infringe upon the authorities and policies of the State or of any political subdivision of the State.

(3) The Commission shall encourage private owners of property which is located in or adjacent to the corridor to retain voluntarily, as a good neighbor policy, a strip of natural vegetation as a visual screen and natural barrier between recreational trails established under paragraph (2) and development in the corridor.

(4) The Commission shall assist in the preservation and enhancement of Natural Areas Inventory, prepared by the Illinois Department of Conservation—

(A) by encouraging private owners of such natural areas to adopt voluntary measures for the preservation of such natural areas; or

(B) by cooperating with the State or any political subdivision of the State in acquiring, on a willing seller basis, any such natural area.

In providing such assistance, the Commission shall in no way infringe upon the authorities and policies of the State or of any political subdivision of the State.

(5) The Commission shall assist in the enhancement of public awareness of, and appreciation for, the historical, architectural, and engineering structures in the corridor and the archaeological and geological resources and sites in the corridor—

(A) by consulting with the Secretary with respect to inventories to be completed by the Secretary under section 12(1);

(B) by encouraging private owners of structures, sites, and resources identified in such inventories to adopt voluntary measures for the preservation of such structures, sites, and resources; or

(C) by cooperating with the State or any political subdivision of the State in acquiring, on a willing seller basis, any structure, site, or resource so identified.

(6) The Commission may assist the State, any political subdivision of the State, or any nonprofit organization in the restoration of any historic building in the corridor. Such assistance may include providing technical staff assistance for historic preservation and revitalization efforts.

(7) The Commission shall assist in the interpretation of the cultural and natural resources of the corridor—

(A) by consulting with the Secretary with respect to the implementation of the Secretary's duties under section 12(2);

(B) by establishing visitor orientation centers in the corridor;

(C) by encouraging voluntary cooperation and coordination between the Federal Government, the State, political subdivisions of the State, and nonprofit organizations with respect to ongoing interpretative services in the corridor; and

(D) by encouraging the State, political subdivisions of the State, and nonprofit organizations to undertake new interpretative initiatives with respect to the corridor.

(8) The Commission shall assist in establishing recognition for the corridor by actively promoting the cultural, historical, natural, and recreational resources of the corridor on a community, regional, statewide, national, and international basis.

(b) ENCOURAGEMENT OF ECONOMIC AND INDUSTRIAL DEVELOPMENT.—The Commission shall encourage, by appropriate means, enhanced economic and industrial development in the corridor consistent with the goals of the plan.

(c) ACCESS ROUTES AND TRAFFIC.—The Commission shall take appropriate action to ensure that—

(1) access routes to the canal and related sites are clearly identified; and

(2) traffic in the corridor is routed away from industrial access routes and sites.

(d) PROTECTIVE FEATURES.—(1) The Commission may finance the installation of a fence, warning sign, or other protective feature in the corridor by the State, by any political subdivision of the State, or by any person if such fence, sign, or other feature is approved by the Commission, any affected governmental body, and the owner and any user of property located adjacent to the property on which such fence, sign, or other feature is to be installed.

(2) The Commission shall not require the installation of any fence, warning sign, or other protective feature.

(e) REDUCING EXCESSIVE LIABILITY.—The Commission shall encourage the State to take appropriate action to ensure that owners and users of property located in or adjacent to the corridor will not be subject to excessive liability with respect to activities which are carried out by such owners and users on such property and which affect persons and property in the corridor.

(f) ANNUAL REPORTS.—Not later than May fifteen of each year (other than the year in which this Act is enacted) the Commission shall publish and submit an annual report concerning the Commission's activities to the Governor and to the Secretary.

RESTRICTIONS ON COMMISSION

SEC. 110. (a) RESTRICTIONS ON COMMISSION'S DEVELOPMENT.—(1) The Commission may not develop any site or structure in any area described in paragraph (2) unless such development involves the restoration, rehabilitation, or preservation of a facility existing on the date of the enactment of this Act.

(2) The areas referred to in paragraph (1) are the following areas:

(A) Any area in the corridor designated by the political subdivision of the State which has primary responsibility for regulating land use in such areas (as determined by the Commission) as suitable for industrial development. Areas so designated may include any area adjacent to the Illinois and Michigan Canal State Park, a conservation site, a historical site, or other visitor area.

(B) The area of the corridor in Grundy County, Illinois, extending from Morris, Illinois, to the eastern boundary of section 22, Aux Sable Township, but not including—

(i) lock eight and lock tender's house (identified as sites 1 and 2, respectively, on the map described in section 4(b));

(ii) Rutherford tavern, the old mule barn, and the historic cemetery (identified as sites 3, 4, and 5, respectively, on such map); and

(iii) any trail in such area which follows the historic towpath of the canal.

(C) The area of the corridor in Will County, Illinois, which extends from a line created from Interstate 55 to the center of the sailing line in the Des Plaines River, west on center line of sailing line to the intersection of the line formed by the eastern edge of sections 30 and 31 of Channahon Township east through Brandon Pool, but not including the trail in such area which follows the historic towpath of the canal.

(D) The area of the corridor in Will County, Illinois, which extends from the southern boundary of section 14, Lockport Township, to the eastern boundary of section 25, DuPage Township.

(b) RESTRICTIONS ON DEVELOPMENT OF TRAILS.—The Commission may not develop any new trail along the canal or historic towpath of the canal through industrial sites or railroad rights of way without concurrence of the owner, which—

(1) are located north of the city of Joliet, Illinois; and

(2) existed on the date of the enactment of this Act.

TERMINATION OF COMMISSION

SEC. 111. (a) TERMINATION.—Except as provided in subsection (b), the Commission shall terminate on the day occurring ten years after the date of the enactment of this Act.

(b) EXTENSION.—The Commission may extend the life of the Commission for a period of not more than five years beginning on the day referred to in subsection (a) if, not later than one hundred and eighty days before such day—

(1) the Commission determines such extension is necessary in order for the Commission to carry out the purpose of this title;

(2) the Commission submits such proposed extension to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate; and

(3) the Governor and the Secretary each approve such extension.

DUTIES OF THE SECRETARY

SEC. 112. To carry out the purpose of this Act, the Secretary shall have the following duties:

(1) Not later than September 30, 1985, and in consultation with the Commission, the Secretary shall complete—

(A) an inventory of sites and structures of historical, architectural, or engineering significance in the corridor; and

(B) an inventory of sites and resources of archaeological or geological significance in the corridor.

(2) Not later than September 30, 1986, in consultation with the Commission and in accordance with the plan, the Secretary shall—

(A) develop a thematic structure for the interpretation of the heritage story of the corridor; and

(B) design and fabricate interpretative materials based on such thematic structure, including—

(i) trail guide brochures for exploring such heritage story via private auto, bus, bike, boat, or foot, including brochures for exploring such heritage story in towns along the canal;

(ii) visitor orientation displays (including video presentations) at eight locations which are fairly distributed along the corridor;

(iii) a curriculum element for local schools; and

(iv) an appropriate mobile display depicting such heritage story.

(3) The Secretary shall, upon request of the Commission, provide technical assistance to the Commission in carrying out the provisions of section 109(a)(6). Such assistance may include recommendations concerning appropriate preservation treatment, adaptive reuse potential, strategies for finding private investors, and tax advantages available with respect to such rehabilitation.

(4) The Secretary shall make available to interested persons information which explains tax advantages available with respect to the rehabilitation of historical structures in the corridor.

(5) For each fiscal year during the life of the Commission, the Secretary shall make available to interested persons brochures which explain tax advantages available with respect to the rehabilitation of historical structures in the corridor.

(6) For each fiscal year during the life of the Commission, the Secretary shall detail to the Commission, on a nonreimbursable basis, two employees of the Department of the Interior to enable the Commission to carry out the Commission's duties under section 9.

DUTIES OF OTHER FEDERAL ENTITIES

SEC. 113. Any Federal entity conducting or supporting significant activities directly affecting the corridor shall—

(1) consult with the Secretary and the Commission with respect to such activities;

(2) cooperate with the Secretary and the Commission in carrying out their duties under this Act and, to the maximum extent practicable, coordinate such activities with the carrying out of such duties; and

(3) to the maximum extent practicable, conduct or support such activities in a manner which the Commission determines will not have an adverse effect on the resources cited in the National Park Service report.

CONVEYANCE OF CANAL TITLE BY UNITED STATES

SEC. 114. (a) CONVEYANCE TO STATE.—(1) Except as provided in subsection (b), the United States shall convey to the State by quitclaim deed any right, title, or interest of the United States to the real property described in the Act entitled "An Act relinquishing to the State of Illinois certain right, title, or interest of the United States of America, and for other purposes", approved July 1, 1947 (61 Stat. 237), comprising approximately two thousand six hundred acres. The instrument of conveyance shall require that, except as provided in paragraph (2) such real property be used and occupied only for highway, park, recreational, or other public purposes, including those provided for under this Act. Such real property may be leased for utility or transmission purposes (or may be transferred or leased for park, recreation, or other public purposes consistent with the plan) if the revenue from any such lease or transfer is used for park and recreational purposes within the corridor.

(2) The State, or its successors or assigns, may continue to lease for any purpose any portion of the real property described in subsection (a) which was leased on or before February 9, 1984, so long as the revenue from such lease is used for park or recreational purposes within the corridor. Any private person occupying any portion of the real property described in subsection (a) may continue to occupy such real property with the written permission of the State (or of any successor or assign of the State in the case of any property which has been transferred to a successor or assign.)

(3) Except as provided in paragraph (2), if any real property conveyed to the State under this section ceases to be used and occupied as provided in paragraph (1), then any right, title, or interest in the real property not so used and occupied shall revert to the United States. The conveyance by the United States under this subsection shall be subject to the condition that the State of Illinois, its successors, and assigns agree to hold the United States harmless from claims arising from or through the operations of the lands conveyed by the United States due to conditions existing at the time of this conveyance.

