SENATE—*Friday, July 26, 1985*

(Legislative day of Tuesday, July 16, 1985)

The Senate met at 9:30 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.

Father in Heaven, the Senators could use an 8-day week. But in the devine economy You have given us the inestimable treasure of time and all have the same amount—kings and beggars. Help us to appreciate this incalculable treasure and use it wisely. We know that "haste makes waste"—as we are reminded by the Vermont farmer who, when asked why he never hurried, said that he figured when he hurried, he passed up more than he caught up with. Some kill time and complain they never have enough. The busiest invest time by using it wisely. Help the Senators to make time for their own rest and renewal—for their families—and not allow work, like a tyrant, to rob them of the most important values in life. Grant that this weekend, however demanding their work, will be devoted to priorities. In His name Who was never in a hurry—never wasted time—and finished what He had come to do on Earth. Amen.

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. DOLE. Mr. President, under the reduced time limit, the leaders have 3 minutes each, and special orders not to exceed 15 minutes each for Senators PROXMIRE, NUNN, and MOYNIHAN.

Following that, there will be routine morning business not to extend beyond the hour of 11 a.m. with statements limited therein to 5 minutes each.

Following the conclusion of morning business, the Senate will resume S. 1078, the FTC authorization bill. Pending is the Kasten amendment No. 542.

Also, it is the intention of the majority leader to turn to S. 410, the Conservation Service Reform Act. Several amendments can be expected to S. 410. Therefore, rollcall votes will occur throughout the day today, though I urge my colleagues to work out these amendments, if they can. I hope we can limit the number of rollcalls we have today because we have colleagues on both sides who are not here because of official business elsewhere.

So I hope we can have votes. But I hope we do not overdo it.

THE BUDGET CONFERENCE

I want to compliment the distinguished Senator from New Mexico Senator DOMINICI, and all Senators who are confrees—Republicans and Democrats—in the budget conference.

Now that the plan has been offered, it seems to me that we now have before the Congress a straightforward—I think very constructive—effort to face up to the deficit reduction.

My understanding, although I was not present, is that they had a very amicable exchange among the conferees—Democrats and Republicans, House Members and Senators—and that the House conferees met with their leaders on both sides of the aisle to discuss the package, and hopefully they will be in a position to make some comment very soon.

I hope that, if there is some affirmative response or signal from the White House, that we might take the next step. And that would be to indicate or to determine whether or not there will be any reason for the President, the Speaker, and others who are engaged in this process to sit down, and not just visit about the budget and the deficit but actually come to grips with the issues before us and make some decisions on what we intend to do about it. The deficit is there. I know the media likes to pick out defense, Social Security, or the import fee, and write solely about those items. It may be necessary. But I hope that sometime someone will write a column or two on the danger of the deficit and what it means to Social Security recipients, what it means to people who drive automobiles who might have to pay a bit more for gasoline if there were an oil import fee—and I underline f-e-e—and what it might mean to others if we fail to face up to our responsibilities on the deficit. It is easy to go to special interest groups and find opposition to cutting any program or making any change if it appeals to just that interest group.

In my view, it is time that we address this problem as we should, not only as a national problem but as a global problem, and one that could engulf our economy in the next year or two.

So I am very optimistic. I am very pleased with the leadership—bipartisan leadership—of the Senate conferees. Now we will await some positive signal from the Speaker, the majority leader in the House, and others who will have an opportunity to review this package. The package is under review in the White House. It was delivered to the White House about 4 o'clock yesterday afternoon following the early morning meeting with the Chief of Staff Don Regan, myself, and Senator DOMINICI. So we are hopeful. It was offered in good faith. It is just a flat-out deficit reduction.

In my view, we can still accomplish this before we begin the August recess on next Friday.

Mr. President, I reserve the remainder of my time.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The distinguished democratic leader is recognized.

THE BUDGET CONFERENCE

Mr. BYRD. Mr. President, I have listened to what the distinguished majority leader had to say. I compliment him on his efforts to encourage some agreement on a budget package. He has referred to the Speaker and to the President. I think it would be very helpful if we could find out where the President stands. I noted that the majority leader also indicated that—he did not say it quite as I shall—a little more help is needed from the White House, also. We do not know where the President stands on the oil import fee. We do not know where he stands on Social Security and other COLA income reductions which are a part of the package, as I understand it.

We should know whether or not the President is going to lead the charge. Is he going to go along on oil import fees and other controversial features of the package?

A firm understanding of where the President stands, what his position is and how much leadership he is going to give to an oil import fee and other aspects of the Senate Republican leadership proposal would help.

(Mrs. KASSEBAUM assumed the chair.)

Mr. BYRD. Madam President, I yield back the remainder of my time.

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

THE KASTEN LEGISLATIVE VETO AMENDMENT

Mr. BYRD. Madam President, may I say to the distinguished majority leader that our people have been working on some revision of the amendment by Mr. KASTEN. I hope that Mr. KASTEN and I and Senator FORD and others might sit down very soon and go over the changes that have been recommended so that we can come to the floor and get on with Mr. KASTEN's amendment, expedite the action on it and the Levin-Grassley amendment and the bill.

Mr. DOLE. I thank the distinguished minority leader. It is my hope that we can move rather quickly. There are a number of Senators who have early afternoon conflicts and we hope to be able to accommodate as many as we can. There are, I think, an equal number of Senators out on each side on official business. So, again, I urge that we not have a rollcall vote. If we can agree on something, let us agree on it and have rollcall votes, maybe, on passage.

THE BUDGET CONFERENCE

Mr. DOLE. Madam President, I appreciate the comments of the distinguished minority leader on the deficit reduction plan. Let me say that it is not a Social Security COLA cut, it is an adjustment every 2 years of the full COLA.

I also add that it has been said, if you do that to tax indexing, we might be able to accept it on COLA's. The very same treatment is given to tax indexing; it is adjusted every 2 years instead of every year. It seems to me it does not pick up nearly as much money as a so-called 1-year COLA freeze or a 1-year freeze on indexing would. But it does, combined, pick up about $18 billion over 3 years, so it is a very mild effort. We save that money just by the fact that we are not paying it out; we are not adjusting on an annual basis, we are adjusting every 2 years. It seems to me it does deserve some consideration.

I do not want to place the blame on anyone at this point. I just hope that those who have the highest responsibilities will focus on the deficit and the consequences of no action rather than on some specific proposal. I am hopeful that we will have the cooperation of the President and the Speaker, and I am certain we will have the cooperation of the majority and minority leaders in the Senate and other leaders in the House—the minority leader, Representative MICHEL and the majority leader, Representative WRIGHT—obviously Senator CHILES, Senator DOMENICI, Senator KASSEBAUM, and Senator HOLLINGS—and other key players in the budget conference—we are all in this together.