(b) CONSENT OF SECRETARY OF ARMY.—The interests in the canal prism and towpath lands (including reserved lands) in township 37 north, range 11 east, section 14; township 35 north, range 10 east, sections 9 and 16; township 35 north, range 10 east, sections 16, 20, and 21; township 34 north, range 9 east, section 31; and township 34 north, range 8 east, sections 22, 23, 25, 26, and 36, necessary for the operation and maintenance of the Illinois Waterway navigation project may be conveyed under subsection (a) only with the concurrence of the Secretary of the Army with such conditions as necessary to protect the navigation project.

EFFECT ON ENVIRONMENTAL AND OTHER STANDARDS; RESTRICTIONS; SAVINGS PROVISIONS

SEC. 115. (a) EFFECT ON ENVIRONMENTAL AND OTHER STANDARDS.—(1) Nothing in this Act shall be deemed to impose any environmental, occupational, safety, or other rule, regulation, standard, or permit process which is different from those presently applicable, or which would be applicable, had the corridor not been established.

(2) The establishment of the corridor shall not impose any change in Federal environmental quality standards. No portion of the corridor which is subject to part C of title I of the Clean Air Act (42 U.S.C. 7470 et seq.), as amended by the Clean Air Act Amendments of 1977, may be designated as class 1 for purposes of such part C solely by reason of the establishment of the corridor.

(3) No State or Federal agency shall impose more restrictive water use designations or water quality standards upon uses of, or discharges to, waters of the State or waters of the United States, within or adjacent to the corridor solely by reason of the establishment of the corridor.

(4) Nothing in the establishment of the corridor shall abridge, restrict, or alter any applicable rule, regulation, standard or review procedure for permitting of facilities within or adjacent to the corridor.

(5) Nothing in the establishment of the corridor shall affect the continuing use and operation, as presently located, of all public utilities and common carriers.

(6) Actions taken under this title to achieve the purposes described in section 102(b) shall emphasize voluntary cooperation.

(b) RESTRICTIONS ON COMMISSION AND SECRETARY.—Nothing in this title shall be construed to vest in the Commission or the Secretary any authority—

(1) to require the State, any political subdivision of the State, or any private person to participate in any project or program carried out by the Commission or the Secretary under this title;

(2) to intervene as a party in any administrative or judicial proceeding concerning the application or enforcement of any regulatory authority of the State or any political subdivision of the State, including any authority relating to land use regulation, environmental quality, licensing, permitting, easements, private land development, or other occupational or access issues;

(3) to establish or modify any regulatory authority of the State or of any political subdivision of the State, including any authority relating to land use regulation, environmental quality, or pipeline or utility crossings;

(4) to modify any policy of the State or of any political subdivision of the State; or

(5) to establish or modify any authority of the State or of any political subdivision of the State with respect to the acquisition of lands or interests in lands.

(c) SAVINGS PROVISION.—Nothing in this title shall diminish, enlarge, or modify any right of the State or of any political subdivision of the State—

(1) to exercise civil and criminal jurisdiction within the corridor; or

(2) to tax persons, corporations, franchises, or property, including minerals and other interests in or on lands or waters within the corridor.

AUTHORIZATION OF APPROPRIATIONS; ALLOCATION OF AMOUNTS FOR CERTAIN PURPOSES

SEC. 116. (a) AUTHORIZATION OF APPROPRIATIONS.—(1) For each fiscal year which commences after September 30, 1984, there is authorized to be appropriated—

(A) to the Commission a sum not to exceed $250,000 to carry out the Commission's duties under this title; and

(B) to the Secretary such sums as may be necessary to carry out the Secretary's duties under this title.

(2) Any sum appropriated under paragraph (1) shall remain available until expended.

(b) ALLOCATION OF AMOUNTS FOR CERTAIN PURPOSES.—Not less than 5 per centum of the aggregate amount available to the Commission from all sources for a fiscal year shall be used for carrying out each of the duties of the Commission specified in subsections (a)(1), (a)(2), (a)(3), (a)(4), (a)(5), (a)(6), (a)(7), (a)(8), and (b) of section 109.

COMPLIANCE WITH BUDGET ACT

SEC. 117. Any new spending authority described in subsection (c)(2)(A) of section 401 of the Congressional Budget Act of 1974 which is provided under this title shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.

TITLE II

SEC. 201. (a) The Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for other purposes" (68 Stat. 98; 16 U.S.C. 450jj), is amended by inserting after section 3 of the following new sections:

"SEC. 4. (a) The Secretary of the Interior is further authorized to designate for addition to the Jefferson National Expansion Memorial (hereinafter in this Act referred to as the 'Memorial') not more than three hundred and fifty acres in the city of East Saint Louis, Illinois, contiguous with the Mississippi River and between the Eads Bridge and the Poplar Street Bridge, as generally depicted on the map entitled 'Boundary Map, Jefferson National Expansion Memorial', numbered MWR-366/80,004, and dated February 9, 1984, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The additional acreage authorized by this section is in recognition of the historical significance of the Memorial site to the westward expansion of the United States and the historical linkage of this site on the Mississippi in both Missouri and Illinois to such expansion, the international recognition of the Gateway Arch, designed by Eero Saarinen, as one of the world's great sculptural and architectural achievements, and the increasing use of the Memorial site by millions of people from all over the United States and the world.

"(b) Within the area designated in accordance with this section, the Secretary of the Interior may acquire lands and interests in lands by donation, purchase with donated or appropriated funds, or exchange, except that lands owned by the State of Illinois or any political subdivision thereof may be acquired only by donation. The Secretary may not acquire by purchase (with donated or appropriated funds) fee title to more than one hundred acres within the area. If additional lands are acquired in fee by the Secretary by donation or exchange, the Secretary shall, in accordance with section 5 of this Act, transfer lands or interests in lands within the area until the Secretary does not have ownership in fee of more than one hundred acres within the area.

"SEC. 5. Where appropriate in the discretion of the Secretary of the Interior, he may transfer by lease or otherwise, to any appropriate person or governmental entity, land owned by the United States (or any interest therein) which has been acquired by the Secretary under section 4. Any such transfer shall be consistent with the management plan for the area and with the requirements of section 5 of the Act of July 15, 1968 (82 Stat. 356; 16 U.S.C. 4601-22) and shall be subject to such conditions and restrictions as the Secretary deems necessary to carry out the purposes of this Act, including terms and conditions which provide for—

"(1) the continuation of existing uses of the land which are compatible with the Memorial,

"(2) the protection of the important historical resources of the leased area, and

"(3) the retention by the Secretary of such access and development rights as the Secretary deems necessary to provide for appropriate visitor use and resource management. In transferring any lands or interest in lands under this section, the Secretary shall take into account the views of the Advisory Commission established under section 8.

"SEC. 6. Lands and interests in lands acquired pursuant to section 4, shall, upon acquisition, be a part of the Memorial. The Secretary of the Interior shall administer the Memorial in accordance with this Act and the provisions of law generally applicable to units of the national park system, including the Act entitled 'An Act to establish a National Park Service, and for other purposes', approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467). In the development, management, and operation of that portion of the Memorial which is added to the Memorial under section 4, the Secretary shall, to the maximum extent feasible, utilize the assistance of State and local government agencies and the private sector. For such purposes, the Secretary may, consistent with the management plan for the area, enter into cooperative agreements with the State, with any political subdivision of the State, or with any person. Any such cooperative agreement shall, at a minimum, establish procedures for providing notice to the Secretary of any action proposed by the State, such political subdivision, or such person, which may affect the area.

"SEC. 7. (a) Within eighteen months after the date of enactment of this section, the Secretary of the Interior, in consultation with the Jefferson National Expansion Memorial Advisory Commission established in section 8, shall develop and transmit to the Congress a general management plan for the Memorial. The Memorial management plan shall include—

"(1) measures for the preservation of the area's resources;

"(2) indications of types and general intensities of development (including visitor circulation and transportation patterns, systems, and modes) associated with public enjoyment and use of the area, including general locations, timing of implementations, and anticipated costs;

"(3) identification of any implementation commitments for visitor carrying capacities for all areas of the area;

"(4) indications of potential modifications to the external boundaries of the area, and the reasons therefor; and

"(5) measures for insuring that the development, management, and operation of the area in the State of Illinois is compatible with the portion of the Memorial in the State of Missouri.

"(b)(1) The Memorial management plan shall identify—

"(A) opportunities for cooperative activities in the development, management, and operation of the East Saint Louis portion of the Memorial with other Federal, State, and local agencies, and the private sector; and

"(B) effective and appropriate ways to increase local participation in the management of the East Saint Louis portion of the Memorial to help reduce the day-to-day administrative responsibilities of the National Park Service and to increase opportunities for local employment.

"(2) In preparing the management plan, the Secretary shall take into account other Federal, State, and local plans and studies which are being carried out respecting the area, including the study being conducted by the National Park Service on the feasibility of a museum of American ethnic culture to be a part of a development plans for the Memorial.

"SEC. 8. (a) There is hereby established the Jefferson National Expansion Memorial Advisory Commission (hereinafter in this Act referred to as the 'Commission').

"(b)(1) The Commission shall—

"(A) advise the Secretary of the Interior on the planning, development, management, and operation of the Memorial;

"(B) during the development of the management plan required by section 7, identify needs and opportunities for the esthetic and economic rehabilitation of the entire East Saint Louis, Illinois, waterfront and adjacent areas, in a manner compatible with, and complementary to, the Memorial, including the appropriate roles of the Federal, State, and local governments, and the private sector; and

"(C) prepare cost estimates and recommendations for Federal, State, and local administrative and legislative actions.

In carrying out its duties under subparagraph (B), the Commission shall take into account Federal, State, and local plans and studies respecting the area, including the study by the National Park Service on the feasibility of a museum of American ethnic culture to be a part of a development plans for the Memorial.

"(2) The Commission's findings and recommendations shall be incorporated in a report to be submitted to the Secretary of the Interior, the Governor of the State of Illinois, the Governor of the State of Missouri, and the Congress within two years of the date of enactment of this section.

"(c) The Commission shall be composed of nineteen members as follows:

"(1) The county executive of Saint Louis County, Missouri, ex officio, or a delegate.

"(2) The chairman of the Saint Clair County Board of Supervisors, Illinois, ex officio, or a delegate.

"(3)(A) The executive director of the Bi-State Development Agency, Saint Louis, Missouri, ex officio, or a delegate.

"(B) A member of the Bi-State Development Agency, Saint Louis, Missouri, who is not a resident of the same State as the executive director of such agency, appointed by a majority of the members of such agency, or a delegate.

"(4) The mayor of the city of East Saint Louis, Illinois, ex officio, or a delegate.

"(5) The mayor of Saint Louis, Missouri, ex officio, or a delegate.

"(6) The Governor of the State of Illinois, ex officio, or a delegate.

"(7) The Governor of the State of Missouri, ex officio, or a delegate.

"(8) The Secretary of Housing and Urban Development, ex officio, or a delegate.

"(9) The Secretary of Transportation, ex officio, or a delegate.

"(10) The Secretary of the Treasury, ex officio, or a delegate.

"(11) The Secretary of Commerce, ex officio, or a delegate.

"(12) The Secretary of the Smithsonian Institution, ex officio, or a delegate.

"(13) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the mayor of East Saint Louis, Illinois, and the Governor of the State of Illinois.

"(14) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the mayor of Saint Louis, Missouri, and the Governor of the State of Missouri.

Individuals nominated for appointment under paragraphs (13) and (14) shall be individuals who have knowledge and experience in one or more of the fields of parks and recreation, environmental protection, historic preservation, cultural affairs, tourism, economic development, city planning and management, finance, or public administration. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

"(d)(1) Except as provided in paragraphs (2) and (3), members of the Commission shall be appointed for terms of three years.

"(2) Of the members of the Commission first appointed under paragraphs (13) and (14) of subsection (c)—

"(A) two shall be appointed for terms of one year;

"(B) two shall be appointed for terms of two years; and

"(C) Two shall be appointed for terms of three years;

as designated by the Secretary of the Interior at the time of appointment.

"(3) Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member of the Commission may serve after the expiration of his term until his successor has taken office.

"(e) Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

"(f) The chairperson of the Commission shall be elected by the members of the Commission.

"(g) Upon request of the Commission, the head of any Federal agency represented by members on the Commission may detail any of the personnel of such agency, or provide administrative support services to the Commission to assist the Commission in carrying out the Commission's duties under subsection (b).

"(h) The Commission may, for the purposes of carrying out the Commission's duties under subsection (b), seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services, received from any source.

"(i)(1) Except as provided in paragraph (2), the Commission shall terminate on the day occurring ten years after the date of enactment of this section.

"(2) The Secretary of the Interior may extend the life of the Commission for a period of not more than five years beginning on the day referred to in paragraph (1) if the Commission determines that such extension is necessary in order for the Commission to carry out this Act.

"SEC. 9. Pending submission of the Commission's final report, any Federal entity conducting or supporting significant activities directly affecting East Saint Louis, Illinois, generally and the site specifically referred to in section 4 shall—

"(1) consult with the Secretary of the Interior and the Commission with respect to such activities;

"(2) cooperate with the Secretary of the Interior and the Commission in carrying out their duties under this Act, and to the maximum extent practicable, coordinate such activities with the carrying out of such duties; and

"(3) to the maximum extent practicable, conduct or support such activities in a manner which the Secretary determines will not have an adverse effect on the Memorial.".

(b) Section 4 of the Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for the other purposes" (68 Stat. 98; 16 U.S.C. 450jj), is amended by—

(1) redesignating "SEC. 4." as "SEC. 10. (a)"; and

(2) adding at the end thereof the following new subsections:

"(b)(1) There is hereby authorized to be appropriated to carry out the provisions of section 4 of this Act, not to exceed $1,000,000.

"(2) There is hereby authorized to be appropriated for the development of visitor facilities, not to exceed $750,000.

"(c) Funds appropriated under subsection (b) of this section shall remain available until expended.

"(d) Authority to enter into contracts or make payments under this Act shall be effective for any fiscal year only to the extent that appropriations are available for that purpose.".

SEC. 202. Any provision of this title (or any amendment made by this title) which, directly or indirectly, authorizes the enactment of new budget authority described in section 402(a) of the Congressional Budget Act of 1974 shall be effective only for fiscal years beginning after September 30, 1983.

SEC. 203. This title may be cited as the "Jefferson National Expansion Memorial Amendments Act of 1984".

Mr. PERCY. Mr. President, I am extremely pleased that the Senate is about to enact legislation to establish the Illinois and Michigan National Heritage corridor in Illinois. This is, in fact, the second time we have passed this bill. You will recall that after the Senate first approved S. 746 back in February, the House acted the next day on similar legislation. However, along with the language establishing the I&M corridor, the other body added a provision to authorize the additional expansion of the Jefferson National Expansion Memorial to the east side of the Mississippi River at St. Louis, MO, and East St. Louis, IL. It is this combined package, again amended, which we are considering today.

I have spoken before on the importance of the I&M Heritage corridor to my State. The Illinois and Michigan Canal was started in 1836. When it was completed in 1848, it formed the only reliable transportation link between the Great Lakes and the Mississippi River basin. As such, the I&M corridor became the center of the industrial revolution in the Upper Midwest. The towns that grew up along it—Joliet, Ottawa, LaSalle, and, indeed, Chicago—were in many cases first mapped out and settled by workers who had built the canal.

By the end of the 19th century, the railroad had largely taken over the role of the I&M as an industrial lifeline. But the canal corridor acted as a catalyst for economic development in Illinois. In fact, even to this day many of America's major corporations are located in the I&M corridor.

The legislation which we are acting on today will help us preserve the I&M corridor, much of which has been designated as a national historic landmark. It incorporated the recommendations of a National Park Service report, commissioned in 1980, which called for the preservation of natural areas and historic sites. The bill, while establishing a commission appointed by the Governor to market and promote the resources of the corridor, does not authorize actual acquisition of property by the Federal Government. The bill does authorize the Federal Government to pay the salaries of a director and staff for the commission as well as provide interpretative materials and assistance for historic preservation and revitalization efforts along the corridor. This federally funded technical and staff assistance is valued at about $5 million.

The second part of this bill, which the Senate is passing for the first time, authorizes the acquisition of property by the National Park Service for the Jefferson National Expansion Memorial.

Since the completion of the great Gateway Arch, many of us have worked to complete the dream of its architect, Eero Saarinen. That dream was to create a "great, green park" on both sides of the Mississippi River. Unfortunately, however, while the Missouri side of the river was completed in line with Saarinen's vision, the Illinois side has languished behind. The bill we are passing today will help to revitalize the east side of the river and complete Saarinen's dream.

Title II of S. 746 authorizes the Secretary of the Interior to acquire up to 100 acres in the city of East Saint Louis for addition to the Jefferson National Expansion Memorial. The bill also established a broadly based Commission which is directed to come up with a management plan for the completed memorial. This plan, among other purposes, will ensure that the Illinois side of the memorial is compatible with the Missouri side; will try to coordinate Federal, State, and local roles in the business of the memorial; will work out the implementation of arrangements for visitors to the site; and it will arrange for continued local and State funding for operation and maintenance of the memorial.

I believe the idea of a plan for the Jefferson Memorial is a good one. It gives us time to plan how Federal funds are going to be used in the presently undeveloped site. Certainly, taking time to develop a plan on the commission's recommendations is a better idea than simply plunging in with a massive Federal investment right away. I want to ensure that all interested parties in the Jefferson National Expansion Memorial—Federal, State, and especially local—have a say in the memorial. The plan process, as envisioned in this bill, will provide that opportunity.

The legislation authorizes a $1 million appropriation for land acquisition for the Jefferson Expansion Memorial. It also authorizes $750,000 for the construction of a visitor's center on the site. An additional $500,000 in Federal funds for landscaping is authorized on a one-for-one local match basis.

This legislation is the result of years of work by many committed Illinoisans and timely assistance by some members of this body. In this respect, I wish to pay tribute to the distinguished chairman of the Committee on Energy and Natural Resources, Senator McCLURE. He helped Senator DIXON and I in getting the original S. 746 passed unanimously out of committee. When the House sent the bill back to us with the title II added on, Senator McCLURE again graciously lent us his support, aid, and advice. I can truly say that without his help, and that of the fine professional committee staff, we would not have action on this bill today. I know that I speak for my colleague Senator DIXON in thanking Chairman McCLURE.

The passage of this bill marks a historic occasion for the State of Illinois. Hopefully, it will make it through the House and be signed by the President. When that happens, the Federal Government, through the National Park Service, will finally be making an investment in Illinois commensurate with the beauty and historical significance of the resources in our great State.

Mr. President, at the present time, the National Park Service has only one site in Illinois—the 12-acre Lincoln Home. The Nation has been cheating itself by not having more Park Service sites in Illinois. This legislation will ensure that these two great resources—the Illinois and Michigan corridor and the Jefferson National Expansion Memorial—receive Federal attention and are opened up for the enjoyment of all American citizens.

Mr. McCLURE. Mr. President, I rise in support of the Senate amendment to the House amendment to S. 746, to establish the Illinois and Michigan Canal National Heritage Corridor in the State of Illinois and to expand the Jefferson National Expansion Memorial into East St. Louis, IL.

S. 746 passed the Senate amended on February 27, 1984. On February 28, 1984 the House amended S. 746 to include as title II the language of H.R. 2014. The distinguished Chairman of the Public Lands and Reserved Water Subcommittee, Senator WALLOP, and I reviewed title II of S. 746. I sent a letter to the Illinois delegation which stated in part:

. . . I want to convey my appreciation to you for working so diligently to see to it that the benefits of the Jefferson Expansion National Memorial are extended directly to the citizens of Illinois. I do not object to the effort to revitalize East St. Louis and recognize the proximity and effect on the Memorial. I also have some specific concerns.