Again, I appreciate the efforts of the bipartisan spirit of the conferees.

Madam President, I have already used my time.

RECOGNITION OF SENATOR PROXMIRE

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

Mr. PROXMIRE. I thank the Chair.

UNITED STATES AND U.S.S.R. COOPERATE IN HOW TO DESTROY EACH OTHER

Mr. PROXMIRE. Madam President, on July 1 the New York Times reported that American and Soviet scientists are deeply engaged in joint cooperative space weapons research. There is of course, no conscious conspiracy aimed at building even more terrible weapons of death. But the result is the same. There is none of the transparent alibi that this Soviet-American collaboration will only build defensive weapons designed to defend against offensive nuclear attack.

Collaboration between Soviet and American scientists produces offensive as well as defensive nuclear weapons. The collaboration is honest, it is open, it is public.

Both Soviet and American participants say frankly that this scientific cooperation will bring breakthroughs that will permit both superpowers to build better-than-ever weapons for both defense against nuclear attack and for penetration of those very nuclear defenses.

In the article, New York Times reporter William Broad quotes General Abrahamson, the director of the Reagan Star Wars Program as saying that the main particle-beam device at Los Alamos, "works because there are three separate Soviet inventions included in that weapon." Three Soviet inventions included in our nuclear weapon. That particle-beam weapon can be directly useful to the star wars antimissile defense. Could it not be also immensely useful to overcoming that same star wars defense? Of course it could. And it will.

Dr. Andre Gasponer, the director of the Independent Scientific Research Institute at Geneva, has reported that American and Soviet arms researchers are secretly working at a laboratory for particle physics just outside Geneva. Dr. Gasponer is quoted as saying:

> There is no conspiracy to make weapons. There's a lot of good will to study, to understand, to push the technologies to the limit. And this is exactly what the military wants.

Some of the work focuses on a machine at this laboratory that the New York Times calls the most powerful in the world for producing antimatter particles. These antimatter particles have an enormous potential for another hugh increase in the destructive force of military weapons. Reactions between matter and antimatter produce a complete liberation of energy. It is the only place in nature where Einstein's famous law on the equivalence of energy and matter is demonstrated in full force. In other words, if you liked the hydrogen bomb, you will love this baby. Dr. James Fletcher, former head of NASA, is quoted as saying that "Antimatter beams could provide an effective and highly lethal kill mechanism."

Madam President, this group of American and Russian scientists certainly do not constitute a conspiracy to promote a more and more destructive nuclear war. They are dedicated as scientists have always been to pushing back the frontier of science, whether the consequence is a cure for cancer or a doomsday weapon that will more quickly and surely destroy the civilized world. The scientists do not appropriate money for weapons or declare war. We elected officials do that. This is our bag. The time has come when those of us in the congresses and parliaments of the world must call out loud and clear and relentlessly for an end to this crazy nuclear arms race.

Here we are, devoting our marvelous scientific genius to the development of the most immensely destructive weapons available. We pursue this madness in the name of democracy and freedom against the great evil of Soviet communism and tyranny. The Soviets pursue the same mania in the name of an end to the economic exploitation of man and the establishment of equality. We arm to stop communism. They arm to stop capitalism. The one area where these two superpowers cooperate congenially and fully is in the exchange of the basic scientific data for building the weapons that will destroy both sides. It is like an insane dance of death, a zany minute between duelers to the death. They make faces at each other, shout oaths and imprecations; then each hands the other a deadly machine gun, cleaned and loaded by the adversary. Final pas de deux; the two congenial assassins, each armed by the other, simultaneously rip rounds of fire into each others' bodies.

Madam President, if this exchange of weapons research makes any more sense than I have described, let some other Senator explain it. I can't.

I ask unanimous consent that the article I have described from the July 1, New York Times, by William Board, entitled "Space Arms Projects Ignite Debate on U.S.-Soviet Science Exchanges," be printed at this point in the RECORD.

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

[From the New York Times, July 1, 1985]

SPACE ARMS PROJECTS IGNITE DEBATE ON U.S.-SOVIET SCIENCE EXCHANGES

(By William J. Broad)

Tensions are rising, because of the development of antimissile research programs, over the exchange of ideas and information taking place among scientists from the United States and the Soviet Union.

The exchanges revolve around non-military matters and are limited to so-called pure, or theoretical, science, according to experts in the United States and Europe.

But a debate is intensifying over whether the meetings should be sharply curtailed. Many of these Russian and American scientists work in military laboratories and their meetings are occurring at a time when both nations are searching for powerful space weapons. These weapons have yet to be perfected and will almost certainly depend for their success on future developments in theoretical science.

PRESSURE TO CURB MEETINGS

Members of opposing ideological camps are switching dies in this debate. Some Pentagon officials say Soviet scientists could gain not only ideas for exotic weaponry but state secrets as well and want the meetings promptly halted. They are allied in this desire with some liberals who want such "pure science" explorations stopped because they believe they will ultimately escalate the arms race.

On the other hand, different Government officials are allied with conservative weapons scientists, like Dr. Edward Teller, who argue that through discussion and shared research, nuclear weapons, as President Reagan proposed in his speech of March 1983, can be made "impotent and obsolete."

Exchanges of information between American and Soviet scientists are not new. They have been going on for decades. Nor is the concern that such meetings could lead to inadvertent disclosures to the Russians of important military data.

But what is adding special urgency to the controversy is the uncertainly over the ultimate nature of the evolving research, whose American version is formally labeled by the Reagan Administration as its Strategic Defense Initiative and is widely known as "Star Wars."

Major questions have yet to be answered: What types of technology might allow it to work as a vastly complex defensive shield in space that could destroy intercontinental nuclear missiles? Could it be overcome with relatively simple technologies? Could it have offensive uses?

LINES OF BATTLE DRAWN OVER SCIENTIFIC MEETINGS

The dilemma presented by the scientific exchanges is described by Dr. Theodore B. Taylor, formerly an atomic physicist at the Los Alamos National Laboratory in New Mexico, the birthplace of the atomic bomb. "On one level here are two countries facing each other—and it's terrible," he said in an interview. "But on another, here are two sets of scientists sharing a sense that they're both working on weapons for the same reason, to aid deterrence or whatever. And they feel friendly and hand-picked—almost mystically picked. There's a sense of camaraderie. It's curious. It's a matter of shared excitement."

American arms researchers have vigorously protested any attempts to put restrictions on meeting with their Soviet counterparts, saying they profit from Soviet scientific literature and contacts. "We bring back as many good ideas as we leave," said Dr. William A. Barletta, the director of beam-weapons research at the Lawrence Livermore National Laboratory in California, which, along with Los Alamos, is one of two Federal facilities in the United States for the design of nuclear weapons.