At my request, the National Park Service has updated the projects costs contained in their 1975 study of the expansion of the Memorial into East St. Louis. Our understanding is that these costs assumed a 100 acre site and do not take into account savings that may be possible through donations of land, sharing of costs, etc., so they may be slightly on the high side. They are as follows:

Land acquisition—No current estimate;
Demolition—$3.9 million;
Utility Relocation—$3 million;
Construction and Development—$48 million;
Total—$54.9 million.

As you know, Title II of S. 746 currently authorizes $750,000 for rehabilitation of a warehouse for a visitor center and $1,000,000 for land acquisition. The National Park Service costs listed above, and the difference between them and the authorization levels, raises a number of questions in my mind. I note that 350 acres are authorized for inclusion in the Memorial but that only a 100 acre maximum may be acquired in fee by the Secretary of the Interior. Do you anticipate the Secretary acquiring interests in lands up to 350 acres maximum? Do you have an estimate of "less than fee" costs and acreage? Why is there a need for 350 acres? I note the present Memorial in St Louis is 90+ acres. How much land is to be acquired for $1 million? What cultural resources need to be protected in the 100 acre site? Who would pay for demolition and relocation of non-historic structures in the project area? What limitation will be developed and placed on the National Park Service's role in the revitalization of the East St. Louis project area? What role is foreseen for the City of East St. Louis, the State of Illinois, and other Federal agencies (such as the Department of Housing and Urban Development and the Department of Commerce)?

I understand that the entire 100 acre site is industrial property; semi-active and abandoned railroad facilities, including marshalling yards; three large grain silos; numerous other warehouses and some homes. This project could literally cost $50 to $100 million, according to the Park Service. I do not believe it would be appropriate for the National Park Service to be the major redevelopment agent for the area. However, I would agree that an expanded Memorial could serve very effectively as the centerpiece of a cooperative local, State, and Federal revitalization project for this area. I am seeking specific reassurances that Title II of S. 746 places appropriate limitations on future liabilities against the Treasury, the National Park Service and other Federal agencies * * *.

Mr. President, the Department of the Interior also had strong objections to title II of S. 746 as passed the House. I ask unanimous consent that their views be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT
OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC, March 9, 1984.

Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This responds to your request for our views on title II of S. 746, as passed by the House, the "Illinois and Michigan Canal National Heritage Corridor Act of 1984".

We are strongly opposed to the enactment of title II of S. 746 and recommend its deletion from the legislation.

The Administration supports the enactment of title I of S. 746, as passed by the House, which is identical to S. 746, as passed by the Senate on February 27, 1984. Title I would designate the Illinois and Michigan Canal in Illinois as the Illinois and Michigan Canal National Heritage Corridor. We had offered a number of amendments to S. 746, as introduced, many of which were adopted by your Committee, and we thank you for considering our views on that bill and reporting out a bill that could be supported by the Administration.

We now look to you for help with some serious problems that we have with S. 746, as passed by the House. Title II of this legislation would extend the boundary of the Jefferson National Expansion Memorial National Historic Site to East St. Louis, Illinois, by requiring the acquisition of property that the National Park Service has found to be not of national significance. It would also establish a commission to address the economic needs of the area.

On November 15, 1983, the National Park Service testified at a hearing before the House Subcommittee on Public Lands and National Parks on the proposal to expand the national historic site to include some 350 acres of East St. Louis, Illinois, waterfront. At that time, the Administration's position was, and still is, strong opposition to this proposal, now title II of S. 746. There have been no hearings held by your committee on this proposal.

The purpose of extending the boundary for any unit of the National Park System ought to be resource or management based. A site should contain resources of national significance to be included within the boundary of an existing unit. The other reason for which a unit's boundary ought to be expanded is to accommodate a management need.

Concerning significance, a 1970 National Park Service study determined that the East St. Louis riverfront "could not stand alone as an entity of national historical significance." There is no historic fabric that will be lost to the Nation if this land is not acquired.

Concerning management need, additional land is not necessary. The National Park Service has determined that, although it would be desirable if development of the East St. Louis waterfront were compatible with the existing site, acquisition of the waterfront property is not necessary to achieve this result. Compatible development can be achieved through National Park Service participation in the local planning process, without land management responsibility in East St. Louis, and without the associated costs. Therefore, we oppose the authorization for land acquisition and development as unjustified.

It is clear from the testimony of the witnesses at the House hearing that expansion of the existing national historic site across the Mississippi into the waterfront area of East St. Louis is being proposed as a principal means of economic revitalization of that city. The problem addressed in title II of S. 746, as passed by the House, is not one of historic preservation or park management need; it is economic revitalization.

In keeping with the nature of the problem, the National Park Service has expressed its willingness to participate in State and local efforts to review the options for economic development of the area to ensure that such development efforts are compatible with the national historic site. A Federal, State and local commission would be established by title II of S. 746 to conduct such a review. Such a commission is not necessary to address the economic development needs of the area. Moreover, the Administration has not had sufficient time to review the commission proposal to determine whether it is consistent with the Appointments Clause of the Constitution.

We therefore urge members of your Committee to reject title II of S. 746 when it is reviewed in the Senate. It is an inappropriate insertion of the National Park Service in an expensive and unwarranted land managing role, where its concerns are only that whatever development occurs be compatible with the existing site. The economic development issue is important, but it should not be addressed by adding the area to the National Park System.

National Park Service Director Russell Dickenson is available to discuss alternatives that do not place the National Park Service in a land management role in East St. Louis.

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

G. RAY ARNETT,
Assistant Secretary.

Mr. McCLURE. In response to my inquiries and the Department's objections, the Illinois delegation agreed to limit the size of the Federal investment in East St. Louis. They agreed to a process of binding commitments given to the Secretary of the Interior prior to the authorization of appropriations.

As a result, I have reached agreement with the Illinois delegation to this amendment in the nature of a substitute to title II. It answers many of the questions raised in my letter.

Mr. DIXON. Mr. President, this is a great day for Illinois. I am pleased that we are finally able to pass this legislation which will mean so much to our State.

The Illinois and Michigan Canal national heritage corridor is a project of great promise to an area of Illinois that really needs a boost. An outstanding organization—the Friends of the Illinois and Michigan Canal—has worked diligently to see that this project becomes a reality.

They have shown a great deal of patience and understanding in the delay that has been imposed on this legislation.

Title II of this bill provides for an addition to the Jefferson National Expansion Memorial. That, as my colleagues know, is the area surrounding the Gateway Arch in St. Louis, MO. This legislation will provide for a commission to develop a management plan for the East St. Louis, IL, portion of the memorial.

The Secretary of the Interior will then review and approve the plan, and funds will be allocated for land acquisition, landscaping, a visitors' center, and operation and maintenance of the park.

This legislation has been supported by the entire Illinois congressional delegation. It is an exciting prospect to initiate these two projects, which we know will bring renewed economic progress to these areas of the State of Illinois.

AMENDMENT NO. 3374

Mr. STEVENS. Mr. President, I move the Senate concur in the House amendment with the Senate amendment which I send to the desk in behalf of Senator MCCLURE, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. STEVENS], for Mr. MCCLURE, proposes an amendment numbered 3374.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike title III, as passed by the House, and insert in lieu thereof the following new title II

SEC. 201. (a) The Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Expansion Memorial Commission, and for other purposes" (68 Stat. 98; 16 U.S.C. 450jj), is amended by inserting after section 3 the following new sections:

"SEC. 4. (a) The Secretary of the Interior is further authorized to designate for addition to the Jefferson National Expansion Memorial (hereinafter in this Act referred to as the 'Memorial') not more than one hundred acres in the city of East Saint Louis, Illinois, contiguous with the Mississippi River and between the Eads Bridge and the Poplar Street Bridge, as generally depicted on the map entitled 'Boundary Map, Jefferson National Expansion Memorial', numbered MWR-366/80,004, and dated February 9, 1984, which shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The additional acreage authorized by this section is in recognition of the historical significance of the Memorial site to the westward expansion of the United States and the historical linkage of this site on the Mississippi in both Missouri and Illinois to such expansion, the international recognition of the Gateway Arch, designed by Eero Saarinen, as one of the world's

great sculptural and architectural achievements, and the increasing use of the Memorial site by millions of people from all over the United States and the world.

"(b) Within the area designated in accordance with this section, the Secretary of the Interior may acquire lands and interests in lands by donation, purchase with donated or appropriated funds, or exchange, except that lands owned by the State of Illinois or any political subdivision thereof may be acquired only by donation.

"SEC. 5. Where appropriate in the discretion of the Secretary of the Interior, he may transfer by lease or otherwise, to any appropriate person or governmental entity, land owned by the United States (or any interest there in which) has been acquired by the Secretary under section 4. Any such transfer shall be consistent with the management plan for the area and with the requirements of section 5 of the Act of July 15, 1968 (82 Stat. 356; 16 U.S.C. 460L-22) and shall be subject to such conditions and restrictions as the Secretary deems necessary to carry out the purposes of this Act, including terms and conditions which provide for—

"(1) the continuation of existing uses of the land which are compatible with the Memorial,

"(2) the protection of the important historical resources of the leased area, and

"(3) the retention by the Secretary of such access and development rights as the Secretary deems necessary to provide for appropriate visitor use and resource management.

In transferring any lands or interest in lands under this section, the Secretary shall take into account the views of the Commission established under section 8.

"SEC. 6. Lands and interests in lands acquired pursuant to section 4 shall, upon acquisition, be a part of the Memorial. The Secretary of the Interior shall administer the Memorial in accordance with this Act and the provisions of law generally applicable to units of the national park system, including the Act entitled 'An Act to establish a National Park Service, and for other purposes', approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1-4) and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467). In the development, management, and operation of that portion of the Memorial which is added to the Memorial under section 4, the Secretary shall, to the maximum extent feasible, utilize the assistance of State and local government agencies and the private sector. For such purposes, the Secretary may, consistent with the management plan for the area, enter into cooperative agreements with the State, with any political subdivision of the State, or with any person. Any such cooperative agreement shall, at a minimum, establish procedures for providing notice to the Secretary of any action proposed by the State, such political subdivision, or such person, which may affect the area.