"It probably adds to stability," observed Dr. Marshall N. Rosenbluth, the director of the Institute for Fusion Studies at the University of Texas and formerly a physicist at Los Alamos. "The more interaction there is, the less paranoia, and the Russians certainly have shown a good deal of that."

CONSEQUENCES OF DECISIONS

But others say these exchanges between East and West result from a kind of blind scientific quest, undertaken for its own sake just to see whether breakthroughs can be achieved and without regard to consequences. "It's a mutual advancing of interests between technologists—one that is not in the common interest," said Dr. Richard L. Garwin, a longtime Pentagon consultant who is a former designer of nuclear weapons. "I wouldn't call it a collusion. But it takes place out of the limelight and can lead to the wrong kinds of governmental decisions." An example, he said, was how weapons scientists of East and West united to oppose a comprehensive ban on the testing of nuclear weapon in 1950's.

Dr. Charles Schwartz, a physicist at the University of California at Berkeley who is a peace activist, said, "The arms race is in the self-interest of both sets of weapons scientists to the extent that it allows them to expand their budgets and turf." He added that it was easier for Russian scientists to get into the American weapons laboratories than it was for him to do so.

One Pentagon objection to the exchanges has to do with a concern over the possible theft of American military secrets by Soviet scientists who might be acting as intelligence agents. In May, Richard N. Perle, the Assistant Secretary of Defense for international security policy, told reporters that he believed that Soviet scientists visiting the United States were usually either full-fledged spies or legitimate scientists on intelligence missions. There are, he said, "dramatic examples not only of Soviet intelligence officers but of Soviets deeply immersed in the development of some very menacing defense technologies who have come to this country for two and three weeks at a time and had access to the American community of scholars and engineers." He would not provide specific examples. He said, "If it were up to me, I would discourage scientific exchange with the Soviet Union."

CRITICS OF THE RESEARCH SEE A CERN CONNECTION

European critics of antimissile research say that collaborations between weapons scientists of East and West extend to powerful particle accelerators. While these atom-smashers ostensibly have application only to pure science, some scientists see them as a potential tool for the development of powerful beam weapons. In articles, lectures and a recent book, Dr. André Gsponer, the director of the Geneva-based Independent Scientific Research Institute, has asserted that American and Soviet arms researchers are secretly working at CERN, the 6,000-person European Laboratory for Particle Physics, which is just outside Geneva. The laboratory has long enjoyed a reputation for pushing back the frontiers of peaceful physics.

"There is no conspiracy to make weapons," said Dr. Gsponer, who once worked at the laboratory. "There's a lot of good will to study, to understand, to push the technologies to the limit. And this is exactly what the military wants."

One focus of military interest in CERN is antimatter, according to Dr. Gsponer. The laboratory now has the most powerful machine in the world for producing antimatter particles, which are identical to regular particles of matter in mass and spin but have the opposite electric charge. They are also extremely rare.

The military's interest stems from the great energy released when particles of antimatter collide with those of matter, according to Dr. Gsponer. In the fission and fusion reactions of nuclear weapons, only a tiny fraction of matter is turned into energy, from which the weapons nonetheless get their spectacular power. A-bombs or fission weapons split heavy atoms such as plutonium. H-bombs or fusion weapons fuse together isotopes of hydrogen to release some of the energy at the heart of the atom.

But reactions between matter and antimatter produce a complete liberation of energy. It is the only known place in nature where Einstein's famous law on the equivalence of energy and matter (energy equals mass times the speed of light squared) is demonstrated in full force.

A POTENTIALLY POWERFUL WEAPON

Antimatter weapons for the destruction of enemy missiles and warheads were one of the possibilities cited by an early Pentagon inquiry into the feasibility of a shield against nuclear weapons. The Pentagon study, completed in October 1983, was headed by Dr. James C. Fletcher, a former Administrator of the National Aeronautics and Space Administration. "Antimatter beams could provide an effective and highly lethal kill mechanism," the report said.

Dr. Gsponer said weapons scientists of East and West worked at the CERN laboratory on antimatter projects and also met to discuss their findings at international conferences. At Tignes-Savoie, France, he said, a large meeting on the CERN antimatter machine was held in January and attended by Soviet and American scientists, some of the Americans coming from the Los Alamos weapons laboratory.

CERN officials routinely deny that any classified research is ever carried out at their facilities, saying everything must be publishable in the open literature. Dr. Gsponer said this is true, but that the real beneficiaries of much of the research were nonetheless the weapons scientists.

Echoing his view was The Financial Times of London, which recently asserted, "The strongest political case for keeping CERN in business may turn out to be the installation's usefulness as an insurance that European governments can keep abreast of some of the science of Star Wars."

HISTORY OF COOPERATION: TRANSCENDING BORDERS

According to historians and political scientists, the cooperation between weapons scientists of East and West, though seemingly paradoxical, is actually in step with the overall ideology of science. In principal, science is international. Its borders are not meant to coincide with those of nations.

But such ideas are quickly abandoned when governments believe that security risks outweigh scientific benefits, according to Dr. David Holloway, a political scientists at the Center for International Security and

Arms Control of Stanford University. For instance, he said, widespread cooperation between American and Soviet atomic physicists in the 1920's and 1930's gave way to separation and secrecy in the 1940's when governments realized the possibility of building atomic bombs.

After the birth of the nuclear era, atomic scientists of East and West slowly began to renew their contacts—sometimes with controversial results. In 1956 Dr. Igor V. Kurchatov, the "father" of the Soviet atomic bomb, gave a frank lecture in Britain on fusion, the nuclear reaction that powers the sun and hydrogen bombs. "He spoke about things that had been classified in the Soviet Union and were still classified in the West," Dr. Holloway said.

The weapons scientists soon united to promote goals that may have conflicted with the best interests of their respective nations, according to Dr. Garwin. An example, he said, was how the "close alliance" between Soviet and American nuclear-weapons scientists in the 1950's and early 1960's became an "impediment" to negotiations of a comprehensive ban on all tests of nuclear weapons. Such a ban would have applied a brake to the arms race. It also would have put the weapons researchers out of business.

CROSSING FORBIDDEN ZONES

By the 1970's, Soviet and American scientists were cooperating on projects that bordered on classified areas, and sometimes crossed into forbidden zones. One such program was controlled fusion, which attempts to harness miniature hydrogen bombs for the production of electrical power. The tiny fusion reactions are meant to heat water to turn generators. In 1976, American censors tried to retroactively classify a lecture on controlled fusion given at an American nuclear-weapons laboratory by Dr. L. I. Rudakov, a visiting physicist from a major Soviet center in Moscow for the design of weapons. According to American arms experts, he had discussed details that were considered "sensitive."

In the past two decades, arms scientists of East and West have widened their mutual endeavors to include collaborations in such areas as mathematics, plasma physics, lasers and particle accelerators.

Even Dr. Teller, an American nuclear physicist long known for his disparaging views of the Soviet Government, has embarked on collaborative endeavors with his Russian colleagues. In August 1983 he signed a joint agreement with Dr. Yevgeny P. Velikhov, a vice president of the Soviet Academy of Sciences, to set up an international center to study the effects of large-scale nuclear wars on global climate and the development of arms for the destruction of offensive missiles.

Despite a historic rise in contacts, détente has not extended to Russia designers of nuclear weapons, whose identity the Soviet Government tries to keep secret. "We don't even know who those guys are," said Dr. Michael M. May, the associate director of the Livermore laboratory. "I've been interacting with the Soviets since 1970. I'm sure I've met them. But nobody has ever identified themselves as a weapons scientist or spoken about these matters."

Such uncertainty surrounds the work of many Soviet scientists. An example is Dr. Velikhov, whose publicly accessible research focuses on controlled fusion and lasers. American arms researchers suspect he also works on laser weapons.

NATURE OF EXCHANGES AND THE CURRENT CHILL

According to Dr. Arthur H. Guenther, the chief scientist of the Air Force Weapons Laboratory in Albuquerque, N.M., occasional ambiguity about the work of Soviet arms researchers does not obscure the overall pattern. "There's no question that it's a community which is made up of people with similar backgrounds and similar interests, and that the technologies involved are common everywhere," he said. "It's also a community in which one is continuously on guard because the areas about which you're talking are sensitive.

"Do we talk physics? The answer is yes. Does the physics relate to things of national interest? The answer is obviously yes. It happens to be the language of our business. And there is a certain amount of parrying back and forth."

Recently Dr. Guenther visited Russia to meet with Dr. Nikolai G. Basov and Dr. Aleksandr M. Prokhorov, physicists who in 1964 shared the Nobel Prize for their pioneering work in the development of lasers.

According to Dr. Robert W. Seidel, a historian at the University of California at Berkeley who is studying the early days of laser development in both East and West, "soft" intelligence data can often be gathered by American weapons scientists in contact with their Soviet colleagues.

"You offer what you know you can offer," he said, referring to American arms researchers. "The Soviets do the same. And somebody slips. And you learn something quite new. It's a kind of soft intelligence."

But all that may be changing, according to American weapons experts. The recent chill in Soviet-American relations is extending to cooperative science as well, especially areas that touch on technologies for developing an antimissile shield. The quest is sometimes known as S.D.I., after Mr. Reagan's Strategic Defense Initiative.

"With S.D.I. becoming a big thing, it's harder for people to make contacts," said Dr. Rosenbluth of the University of Texas. For both East and West, the perception of security risks is starting to outweigh the allure of scientific benefits, as Dr. Holloway put it.

For example, Russian scientists recently withdrew a paper on microwave generation scheduled to be presented at an international conference in Europe. "The Soviets decided it was classified," said Dr. Barletta of Livermore. Powerful beams of microwaves are being studied in both East and West as a way of trying to destroy the delicate electronics of missiles and warheads.

CONCERN ABOUT SECRECY

Dr. Barletta expressed concern over the trend to increasing secrecy, saying both sides benefitted from open communication. "Technology transfer is a two-way street," he said. "I subscribe to Teller's point of view. Aside from blueprints for nuclear weapons, nothing should be classified. If you have a free country and a vigorous country, the price of secrecy is too much to pay."

Lieut. Gen. James A. Abrahamson Jr., the director of the Reagan Administration's Strategic Defense Initiative, recently told a group of reporters that the main particle-beam device at Los Alamos "works because there are three separate Soviet inventions included in that weapon."

Although cooperation between American and Soviet researchers continues unabated in the area of controlled fusion, some arms scientists say it will probably diminish as aspects of this technology fall under the auspices of the antimissile research program.

At the Los Alamos laboratory, one of the world's most energetic lasers for controlled fusion, Antares, is already being evaluated for use by the military. "Recent interest in new defense concepts, such as laser weapons, offers a new potential application for this powerful research tool," the current annual report of the Federal laboratory said.

In the face of widespread collaborations and meetings between weapons scientists of East and West, American officals are instituting new procedures to try to stem the flow of American research findings that might have application to an antimissile shield and other military matters. The Department of Defense, which now finances more than 70 percent of all the scientific research and development undertaken by the Federal Government, has recently tried to close many scientific meetings to foreigners and to set up restricted sessions where security clearances are required for attendance.

The chill extends to exchange programs not linked with the military, an example being the United States-Soviet Union Joint Coordinating Committee for Research on the Fundamental Properties of Matter. James E. Leiss, head of the American delegation and director of High Energy and Nuclear Physics at the Federal Department of Energy, recently signed a research accord with Ivan V. Chuvilo, director of the Institute of Theoretical and Experimental Physics in Moscow.

But Mr. Perle, who is in charge of international security for the Defense Department, has said such exchanges must be curtailed because of suspicions that the Soviet scientists could be spies.

Other arms experts in the United States characterize such attitudes as naive, saying the exchange of valuable information is a "two-way street." They contend that increasing restrictions on American scientists may only serve to drive the best ones out of weapons research. Dr. Seidel said the ability to speak as freely as possible with scientific peers, wherever they may be found, had a critical effect on "the caliber of people you can recruit."

Some American critics of the Reagan antimissile research are less sanguine about the merits of such East-West cooperation. They argue that the sheer scientific momentum behind the international quest for antimissile weapons could ultimately force their deployment, which would add yet another costly and destabilizing spiral to the already expensive competition between the nuclear superpowers.

MYTH OF THE DAY: THAT THE REAGAN ADMINISTRATION HAS HELD DOWN FOREIGN AID SPENDING

Mr. PROXMIRE. Madam. President, my myth of the day today is the widespread conviction that the Reagan administration is opposed to foreign aid programs. That widespread conviction is wrong. The fact is that the Reagan administration has zoomed into first place as the foreign aid champion. Do you find that hard to believe? Well, believe it.