"SEC. 7. (a) There is hereby established the Jefferson National Expansion Memorial Commission (hereinafter in this Act referred to as the 'Commission').

"(b) The Commission shall be composed of twenty members as follows:

"(1) The county executive of Saint Louis County, Missouri, ex officio, or a delegate.

"(2) The Chairman of the Saint Clair County Board of Supervisors, Illinois, ex officio, or a delegate.

"(3)(A) The executive director of the Bi-State Development Agency, Saint Louis, Missouri, ex officio, or a delegate.

"(B) A member of the Bi-State Development Agency, Saint Louis, Missouri, who is not a resident of the same State as the executive director of such agency, appointed by a majority of the members of such agency, or a delegate.

"(4) The mayor of the City of East Saint Louis, Illinois, ex officio, or a delegate.

"(5) The mayor of Saint Louis, Missouri, ex officio, or a delegate.

"(6) The Governor of the State of Illinois, ex officio, or a delegate.

"(7) The Governor of the State of Missouri, ex officio, or a delegate.

"(8) The Secretary of the Interior, ex officio, or a delegate.

"(9) The Secretary of Housing and Urban Development, ex officio, or a delegate.

"(10) The Secretary of Transportation, ex officio, or a delegate.

"(11) The Secretary of the Treasury, ex officio, or a delegate.

"(12) The Secretary of Commerce, ex officio, or a delegate.

"(13) The Secretary of the Smithsonian Institution, ex officio, or a delegate.

"(14) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the mayor of East Saint Louis, Illinois, and the Governor of the State of Illinios.

"(15) Three individuals appointed by the Secretary of the Interior from a list of individuals nominated by the major of Saint Louis, Missouri, and the Governor of the State of Missouri.

"Individuals nominated for appointment under paragraphs (14) and (15) shall be individuals who have knowledge and experience in one or more of the fields of parks and recreation, environmental protection, historic preservation, cultural affairs, tourism, economic development, city planning and management, finance, or public administration. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

"(c)(1) Except as provided in paragraphs (2) and (3), members of the Commission shall be appointed for terms of three years.

"(2) Of the members of the Commission first appointed under paragraphs (14) and (15) of subsection (c)—

"(A) two shall be appointed for terms of one year;

"(B) two shall be appointed for terms of two years; and

"(C) two shall be appointed for terms of three years; as designated by the Secretary of the Interior at the time of appointment.

"(3) Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member of the Commission may serve after the expiration of his term until his successor has taken office.

"(d) Members of the Commission shall receive no pay on account of their service on the Commission, but while away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

"(e) The chairperson of the Commission shall be elected by the members of the Commission.

"(f) Upon request of the Commission, the head of any Federal agency represented by members on the Commission may detail any of the personnel of such agency, or provide administrative services to the Commission to assist the Commission in carrying out the Commission's duties under section 8.

"(g) The Commission may, for the purposes of carrying out the Commission's duties under section 8, seek, accept, and dispose of gifts, bequests, or donations of money, personal property, or services, received from any source.

"(h)(1) Except as provided in paragraph (2), the Commission shall terminate on the day occurring ten years after the date of enactment of this section.

"(2) The Secretary of the Interior may extend the life of the Commission for a period of not more than five years beginning on the day referred to in paragraph (1) if the Commission determines that such extension is necessary in order for the Commission to carry out this Act.

"SEC. 8. (a) Within two years from the enactment of this section, the Commission shall develop and transmit to the Secretary a development and management plan for the East Saint Louis, Illinois, portion of the Memorial. The plan shall include—

"(1) measures for the preservation of the area's resources;

"(2) indications of types and general intensities of development (including visitor circulation and transportation patterns, systems, and modes) associated with public enjoyment and use of the area, including general locations, timing of implementation, and cost estimates;

"(3) identification of any implementation commitments for visitor carrying capacities for all areas of the the area;

"(4) indications of potential modifications to the external boundaries of the area, the reasons therefore, and cost estimates;

"(5) measures and commitments for insuring that the developoment, management, and operation of the area in the State of Illinois are compatible with the portion of the Memorial in the State of Missouri;

"(6) opportunities and commitments for cooperative activities in the development, management, and operation of the East Saint Louis portion of the Memorial with other Federal, State, and local agencies, and the private sector; and

"(7) effective and appropriate ways to increase local participation in the management of the East Saint Louis portion of the Memorial to help reduce the day-to-day operational and management responsibilities of the National Park Service and to increase opportunities for local employment.

"(b) The plan shall also identify and include—

"(1) needs, opportunities, and commitments for the aesthetic and economic rehabilitation of the entire East Saint Louis, Illinois, waterfront and adjacent areas, in a manner compatible with and complementary to, the Memorial, including the appropriate commitments and roles of the Federal, State, and local governments and the private sector; and

"(2) cost estimates and recommendations for Federal, State, and local administrative and legislative actions.

"In carrying out its duties under this section, the Commission shall take into account Federal, State, and local plans and

studies respecting the area, including the study by the National Park Service on the feasibility of a museum of American ethnic culture to be a part of any development plans for the Memorial.

"SEC. 9. (a) Upon completion of the plan, the Commission shall transmit the plan to the Secretary for his review and approval of its adequacy and appropriateness. In order to approve the plan, the Secretary must be able to find affirmatively that:

"(1) The plan addresses all elements outlined in Sec. 8 above;

"(2) The plan is consistent with the Saint Louis, Missouri, portion of the Memorial;

"(3) There are binding commitments to fund land acquisition and development, including visitor circulation and transportation systems and modes, in amounts sufficient to completely implement the plan as recommended by the Commission from sources other than funds authorized to be appropriated in this Act; and

"(4) There are binding commitments to fund or provide the equivalent of all costs in excess of $350,000 per annum for the continued management, operation, and protection of the East Saint Louis, Illinois, portion of the Memorial.

"(b) The Secretary shall transmit in writing a notice of his approval and his certification as to the existence and nature of funding commitments contained in the approved plan to the Committee on Interior and Insular Affairs of the House of Representatives and to the Committee on Energy and Natural Resources of the United States Senate.

"SEC. 10. Pending submission of the Commission's plan, any Federal entity conducting or supporting significant activities directly affecting East Saint Louis, Illinois, generally and the site specifically referred to in section 4 shall—

"(1) consult with the Secretary of the interior and the Commission with respect to such activities;

"(2) cooperate with the Secretary of the Interior and the Commission in carrying out their duties under this Act, and to the maximum extent practicable coordinate such activities with the carrying out of such duties; and

"(3) to the maximum extent practicable, conduct or support such activities in a manner which the Secretary determines will not have an adverse effect on the Memorial."

(b) The Act of May 17, 1954 entitled "An Act to provide for the construction of the Jefferson National Expansion Memorial at the site of old Saint Louis, Missouri, in general accordance with the plan approved by the United States Territorial Memorial Commission, and for other purposes" '68 Stat. 98; 16 U.S.C. 450jj) is amended by—

(1) redesignating "Sec. 4." (as designated prior to the amendments made in subsection (a) of this section) as "Sec. 11. (a)"; and

(2) adding at the end thereof the following new subsections:

"(b) For the purposes of the East Saint Louis portion of the Memorial, there is hereby authorized to be appropriated not to exceed $1,000,000 for land acquisition and not to exceed $1,250,000 for development, of which not to exceed $500,000 shall be available only for landscaping and only for expenditure in the ratio of one dollar of Federal funds to one dollar of non-Federal funds: *Provided*, That no funds authorized to be appropriated hereunder may be appropriated prior to the approval by the Secretary of the plan developed by the Commission.

"(c) Funds appropriated under subsection (b) of this section shall remain available until expended.

"(d) Authority to enter into contracts or make payments under this Act shall be effective for any fiscal year only to the extent that appropriations are available for that purpose.

SEC. 202. Any provision of this title (or any amendment made by this title) which, directly or indirectly, authorizes the enactment of new budget authority described in section 402(a) of the Congressional Budget Act of 1974 shall be effective only for fiscal years beginning after September 30, 1983.

SEC. 203. This title may be cited as the "Jefferson National Expansion Memorial Amendments Act of 1984."

The PRESIDING OFFICER. Is there further debate?

If not, the question is on agreeing to the motion.

The motion was agreed too.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

OCEAN AND COASTAL RESOURCES MANAGEMENT AND DEVELOPMENT BLOCK GRANT ACT

Mr. STEVENS. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2463.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 2463) entitled "An Act to authorize appropriations of funds for certain fisheries programs, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause, and insert:

SHORT TITLE

SECTION 1. This Act may be cited as the "Ocean and Coastal Resources Management and Development Block Grant Act".

DEFINITIONS

SEC. 2. For purposes of this Act—

(1) the term "coastal State" means any State of the United States in, or bordering on, the Atlantic Ocean, the Pacific Ocean, the Arctic Ocean, the Gulf of Mexico, Long Island Sound, or one or more of the Great Lakes, and includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and American Samoa;

(2) the term "Outer Continental Shelf" means all submerged lands lying seaward and outside of the area of "lands beneath navigable waters" as that term is defined in section 2(a) of the Submerged Lands Act (43 U.S.C. 1301(a)), and of which the subsoil and seabed appertain to the United States and are subject to its jurisdiction and control, but whenever the extent of the rights acquired by a State under the Submerged Lands Act and the Outer Continental Shelf Lands Act has been determined by a final decree of the United States Supreme Court and fixed by coordinates, the line so fixed is immobilized as described in said decree and shall not be ambulatory in determining the seaward extent of the rights acquired by said State under the Submerged Lands Act and the landward extent of the rights acquired by the United States under the Outer Continental Shelf Lands Act;

(3) the term "Secretary" means the Secretary of Commerce; and

(4) the term "coastal related energy facilities" means any equipment or facility which, (A) is or will be used primarily in the exploration for, or the development, production, conversion, storage, transfer processing, or transportation of, any energy resource or for the manufacture, production, or assembly of equipment, machinery, products, or devices which are involved in any such energy-resource activity, and (B) is, or is likely to be, sited, constructed, expanded, or operated in or in close proximity to, the coastal zone of any coastal State because of technical requirements.