Consider: in the first 6 years in office, the Reagan administration will

spend over $91 billion in foreign aid or more than the combined total foreign aid spending by President Nixon, Ford and Carter. During their 12 years in office, they spent about $77.8 billion for foreign aid. President Reagan's administration has taken one-half the time to spend $13.2 billion more than his three predecessors

Does inflation account for this foreign aid extravagance? No, indeed. Even looked at in constant dollars, the Reagan administration is the all-time big spender in foreign assistance. The fiscal year 1985 total of $19.6 billion is the largest constant dollars foreign aid spending level since the post-World War II Marshall plan. There has been an 83-percent real increase—real that is, allowing fully for inflation—in foreign aid since 1979. In current dollars, the first 4 Reagan years saw an expenditure for foreign aid of $27.3 billion or 106 percent higher than the Nixon/Ford term and $35.2 billion or 197 percent higher than the Nixon years of 1969–72. The Reagan administration has spent $19 billion or 56 percent more in foreign aid than the Carter administration spent in the same time period.

As might be expected, Madam. President, the Reagan administration has heavily favored military foreign aid rather than economic aid or Peace Corps or Food-for-Peace Programs.

A MONUMENT AGAINST FORGETTING

Mr. PROXMIRE. Madam President, later this year a documentary film on the Holocaust will open in New York that has been acclaimed in Paris as a masterpiece. The film is named "Shoah," which is a Hebrew word meaning annihilation. The New York Times reports the 9½-hour documentary film will open October 23 at New York's Cinema Studio I.

"Shoah" took Director Claude Lanzmann, a Frenchman who fought in the resistance during the war, 10 years to film.

It is a film unlike any other previously produced about the Holocaust.

It is striking in that it does not contain any of the archival footage of tortured survivors and dead bodies that we have come to expect in a film about death camps.

It consists entirely of filmed interviews with death camp survivors, former Nazi camp officials, neighbors who lived near the sites, and other witnesses. Also included are Holocaust scholars and historians.

According to the Times, the film's reliance on words instead of images created a sensation when it opened this spring in Paris.

Daniel Talbot, president of New Yorker Films, calls "Shoah" a meditation on the Holocaust. He describes it as "the first film I have ever seen that tries to give an understanding of what happened."

To the philosopher Simone de Beauvoir, "Shoah" represents an absolutely indispensable means of comprehending the Holocaust. She writes, "We read after the war numerous commentaries on the ghettos, the extermination camps, and we were shaken. But seeing today the extraordinary film of Claude Lanzmann, we realize that we knew nothing. Despite all our knowledge, the awful experience remained at a distance from us. For the first time we live it in our hearts, and in our flesh."

The French press has described it as a "monument against forgetting."

Mr. President, the 96 nations that have signed the Genocide Treaty may look at our failure to ratify the treaty as a sign that we have forgotten the suffering of the Holocaust victims.

These nations may interpret our failure to ratify the treaty as a weakness in our resolve to protect human rights.

At the end of the last session we resolved to take up the Genocide Treaty early in the 99th Congress.

Madam President, the Senate must ratify the Genocide Treaty soon. We must prove we have not forgotten the Holocaust and reaffirm our determination that it shall never be repeated.

RECOGNITION OF SENATOR NUNN

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

Mr. NUNN. I thank the Chair.

LABOR FRAUD INVESTIGATION OF JACKIE PRESSER

Mr. NUNN. Madam President, the Los Angeles Times reported on Wednesday, July 24, 1985, that the Department of Justice has decided to drop its 32-month-old labor fraud investigation of Jackie Presser, president of the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America.

According to published reports, the Department's decision to decline prosecution was made in Washington and contrasted sharply with recommendations by its prosecutors in Cleveland, as well as the recommendations of a Federal grand jury in that city, to indict Mr. Presser in connection with allegations that he authorized payment to ghost employees, persons who were reportedly placed on union payrolls with the understanding that they would not be required to work.

For reasons I will explain, I am concerned about the Justice Department's decision and believe Congress should review it. Under ordinary circumstances, the legislative branch does not evaluate the actions of the Justice Department when it decides to indict or not to indict someone on criminal charges.

But circumstances surrounding the Jackie Presser investigation are not ordinary. He is, first of all, one of the Nation's most important labor leaders. He has considerable responsibility in national affairs. As international president of the Teamsters, he heads the largest union in the country. He is an adviser to the Reagan administration on labor issues and served on the transition team in 1980 and as cochairman of the inaugural labor committee in 1985.

Moreover, responsible and knowledgeable persons have raised questions about the Presser inquiry, about the autonomy of the Cleveland grand jury, about the ability of Federal prosecutors there to carry out a fair and impartial inquiry unfettered by constraints imposed from Washington, and about the possibility that the scales of justice, in this instance, might have been tipped in Mr. Presser's favor.

Serious issues have surfaced in the outcome of the Presser investigation. The Labor Department, which first developed the information that led to the opening of the Presser case nearly 3 years ago, is reported to be disgruntled with the manner in which Justice Department officials handled the inquiry.

The Justice Department is said to be divided between those who wanted to indict Mr. Presser and those who insisted the proposed indictment lacked "prosecutive merit."

Critics within the Justice Department reportedly are angry at the Federal Bureau of Investigation for not having informed the Department early in the inquiry that Mr. Presser was being used in other cases as a confidential informat. Justice Department officials are reported to have ordered an inquiry into the FBI's relationship with Mr. Presser.

In Cleveland, the Justice Department has been criticized by members of the grand jury investigating Mr. Presser. The jurors are said to have complained to two Federal judges that the Department was deliberately delaying their investigation.

These matters deserve the attention of Congress, particularly the Senate Permanent Subcommittee on Investigations, which is directed to look into allegations of irregular practices in the labor-management field; and to examine instances in which executive branch agencies reportedly operate inefficiently and at cross purposes.

As chairman of the subcommittee from 1979 to 1981 and as its ranking minority member since then, I have worked to use this panel to strengthen laws aimed at driving out of the labor-

management field those persons who would seek to exploit it for criminal purposes.

Along with Senator ROTH, who is now the chairman of the subcommittee, and other members from both sides of the aisle, I have pursued this objective because of my belief in the right of workers to bargain collectively in an environment free of coercion and crime. It has been estimated that only 1 percent of union locals are afflicted with corrupt practices. That indicates that the overwhelming majority of union leaders are honest, conscientious, and deeply committed to their membership. But that 1 percent, small in numbers, threatens to bring discredit to the entire union movement.

The Investigations Subcommittee, which since the 1950's has made several bipartisan inquiries into instances of alleged irregular practices in the labor-management field, has played a key role in bringing about reform in the collective bargaining process and in the employee benefit programs that have resulted from that process.

The Labor-Management Reporting and Disclosure Act of 1959, commonly referred to as the Landrum-Griffin Act, was a major reform that resulted from the work of the Investigations Subcommittee and its extension, the Senate Select Committee on Improper Practices in the Labor or Management Field.

Both the subcommittee and the select committee were chaired by the late Senator John McClellan of Arkansas, a Democrat, but their work benefited greatly from the active participation of Members from the Republican side, including Senator BARRY GOLDWATER of Arizona, former Senator Carl Curtis of Nebraska and the late Senator Karl Mundt of South Dakota.