The term includes, but is not limited to (i) electric generating plants; (ii) facilities associated with the transportation, transfer, or storage of coal; (iii) petroleum refineries and associated facilities; (iv) gasification plants; (v) facilities associated with the transportation, conversion, treatment, transfer, or storage of liquefied natural gas; (vi) oil and gas facilities, including platforms, assembly plants, storage depots, tank farms, crew and supply bases, and refining complexes; (vii) facilities, including deepwater ports, for the transfer of petroleum; (viii) facilities used for alternative ocean energy activities, including those associated with ocean thermal energy conversion; and (ix) pipelines, transmission facilities, and terminals which are associated with any of the foregoing.

For the purposes of this paragraph, the siting, construction, expansion, or operation of any coastal related energy facilities shall be "in close proximity to the coastal zone of any coastal State" if such siting, construction, expansion, or operation has, or is likely to have, a significant effect on such coastal zone.

OCEAN AND COASTAL RESOURCES MANAGEMENT AND DEVELOPMENT FUND

SEC. 3. (a) There is established in the Treasury of the United States a fund to be known as the Ocean and Coastal Resources Management and Development Fund (hereafter in this Act referred to as the "Fund").

(b) Beginning in fiscal year 1983, the Secretary of the Treasury shall pay into the Fund not later than the end of each fiscal year the lesser of $300,000,000 or an amount equal to 10 per centum of the amount by which all sums deposited in the Treasury of the United States pursuant to section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) during each fiscal year exceed all sums deposited in the Treasury of the United States pursuant to such section during fiscal year 1982.

(c)(1) As provided in advance by appropriation Acts, the Secretary shall use for fiscal year 1984, and for each subsequent fiscal year, an amount equal to not less than 10 per centum and not more than 20 per centum of the total amount appropriated from the Fund for the purposes of this Act to carry out the National Sea Grant College Program Act (33 U.S.C. 1121-1131).

(2) As provided in advance by appropriation Acts, the Secretary shall use the total amount of any sums paid into the Fund during each fiscal year which are not used

to carry out the National Sea Grant College Program Act to provide block grants pursuant to section 4.

NATIONAL OCEAN AND COASTAL RESOURCES MANAGEMENT AND DEVELOPMENT BLOCK GRANTS

SEC. 4. (a) Subject to subsections (b), (c), and (d), for fiscal year 1984 and for each subsequent fiscal year, the Secretary shall provide to each coastal State a national ocean and coastal resources management and development block grant (hereafter in this Act referred to as a "block grant") from sums paid into the Fund during the prior fiscal year pursuant to section 3(b).

(b)(1) No coastal State may receive a block grant for a fiscal year unless such coastal State has submitted to the Secretary a report for such fiscal year which—

(A) specifies the allocation by such coastal State of the block grant among coastal zone management activities, coastal energy impact activities, living marine resource activities, and natural resources enhancement and management activities pursuant to section 5(a), and

(B) describes each activity receiving funds provided by the block grant.

(2) Before submitting each report required under paragraph (1), each coastal States shall provide opportunities for the public to review and comment on the report and shall hold at least one public hearing on such report.

(c) The amount of each block grant provided under subsection (a) for a fiscal year to a coastal State shall be determined by the Secretary under a formula estabished by the Secretary which gives equal consideration to each of the following criteria:

(1) For each coastal State, the equal combination of—

(A) the amount of actual leasing with respect to oil and gas which is carried out under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) during the previous fiscal year which occurs within the Outer Continental Shelf planning area to which such coastal State is adjacent; and

(B) the volume of oil and gas produced from Outer Continental Shelf acreage leased by the Federal Government which is first landed in such coastal State during the previous fiscal year.

(2) For each coastal State, any proposed oil and gas lease sales which are specified by the Outer Continental Shelf leasing program prepared pursuant to section 18(a) of the Outer Continental Shelf Lands Act (43 U.S.C. 1344(a)) and which are schedules to occur within the Outer Continental Shelf planning area to which such coastal State is adjacent.

(3) The coastal related energy facilities (including coal facilities) located within each coastal State during the previous fiscal year.

(4) The shoreline mileage of each coastal State for which the Secretary has approved a management program under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455).

(5) The coastal population of each coastal State for which the Secretary has approved a management program under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455).

(d) No coastal State for which the Secretary has approved a management program under section 306 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1455) shall receive less than one-half of 1 per centum of the total amount available for block grants pursuant to subsection (a) during any fiscal year.

(e) For the purposes of paragraphs (4) and (5) of subsection (c), the Secretary shall be presumed to have approved the management program of any coastal State if the Secretary determines that, in any fiscal year, such State is making satisfactory progress toward the development of a management program which will be approvable pursuant to section 306 of the Coastal Zone Management Act. Such presumption may be extended only once and for a period not to exceed one additional fiscal year if the Secretary makes such determination under this subsection for such additional fiscal year.

REQUIREMENTS ON THE USE OF BLOCK GRANTS

SEC. 5. Block grants provided to a coastal State pursuant to section 4(a) shall be used for the enhancement and management of renewable ocean and coastal resources and for amelioration of any adverse impacts that result from coastal energy activity with respect to the development of non-renewable resources.

(a) Such block grants shall be used for each of the following activites:

(1) Activities of such coastal State authorized by the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.).

(2) Activities of such coastal State pursuant to the coastal energy impact program administered under section 308 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1457).

(3) Activities of such coastal State for the enhancement and management of living marine resources.

(4) Activities of such coastal State for the enhancement and management of its natural resources.

(b) The Secretary shall insure that any coastal State receiving a block grant under section 4(a) will use at least 25 per centum of the amount of each block grant for eligible activities authorized by paragraph (1) of subsection (a), excluding activities administered under section 308 of the Coastal Zone Management Act.

(c) Any coastal State which the Secretary determines uses any funds provided by a block grant under section 4(a) for an activity not specified in subsection (a), in an amount less than specified in subsection (b), or in any other manner inconsistent with this Act, shall repay such funds to the Fund. If a coastal State does not repay any funds required to be repaid under this subsection, the Secretary may reduce the amount of any future grant or grants provided under section 4(a) by the amount of such required repayment.

(d) Nothing in this Act shall be construed to repeal or modify, by implication or otherwise, section 312 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1461): Provided, however, That the Secretary shall reduce any block grant, provided under this Act to a coastal State that has an approved program under section 306 of the Coastal Zone Management Act (16 U.S.C. 1455), by no more than 30 per centum of the amount of such State's block grant, which is attributable to sections 4(c)(4) and (5) of this Act, if the Secretary makes the determination provided in section 312(c) of the Coastal Zone Management Act.

LOCAL GOVERNMENTS

SEC. 6. (a) Each State receiving a block grant in any fiscal year pursuant to section 4(a)—

(1) shall establish an effective mechanism for consultation and coordination with its local governments with respect to the allocation of such block grant within the State, and

(2) shall provide to its local governments allocations from such block grant commensurate with the responsibilities of the local governments in carrying out activities pursuant to section 5(a).

(b) In carrying out its responsibilities pursuant to subsection (a)(2) of this section, the State shall give particular emphasis to the activities of local governments in—

(1) providing public services and public facilities which are required as a result of coastal energy activity, and

(2) preventing, reducing, or ameliorating any unavoidable loss of valuable environmental or recreational resources if such loss results from coastal energy activity.

(c) In carrying out its responsibilities pursuant to this section, each State shall provide no less than 35 per centum of each such block grant to its local governments.

ASSESSMENT AND AUDIT

SEC. 7. (a) Any coastal State receiving a block grant for a fiscal year under section 4(a) must submit to the Secretary an assessment of the expenditure of funds provided by the block grant.

(b) Each assessment submitted by a coastal State for a fiscal year under subsection (a) shall contain a statement of all funds provided by the block grant received by such coastal State for such fiscal year and shall include an assesment of all financial assistance provided to such State's local governments pursuant to section 6.

(1) Such statement shall have been audited by an entity which is independent of any agency or official administering or using funds provided by such block grant.

(2) The audit shall be conducted in accordance with the financial and compliance element of the standards for audit of governmental organizations, activities, and functions established by the Comptroller General of the United States.

RULES AND REGULATIONS

SEC. 8. The Secretary shall promulgate, pursuant to section 553 of title 5, United States Code, after notice and opportunity for full participation by relevant Federal agencies, State agencies, local governments, regional organizations, port authorities, and other interested parties, both public and private, such rules and regulations as may be necessary to carry out the provisions of the Act.

DEFINITION OF BOUNDARY

SEC. 9. Section 2(b) of the Submerged Lands Act (43 U.S.C. 1301(b)) is amended by inserting ", except that any boundary between a State and the United States under this Act which has been fixed by coordinates under a final decree of the United States Supreme Court shall, for the purposes of this Act and the Outer Continental Shelf Lands Act, remain immobilized at the coordinates provided under such decree and shall not be ambulatory" before the semicolon.

Mr. President, on behalf of the leadership, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

I do so reluctantly, since that is my bill.

The motion was agreed to and the Presiding Officer [Mr. COCHRAN] appointed Mr. PACKWOOD, Mr. STEVENS,

Mr. GORTON, Mr. HOLLINGS, and Mr. INOUYE conferees on the part of the Senate.

BILL PLACED ON CALENDAR—H.R. 5701

Mr. STEVENS. Mr. President, I send a bill to the desk on behalf of Senators HATCH, D'AMATO, and HAWKINS, and ask that it be placed on the calendar.

SENATE JOINT RESOLUTION 293—COMMITTEE ON JUDICIARY DISCHARGED FROM FURTHER CONSIDERATION AND BILL PLACED ON CALENDAR

Mr. STEVENS. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 293, to designate July 17, 1984, as "Spanish American War Veteran Day," and that it be placed on the calendar.

Does that need to be read for the first time?

The PRESIDING OFFICER. The bill is on the calendar right now.

Without objection, it is so ordered.

HOUSE JOINT RESOLUTION 604—COMMITTEE ON JUDICIARY DISCHARGED FROM FURTHER CONSIDERATION AND BILL PLACED ON CALENDAR

Mr. STEVENS. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of House Joint Resolution 604, "African Refugees Relief Day," and it be placed on the calendar.

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

EXECUTIVE CALENDAR

Mr. STEVENS. Mr. President, I ask my good friend from West Virginia, the distinguished Democratic leader, if there would be an objection to a request that the Senate go into executive session for the purpose of considering the nominations on the Executive Calendar, on page 17, being calendar Nos. 700, 701, and 702, and all of the nominations on the Secretary's Desk being on page 18.

Mr. BYRD. Mr. President, there is no objection.

EXECUTIVE SESSION

Mr. STEVENS. Mr. President, I make that request.

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

Mr. STEVENS. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDING OFFICER. Without objection, the nominations are considered and confirmed en bloc.

The nominations confirmed en bloc are as follows:

DEPARTMENT OF THE INTERIOR

Frank K. Richardson, of California, to be Solicitor of the Department of the Interior.

DEPARTMENT OF TRANSPORTATION

Virgil E. Brown, of Ohio, to be a Member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

John R. Wall, of Ohio, to be a Member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, COAST GUARD, MARINE CORPS, NAVY

Air Force nominations beginning Gary R. Baarson, and ending Robert F. Howarth, Jr., which nominations were received by the Senate and appeared in the Congressional Record on May 22, 1984.

Air Force nominations beginning William M. Berg, and ending Hedley W. D. Greene, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 1984.

Air Force nominations beginning Byran C. Adams, and ending Kristina M. Zlotnicki, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 1984.

Army nominations beginning Claude W. Abate, and ending John W. Moore, which nominations were received by the Senate and appeared in the Congressional Record on June 4, 1984.

Army nominations beginning Avery C. Spence, and ending Daniel J. Zehnder, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 1984.

Coast Guard nominations beginning Rodney E. Smith, and ending Craig H. Allen, which nominations were received by the Senate on April 19, 1984, and appeared in the Congressional Record on April 24, 1984.

Marine Corps nominations beginning Charles L. Bacon, and ending Harold E. Zealley, which nominations were received by the Senate and appeared in the Congressional Record on May 22, 1984.

Marine Corps nominations beginning Charles R. Abney, and ending Francis E. Zink, which nominations were received by the Senate and appeared in the Congressional Record on May 22, 1984.

Marine Corps nominations beginning Dennis H. Mohle, and ending James R. Forr, which nominations were received by the Senate and appeared in the Congressional Record on June 4, 1984.

Navy nominations beginning Robert James Abbott, and ending George Dean Zeitler, which nominations were received by the Senate and appeared in the Congressional Record on May 22, 1984.

Navy nominations beginning Timothy R. Bergfield, and ending Frank Barnes, which nominations were received by the Senate and appeared in the Congressional Record on May 22, 1984.

Navy nominations beginning Michael L. Adams, and ending Robert Eugene Herning, which nominations were received by the Senate on May 30, 1984, and appeared in the Congressional Record on June 4, 1984.

Navy nominations beginning Kimberly F. Walker, and ending Daniel J. Weber, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 1984.

Navy nominations beginning Ted Glen Achorn, and ending William Romain Yoshida, which nominations were received by the Senate and appeared in the Congressional Record on June 25, 1984.

NOMINATION OF FRANK K. RICHARDSON

Mr. McCLURE. Mr. President, the Senate today will be considering the nomination of Frank K Richardson, who has been nominated to serve as Solicitor of the Department of the Interior. I am most pleased with the President's choice and am convinced that Mr. Richardson possesses the credentials and integrity necessary to effectively carry out the responsibilities of the Office of the Solicitor.

The Committee on Energy and Natural Resources unanimously endorsed Mr. Richardson's nomination on June 27 by a vote of 20 to 0. A hearing was held to consider his nomination on June 21.

Mr. Richardson has a keen knowledge of the law and the judicial process based upon a long and distinguished career in the public and private sectors. A graduate of Stanford Law School, he entered into private law practice in California in 1939, and also served as a professor of law at McGeorge School of Law from 1946 until 1951. He was subsequently appointed presiding justice of the Third District Court of Appeals in California in 1971 and served in that capacity until 1973. Mr. Richardson was then selected to be an associate justice of the California Supreme Court, and assumed that role until his retirement in December of last year. Since that time, he has been a member of the faculty at Pepperdine Law School.

Mr. President, on behalf of the Committee on Energy and Natural Resources, I am pleased to recommend Senate confirmation of Frank K. Richardson to be Solicitor of the Department of the Interior.

Mr. STEVENS. Mr. President, I move to reconsider the vote by which the nominations were confirmed.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. STEVENS. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

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

LEGISLATIVE SESSION

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate now return to legislative session.

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

ORDERS FOR FRIDAY

ORDER TO CONVENE AT 10 A.M.

Mr. STEVENS. Mr. President, I ask unanimous consent that when the

Senate stands in recess today, it convene at the hour of 10 a.m. tomorrow.

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

ORDER FOR RECOGNITION OF SENATORS ABDNOR, PROXMIRE, AND TOWER

Mr. STEVENS. Mr. President, following the time for the two leaders under the standing order tomorrow, I ask unanimous consent that special orders not to exceed 15 minutes each be entered in favor of Senators ABDNOR, PROXIMRE, and TOWER.

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

ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. STEVENS. Mr. President, following the special orders, I ask unanimous consent that there be a period for the transaction of routine morning business tomorrow not to extend beyond the hour of 11 a.m. with statements therein limited to 2 minutes each.

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

PROGRAM

Mr. STEVENS. Mr. President, following the time for routine morning business, when the hour of 11 a.m. arrives, it is the intention of the leadership to turn to either of the following measures when they are available from the House: the bankruptcy conference report on H.R. 5174; the debt limit bill, H.R. 5953; and the concurrent resolution following the deficit reduction conference report. Rollcall votes may be expected.

RECESS UNTIL 10 A.M. TOMORROW

Mr. STEVENS. Mr. President, I inquire of my good friend from West Virginia, the patient Democratic leader, if he has anything further to come before the Senate.

Mr. BYRD. Mr. President, I thank the distinguished Senator. There is nothing on this side.

Mr. STEVENS. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent the Senate stand in recess in accordance with the previous order.

There being no objection, the Senate, at 11:55 p.m., recessed until Friday, June 29, 1984, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate June 28, 1984:

DEPARTMENT OF STATE

Paul H. Boeker, of Ohio, a career member of the Senior Foreign Service, class of Career Minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Hashemite Kingdom of Jordan.

Richard Wood Boehm, of the District of Columbia, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Cyprus.

Maynard W. Glitman, of Vermont, a career member of the Senior Foreign Service, class of Minister-Counselor, for the rank of Ambassador during the tenure of his service as the Representative of the United States of America for Mutual and Balanced Force Reductions Negotiations.

THE JUDICIARY

Stanley Sporkin, of Maryland, to be U.S. district judge for the District of Columbia vice June L. Green, retired.

NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE

Wanda L. Forbes, of South Carolina, to be a member of the National Commission on Libraries and Information Science for a term expiring July 19, 1988, vice Francis Keppel, term expired.

THE JUDICIARY

Walter T. Cox III, of South Carolina, to be a judge of the U.S. Court of Military Appeals for a term of 15 years, vice William Holmes Cook, retired.

IN THE AIR FORCE

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. George M. Browning, Jr., [redacted], U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Casper T. Spangrud, [redacted], U.S. Air Force.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 5148(b), to be assigned as Judge Advocate General of the Navy:

Rear Adm. Thomas E. Flynn, [redacted], Judge Advocate General's Corps, U.S. Navy.

IN THE AIR FORCE

The following officer for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, in the grade of captain with date of rank to be determined by the Secretary of the Air Force.

LINE OF THE AIR FORCE

Ternes, David E., [redacted]

The following officers for appointment in the Regular Air Force under the provisions of section 531, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform duties indicated with grade and date of rank to be determined by the Secretary of the Air Force provided that in no case shall the following officers be appointed in a grade higher than that indicated.

MEDICAL CORPS

To be colonel

Armbrustmacher, Vernon W., [redacted]

To be lieutenant colonel

Clinchard, William R., [redacted]
Dennis, Larry G., [redacted]

To be major

Parke, Robert C., [redacted]
Trivedi, Devendra, [redacted]
Young, David G., III, [redacted]

To be captain

Duncan, Deborah L., [redacted]

DENTAL CORPS

To be major

Fuhs, Quentin M., [redacted]
Kaufman, Herschel B., [redacted]
Schmitt, Stephen M., [redacted]
Wilson, William W., Jr., [redacted]

To be captain

Birch, Dennis M., [redacted]
Deas, David E., [redacted]
Deperalta, Alex A., Jr., [redacted]
Fashinder, Dennis J., [redacted]
Larson, Brent E., [redacted]
Levon, John A., [redacted]

The following persons for appointment as Reserve of the Air Force, in the grade indicated, under the provisions of section 593, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated.

MEDICAL CORPS

To be lieutenant colonel

Barnard, James A., III, [redacted]
Bolch Oscar H., Jr., [redacted]
Claflin, James R., [redacted]
Dank, Gerald, M., [redacted]
David, Gangardhar K., [redacted]
Golden, Patrick F., [redacted]
Huyghe, Willy L., [redacted]
Silbert Michael Z., [redacted]
Sokol, Donald Z, [redacted]

DENTAL CORPS

To be lieutenant colonel

Johnson, James D., [redacted]

The following individuals for appointment as Reserve of the Air Force [ANGUS], in the grade indicated under the provisions of sections 593 and 8351, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform duties as indicated.

MEDICAL CORPS

To be lieutenant colonel

King, John P., [redacted]
Seable, Finley A., [redacted]

The following Air Force officers for permanent promotion in the U.S. Air Force, in accordance with section 601, title VI, Transition Provisions, Defense Officer Personnel Management Act of 1980, with dates of rank to be determined by the Secretary of the Air Force.