Two Democrats who served under Chairman McClellan—Senator John F. Kennedy of Massachusetts and Senator Pat McNamara of Michigan—came from States with sizable union constituencies, as did a Republican member, the late Senator Irving Ives of New York, who was vice chairman. Other members were former Senator Sam Ervin of North Carolina and the late Senator Frank Church of Idaho.

Similarly, when the landmark pension reform act of 1974, ERISA, the Employee Retirement Income Security Act, was being implemented for the first time, the Investigations Subcommittee undertook a comprehensive and bipartisan evaluation of how the statute was being applied.

With support from both sides of the aisle, the subcommittee took issue with the Labor Department's position in the Carter administration, for the somewhat limited interpretation of how ERISA was to be used. We conducted a very intense investigation of that. Senator Charles Percy of Illinois was very active in that, on the Republican side, and I was very active as the chairman of the subcommittee, on the Democratic side.

These differences came to light in the subcommittee's investigation of the Labor Department's use of ERISA in trying to reform the scandal-plagued multibillion-dollar Teamsters Central States pension fund, which has squandered millions of dollars on loans to resorts, casinoes, and certain other enterprises controlled by persons with alleged ties to organized crime.

The disagreements between then-Secretary F. Ray Marshall and the subcommittee were deeply felt and at time were reflected in sharp exchanges between him and us. But the criticism was offered in a constructive manner and, ultimately, the Department adopted many of the recommendations we had made.

Another constructive bipartisan investigation in the labor-management field was the subcommittee's inquiry into corruption on the New York and Florida waterfronts. Begun in 1980 when I was chairman, the investigation continued in 1981 and hearings were approved by Senator ROTH in one of his first acts as chairman.

He, along with Senators RUDMAN and CHILES and others of both parties, joined in cosponsoring my Labor-Management Racketeering Act of 1981, legislation which provided for the immediate removal of union, management, and employee benefit plan officials from office upon conviction of specified felonies, rather than upon the exhaustion of appeals. Senator DON NICKLES of Oklahoma was very involved and very helpful in that legislation.

Enacted into law in October 1984, the measure also amended the Taft-Hartley Act by increasing penalties for illegal kickbacks, and made clear the responsibility and authority of the Labor Department to investigate and make formal referral to the Justice Department of evidence of criminal activities in the labor-management field.

Again, the waterfront investigations, the ERISA investigations, like so many subcommittee inquiries going back to the late 1950's, were bipartisan. The subcommittee has demonstrated time and time again that it can evaluate Government programs and examine alleged racketeering in a bipartisan way, looking at the issues on their merits and without regard to other considerations.

That is why I am pleased to note that, on behalf of the subcommittee, Chairman ROTH and I have asked the General Accounting Office to make a preliminary examination of the Presser investigation. GAO officials have been asked to report to the subcommittee when they have compiled the facts of the case.

We have also directed the subcommittee staff to undertake a preliminary investigation of the handling of the Presser investigation by the Department of Justice, the Department of Labor, and the Federal Bureau of Investigation. We have, via joint letters to the Attorney General, the Secretary of Labor, and the Director of the FBI, requested the full cooperation of their respective agencies. As with past subcommittee inquiries, Senator ROTH and I fully intend that this investigation be conducted in a constructive and fair manner.

MARTIN LUTHER KING, JR., CENTER

Mr. NUNN. Madam President, today I am introducing with Senator HOLLINGS, legislation that seeks to clarify and strengthen the financial relationship between the Martin Luther King, Jr. Center for Nonviolent Social Change and the National Park Service.

Under the original legislation, which I cosponsored in 1980, that established the Martin Luther King, Jr. National Historic Site in Atlanta, GA, the National Park Service was authorized to develop and interpret significant features of a 23.5-acre historic site, including Dr. King's gravesite, the Freedom Hall Complex, the church at which he preached, and Dr. King's birth home.

During consideration of the fiscal year 1984 Interior Department appropriations measure, I joined with Senator HOLLINGS and others in offering an amendment that provided statutory authority that enabled the Park Service to enter into cooperative agreements with the King Center. These cooperative agreements were intended to provide a mechanism for reimbursement of expenses incurred by the King Center in the maintenance of certain areas within the historic site.

Madam President, the number of visitors to the King National Historic Site has increased significantly. Numerous foreign and trade delegations visit the site each month, and an increasing number of tour groups include the site in their schedule of stops. Because of the tremendous increase in visitation to the site, and especially to the crypt and Freedom Hall Complex, the operation and maintenance costs borne by the King Center have risen dramatically. These costs are currently in excess of $400,000 a year, while the amount actually appropriated is $98,000 for the current fiscal year.

To compensate for this shortfall, the King Center requested an additional appropriation from Congress. At the request of Senator HOLLINGS, Chairman MCCLURE of the Senate Interior Appropriations Subcommittee agreed

to include $100,000 for the King Center in the supplemental appropriation bill for fiscal year 1985. These funds were approved with the understanding that additional clarifying legislation would be necessary before such funds could be appropriated in the future. I appreciate Senator McCLURE's assistance in this matter. Hopefully, the legislation we are submitting today will satisfy Chairman McCLURE's concerns by providing clear and unambivalent statutory authority for this funding arrangement to continue in the future.

Madam President, the upcoming national holiday established to commemorate the life and work of Dr. King and the national historic site honoring his achievements indicate that his rightful place in American history is beside those individuals who have made a meaningful and lasting contribution to the moral fabric and culture of our great Nation. The Martin Luther King, Jr. Center for Nonviolent Social Change—a nonprofit organization that relies primarily on private donations to fund its operations—and the national historic site established in Dr. King's honor are the primary physical testaments to Dr. King's struggle for social equality in our Nation. I believe that it is only fair that the Federal Government meet the financial responsibility to which it agreed when it established this National Park Service facility.

I urge the Senate to adopt this legislation.

I ask unanimous consent that the bill be printed in the RECORD.

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

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

Section 3 of Public Law 96-428, establishing the Martin Luther King, Junior, National Historic Site, is hereby amended by adding the following new subsections:

"(e) The Secretary may annually enter into a direct Grant with The Martin Luther King, Jr. Center for Nonviolent Social Change, Inc. for the purposes of:

(1) supporting appropriate public visitations to the Freedom Hall Complex; and

(2) maintenance, operation and preservation of those internal and external areas of the Freedom Hall Complex open and accessible to the public for visitation and educational purposes.