LINE OF THE AIR FORCE

To be lieutenant colonel

Spencer, Paul C., [redacted]

To be major

Clendenin, James A., [redacted]

The following Air Force officers for appointment as permanent professors, U.S. Air Force Academy, under the provisions of section 9333(b), title 10, United States Code.

Cubero, Ruben A., [redacted]
Giffen, Robert B., [redacted]
Murray, Douglas J., [redacted]

DEPARTMENT OF LABOR

Robert A. Rowland, of Texas, to be an Assistant Secretary of Labor, vice Thorne G. Auchter, resigned.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Tony E. Gallegos, of California, to be a member of the Equal Employment Opportunity Commission for the term expiring July 1, 1989, reappointment.

CONSUMER PRODUCT SAFETY COMMISSION

Carol Gene Dawson of Virginia, to be a Commissioner of the Consumer Product Safety Commission for the remainder of the term expiring October 26, 1985, vice Samuel D. Zagoria, resigned.

FARM CREDIT ADMINISTRATION

Melvin A. Ensley, of Washington, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 1, 1990, vice George Warren Lacey, term expired.

NUCLEAR REGULATORY COMMISSION

Lando W. Zech, Jr., of Virigina, to be a member of the Nuclear Regulatory Commission for the term of 5 years expiring June 30, 1989, vice Victor Gilinsky, term expiring.

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

James B. Burnham, of Pennsylvania, to be U.S. Executive Director of the International Bank for Reconstruction and Development for a term of 2 years, reappointment.

DEPARTMENT OF JUSTICE

Harold J. Lezar, Jr., of Texas, to be an Assistant Attorney General, vice Jonathan C. Rose, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 28, 1984:

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Thomas H. Etzold, of Rhode Island, to be an Assistant Director of the U.S. Arms Control and Disarmament Agency.

DEPARTMENT OF STATE

Clint Arlen Lauderdale, of California, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Cooperative Republic of Guyana.

Owen W. Roberts, of New Jersey, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Togo.

John William Shirley, of Illinois, a career member of the Senior Foreign Service, class of Career Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the United Republic of Tanzania.

Leonardo Neher, of Maryland, a career member of the Senior Foreign Service, class of Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Republic of Upper Volta.

DEPARTMENT OF THE INTERIOR

Frank K. Richardson, of California, to be Solicitor of the Department of the Interior.

DEPARTMENT OF TRANSPORTATION

Virgil E. Brown, of Ohio, to be a member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

John R. Wall, of Ohio, to be a member of the Advisory Board of the Saint Lawrence Seaway Development Corporation.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

IN THE AIR FORCE

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Bernard P. Randolph, XXX-X... [redacted], U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. John T. Chain, Jr., XXX-X... XXX-XX..., U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. David L. Nichols, XXX-X... [redacted] X..., U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. James W. Stansberry, XXX-X... [redacted], U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Melvin F. Chubb, Jr., XXX-X... XXX-X..., U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. George D. Miller, XXX-XX-XXXX, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. William J. Campbell, XXX-X... [redacted] X..., U.S. Air Force.

The following-named officer for appointment to the grade of general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Gen. Billy M. Minter, XXX-XX-XXXX, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

Lt. Gen. Charles L. Donnelly, Jr., XXX-X... [redacted] X..., U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and Code section 601:

Maj. Gen. Charles J. Cunningham, Jr., XXX-XX-XXXX, U.S. Air Force.

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of sections 593, 8218, 8373, and 8374, title 10, United States Code:

To be major general

Brig. Gen. Alfred B. Cole, XXX-XX-XXXX, Air National Guard of the United States.

Brig. Gen. Richard J. Geehan, Jr., XXX-X... [redacted] X..., Air National Guard of the United States.

Brig. Gen. John L. Matthews, XXX-X... XXX-XX-..., Air National Guard of the United States.

Brig. Gen. Robert W. McDonald, XXX-X... [redacted] X..., Air National Guard of the United States.

To be brigadier general

Col. Ernest Z. Adelman, XXX-XX-XXXX, Air National Guard of the United States.

Col. Vernon E. Baldeshwiler, XXX-X... [redacted] X..., Air National Guard of the United States.

Col. Donald B. Barshay, XXX-XX-XXXX, Air National Guard of the United States.

Col. Edward A. Belyea, XXX-XX-XXXX, Air National Guard of the United States.

Col. Robert G. Chrisjohn, Jr., XXX-X... [redacted] X..., Air National Guard of the United States.

Col. Richard M. Eslinger, XXX-XX-XXXX, Air National Guard of the United States.

Col. Francis E. Hazard, XXX-XX-XXXX, Air National Guard of the United States.

Col. Stanley V. Hood, XXX-XX-XXXX, Air National Guard of the United States.

Col. Homer H. Humphries, Jr., XXX-X... [redacted] X..., Air National Guard of the United States.

Col. Otto K. Korth, Jr., XXX-XX-XXXX, Air National Guard of the United States.

Col. Edward S. Mansfield, XXX-XX-XXXX, Air National Guard of the United States.

Col. James R. Mercer, XXX-XX-XXXX, Air National Guard of the United States.

Col. John L. Smith, XXX-XX-XXXX, Air National Guard of the United States.

Col. Arthur P. Tesner, XXX-XX-XXXX, Air National Guard of the United States.

Col. William R. Turnipseed, XXX-X... [redacted] X..., Air National Guard of the United States.

Col. Revere A. Young, XXX-XX-XXXX, Air National Guard of the United States.

The following-named officer for appointment to the grade of general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Gen. James V. Hartinger, XXX-XX-XXXX, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be general

Lt. Gen. Robert T. Herres, XXX-XX-XXXX, U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Duane H. Cassidy, XXX-X... [redacted] X..., U.S. Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. Charles G. Cleveland, XXX-X... [redacted] X..., U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of

importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Kenneth L. Peek, Jr., [redacted], U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Thomas C. Richards, [redacted], U.S. Air Force.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Edward L. Tixier, [redacted], U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. David E. Grange, Jr., [redacted], age 59, U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Lt. Gen. Joseph T. Palastra, Jr., [redacted], U.S. Army.

The following-named officer under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. William H. Schneider, [redacted], U.S. Army.

The following-named officer for appointment in the U.S. Army to the grade indicated under the provisions of title 10, United States Code, sections 611(a) and 624:

Col. John L. Fugh, [redacted], Judge Advocate General Corps, U.S. Army.

The following-named officer to be placed on the retired list in grade indicated under the provisions of title 10, United States Code, section 1370:

Lt. Gen. Joseph K. Bratton, [redacted], age 58, U.S. Army.

The following officers for appointment as Reserve commissioned officers in the Adjutant General's Corps, Army National Guard of the United States, Reserve of the Army, under the provisions of title 10, United States Code, sections 593(a) and 3392:

Col. Nathaniel G. Troutt, [redacted].

Col. Edward D. Baca, [redacted].

The following-named officer under the provisions of title 10, United States Code, section 601, to be reassigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. James M. Rockwell, [redacted], U.S. Army.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Robert E. Kirksey, [redacted] U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. William F. McCauley, [redacted], U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Vice Adm. Joseph Metcalf III, [redacted] U.S. Navy.

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. Henry C. Mustin, [redacted], U.S. Navy.

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be vice admiral

Vice Adm. Gordon R. Nagler, [redacted] U.S. Navy.

IN THE COAST GUARD

The following Reserve officers of the U.S. Coast Guard to be permanent commissioned officers in the grades indicated:

To be lieutenant commander

Rodney E. Smith	Paul H. Garrity
George A. Flanigan	Robert M. Acker, Jr.

To be lieutenant

James J. Vallone	Walter J. Brawand III
Francis L. Shelley III	Thomas M. Self
Douglas R. Carlson	Steven D. Hardy
David G. Michalski	Scott S. Way
Patrick T. Keane	

To be lieutenant (junior grade)

Patrick L. Donahue, Jr.	George Gill
Guy A. Tetreau	Paul D. Jewell
Stephen P. Garrity	Earle G. Thomas IV
Rhae A. Giacoma	Danny R. Williamson
Charles W. Kaiser	Victor L. Tyber
William D. Plunkett	Jack V. Rutz
Lawrence M. Fontana	Michael F. Moriarty
Michael T. Covey	James X. Monoghan
Steve M. Sawyer	Roy F. Williams III
Bruce J. Mayes	Arne O. Denny
Darrell C. Folsom	William J. Uberti
Thomas A. Bailey	William W. Thompson
Francis R. Southcott, Jr.	Christopher C. Colvin
Larry D. Cheek	Craig H. Allen

IN THE AIR FORCE

Air Force nominations beginning Gary R. Baarson, and ending Robert F. Howarth, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 22, 1984.

Air Force nominations beginning William M. Berg, and ending Hedley W.D. Greene, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 25, 1984.

Air Force nominations beginning Bryan C. Adams, and ending Kristina M. Zlotnicki, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 25, 1984.

IN THE ARMY

Army nominations beginning Claude W. Abate, and ending John W. Moore, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 4, 1984.

Army nominations beginning Avery C. Spence, and ending David J. Zehnder, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 25, 1984.

IN THE MARINE CORPS

Marine Corps nominations beginning Charles L. Bacon, and ending Harold E. Zealley, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 22, 1984.

Marine Corps nominations beginning Charles R. Abney, and ending Francis E. Zink, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 22, 1984.

Marine Corps nominations beginning Dennis H. Mohle, and ending James R. Forr, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 4, 1984.

IN THE NAVY

Navy nominations beginning Robert James Abbott, and ending George Dean Zeitler, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 22, 1984.

Navy nominations beginning Timothy R. Bergfield, and ending Frank Barnes, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of May 22, 1984.

Navy nominations beginning Michael L. Adams, and ending Robert Eugene Herning, which nominations were received by the Senate on May 30, 1984, and appeared in the CONGRESSIONAL RECORD of June 4, 1984.

Navy nominations beginning Kimberly F. Walker, and ending Daniel J. Weber, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 25, 1984.

Navy nominations beginning Ted Glen Achorn, and ending William Romain Yoshida, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of June 25, 1984.