"(f) The Secretary may also enter into a contract with the Martin Luther King, Jr. Center for Nonviolent Social Change, Inc. for the performance of other tasks associated with the management and operation of the Martin Luther King Junior National Historic Site, such as, interpretation and visitor services, research and studies, public information, community outreach, exhibits and special services."

Mr. HOLLINGS. Madam President, on October 10, 1980, members of both political parties in the U.S. Senate and House of Representatives enacted Public Law 96-428, to establish the Martin Luther King, Jr., National Historic Site in the State of Georgia. Congress took this action to protect and interpret for the benefit, inspiration, and education of present and future generations, the places where Martin Luther King, Jr., was born, lived, worked, worshiped, and where he is buried. Shortly after Dr. King's death in 1968, members of the King family, friends, and supporters established the Martin Luther King, Jr., Center for Nonviolent Social Change, Inc. This was intended to be an international memorial; a national conference and cultural center; a teaching, research, education and training facility; and most important, the preserver, interpreter, and advocator of the legacy and dream of Martin Luther King, Jr.

For more than 16 years, friends and supporters have labored to raise funds to construct the Freedom Hall Complex which contains the buildings that house the more than 50 programs of the center. Its library and archives contain the largest collection of primary resource materials on the U.S. civil rights movement in the world, including Dr. King's papers. The conference and cultural center, Dr. King's permanent entombment, his restored birthhome, the Chapel of All Faiths, Freedom Walkway and Plaza, the eternal flame, the Administration, Program, and Archives Building, Exhibition Hall, and other facilities are a part of the center.

Through dedicated, sacrifice, and farsightedness, the King Center and its Freedom Hall Complex now contain most of the central features of the Martin Luther King, Jr., National Historic Site or Park. While the U.S. Congress has provided for modest funding for this important historic site, we have had to rely on appropriations to help the King Center accommodate nearly 500,000 visitors each year; including heads of state from abroad, continuous foreign trade delegations, partners of U.S. businesses, special guests of the U.S. Department of State, members of the United Nations, foreign exchange students and ordinary Americans representing all races, religions, classes, politics, and stations in life. The maintenance, operating costs and services associated with increased public visitations to the King Center and its Freedom Hall Complex, now exceed $400,000 annually. This is a public burden which the King Center cannot sustain without some public support.

In 1984, the Congress provided $100,000 to help the King Center meet its public obligations. In 1985, the Congress provided $98,000. Last month, during the consideration of the supplemental appropriations bill, I secured an additional $100,000. However, the distinguished senior Senator from Idaho, Senator McCLURE, the chairman of our Interior Appropriations Subcommittee, in accepting my amendment, stated that further appropriations would be provided only to the extent provided by authorizing language. I relayed that information on to the distinguished senior Senator from Georgia [Mr. NUNN].

As Senators know, Members of Congress from both political parties including our Senate majority leader, serve on the Martin Luther King, Jr., Federal Holiday Commission, established to assist in the first observance of the Federal legal holiday honoring Dr. King on Monday, January 20, 1986. I am glad to join other Senate members of the Martin Luther King, Jr., Federal Holiday Commission in cosponsoring this bill, and our fellow members from the other body who are joining with Representative WYCHE FOWLER, JR., in introducing an identical bill in the House of Representatives. This bill will provide the necessary authorization for the funding the King center requires to be a partner with the National Park Service at the Martin Luther King, Jr., National Historic Site. I urge the Committee on Energy and Natural Resources to favorably report this bill as quickly as possible.

The designation of Dr. King's birthday as an official national legal holiday has already increased the pressure on the King Center to accommodate even more visitors as we approach January 1986 and thereafter. Even today, Dr. King's crypt is in need of immediate repairs before it collapses into the reflecting pool which surrounds it. This condition is the result of the large numbers of dignitaries and others who come to pay their respect and place wreaths at the crypt, located on a small island in the reflecting pool.

I have visited the King Center, its Freedom Hall complex, and the national historic site and we can all take pride in what has been accomplished with so little. I am equally impressed by the sound fiscal management evident in the administration of the center. There is no fat, waste, and abuse of public or private funding and trust. Many of my colleagues have visited the King Center and the historic site and have supported its work, and have helped the Federal Holiday Commission prepare for what President Reagan has called "a celebration of freedom and justice which will unite all our citizen," in January 1986.

Earlier this year, I rejoined the Interior Appropriations Subcommittee, on which I previously served for a number of years. Our subcommittee made the initial appropriations to the Kennedy Center and then provided funds to the other cultural activities here in Washington. I supported those appropriations and the concern they indicated for cultural activities in the

Nation's Capital. We need a similar concern for the Martin Luther King, Jr., Center for Nonviolent Social Change, Inc. Not only must it be the guardian of Dr. King's legacy and dream, but it sponsors many ongoing free activities for the visiting public, such as its yearly Kingfest musical and cultural programs on weekends from June through August.

Madam President, I know that my Senate colleagues understand that the need is definitely there for continuing assistance to the King Center and that we should be fully addressing those needs. I am pleased to join with my distinguished colleague in urging the authorization of the help the Martin Luther King, Jr., Center vitally needs, especially as we prepare to honor one who was truly an American hero and patriot and one who had great faith in our basic American institutions and in all our people.

Mr. MATTINGLY. Madam President, I am pleased to join in cosponsoring legislation introduced today by my colleague from Georgia, Senator NUNN, which will authorize the Secretary of the Interior to enter into an annual agreement by which a reasonable amount of the operations and maintenance expenses of the Martin Luther King, Jr., Center for Nonviolent Social Change can be reimbursed by the National Park Service. Although the Appropriations Committee has made funding for this purpose available in the past few years, it has been recently determined that the Park Service probably needed more specific authorization to continue such activity in the future.

Levels of visitation have dramatically increased recently and the demands placed on the center's financial resources have become most burdensome. Indeed, the moneys necessary to provide for a safe, attractive, and educational experience are vital to the future of both the center and satisfaction of the congressional intent in creating the Martin Luther King, Jr., national historic site in Atlanta, GA. I would call attention to the fact that the proposed legislation does not authorize any specific amount because such needs can vary from year to year depending on visitation levels, maintenance costs, and the amount of funding available from other sources.

I further understand, Madam President, that there may be other methods which would become available under this legislation—or which may be currently available—by which Park Service funding could be channeled to help meet these overhead costs for the center. By cosponsoring the bill, I do not want to foreclose any of these other options. It will, however, simply give us one other alternative in solving the current problem. One such alternative would be for the Park Service to lease some space from the center to house interpretive facilities and personnel. This would seem to be helpful and efficient from a couple of aspects. First, it would provide income for the center. It would also provide a presence for the Service in the center which would help more clearly unify the entire historic site with the center and its activities.

I am pleased to join in cosponsoring this legislation.

RECOGNITION OF SENATOR MOYNIHAN

The PRESIDING OFFICER (Mr. DANFORTH). Under the previous order, the Senator from New York is recognized for not to exceed 15 minutes.

THE DEFICIT

Mr. MOYNIHAN. Mr. President, as the Senate approaches the last week of the summer portion of our session and prepares for the August recess, there is great movement with respect to the problem of the budget deficit and, simultaneously, great concern that the deficit may be out of hand and the budget process in collapse.

It appears to me, Mr. President, that we may indeed have come to an institutional crisis in our management of the fiscal affairs of the U.S. Government; and I, as a member of the Budget Committee, would be the first to acknowledge that, in part, this arises from an effort to use the Budget Committee for larger purposes than were intended or can be achieved.

We note in this morning's press, for example, that the budget conferees on our side have proposed a tariff, a tax, on imported oil and proposed various ways to skip annual cost-of-living adjustments and made other such matters which would bring about a certain increase in revenues in the years ahead.

The fact is that the Budget Committees do no such thing. They set a number for revenue, in the revenue function, and do nothing whatever about the specifics with respect to the Finance Committee imposing taxes in order to reach that number. The effort to make the Budget Committee the committee of committees, the committee without which no other committee is really necessary, has collapsed of its own weight, and should have, and perhaps it was inevitable that it would do so.

I point to this as an institutional problem, because it is our business, our making, ours to respond to. Yet, there is another matter which seems to me absolutely central to this whole question of the deficit a seemingly uncontrolled deficit, and that is the fact that it was a deliberate deficit in its origins.

I grant that this is a difficult proposition to win acceptance for: The idea that any government would deliberately create a deficit; and, particularly, a government nominally and hugely opposed to deficits is, to use the term of the psychologists, counterintuitive. Nobody would believe that. Nobody wants to believe it. It does not make sense. Yet, in this case it is true.

Anyone who has studied the strategies of war and the stratagems of politics will know that, invariably, surprise is the great element in victory, and surprise comes from doing something that one was expected not to do. Sometimes people are taken so completely by surprise and are so overwhelmed by it that they have no effective response.

The simple fact is that this administration came to office with a specific strategy for bringing about an enormous reduction in the social programs enacted in previous years, under Democratic and Republican Presidents alike. None were specifically targeted during the previous political campaign.

My friend, George Will, the distinguished commentator, has been known to offer a toaster, as he put it, to any member of the audience as a door prize, an electric toaster to anyone who could name one program that Mr. Reagan had proposed to eliminate in his 1980 campaign. Invariably you find each member of the audience assumes that others will think of such a program and each looks around the room and finds none can mention any. He said, "That is right because he didn't propose it."

The President came to this matter with a very clear understanding, I think probably accurately. May I say that it is impossible to undo most of the principal social measures adopted in the last 50 years because they have great constituencies. They were adopted for good reason and they are not easily done away with. America was just coming abreast of other industrial democracies of the world in health, education, and welfare measures in the middle of the 20th century; and we were doing so in a fairly coherent effective manner, or at least such is my judgment, all things considered.

You could set out to eliminate programs, but, by the end of the effort after the end of your first term, you might have dismantled four and you have nothing else to show for your administration.

The President early in his term proposed a serious change in Social Security. In April 1981 he proposed a 40-percent reduction in retirement benefits for persons retiring early starting the following January. Forty-percent reduction is a very large reduction. And I remember coming on the floor at 10 o'clock in the morning with an amendment that said no, do not do this, and by the end of the day Sena-

tor DOLE had offered a substitute amendment. I lost by 1 vote on our amendment, and he introduced substantially the same amendment with somewhat less language in the opening passages and it passed 98 to 0 and that was not heard from again.

No, Mr. President, the strategy was to create a crisis. How do you create a crisis? You create a deficit. What do you do with that deficit? In that crisis, you use the previously unappreciated powers of the Budget Act, the reconciliation powers that force those individual committees to actions they would not otherwise take, and do so under instructions from the majority of the Senate. It has been used once and had never been used previously.

To those familiar with the workings of the administration and its private conversations, the deliberate creation of a deficit, the deliberate effort to reduce revenues beyond the needs of the Government was well known. It was acknowledged. It was stated over and again in private conversations. And one of the results was that some of us began saying so in public.

Yesterday my distinguished friend, the Senator from Delaware, Senator BIDEN, remarked that early in the administration he had written an article for a well-known journal in which he said, "They are deliberately creating a deficit." Although this journal is well disposed to new ideas and to Senator BIDEN, his article was rejected on the grounds, "No, nobody could ever do something that absurd; that really is too large a proposition." The article was not printed.

Somewhat later, 2 years later, that same journal published an article by me which I will put in the RECORD shortly in which I did make the assertion, but still I recall having to say "Take my word, believe me, I know what I am saying." There was no hard evidence and this repeated statement was uncomprehended.

I do not know of five colleagues on this side of the aisle who shared this view. I know of none on the other side of the aisle who share this view.

As Senator BIDEN learned, it was something that was counterintuitive. It made no sense. But it happens, Mr. President, to have been true. And if this body is not capable of understanding the origins of this matter in the face of full acknowledgments, then I do not know where we are as an institution. I mean certainly we define certain limits of our capacity to deal with the environment in which we live and partly in which we have ourselves created, that is to say the environment of the Budget Act.

It happens, Mr. President, that just a very few weeks ago in March, there appeared an interview in a Viennese journal, Profil, with the distinguished, and I use that word with great care, the distinguished economist Friedich A. von Hayek, a Nobel-winning economist and man of great years now but of equally great influence. I recall as a young student 40 years ago reading "The Road to Serfdom" and having some sense of the man's quality. He became in time a great influence on conservative thought in our country, not just conservative economic thought but also conservative political thought. He was at the University of Chicago for a long while, and his influence there continues. At the very end of his years he became of great influence in both Britain and the United States, simultaneously with his friendship with President Reagan and Prime Minister Thatcher.

He gave an interview on these matters in German, entitled "Ronnie and Maggie"—and he spoke about Mr. Reagan's policies. He regretted the deficits. He said that the deficits certainly have been a great loss because they have required the United States to import so much capital, and in turn the savings of the world go to pay for our deficit. This raises the price of capital. But then he said, and I would like this to be emphasized in the RECORD:

> Reagan thinks it is impossible to persuade Congress that expenditures must be reduced unless one creates deficits so large that absolutely everyone becomes convinced that no more money can be spent. Thus, he hoped to persuade Congress of the necessity of spending reductions by means of an immense deficit. Unfortunately, he has not succeeded. But even so, this explanation makes it understandable how any reasonable man could do such a thing at all.

Mr. President, here is von Hayek telling you what the President has done. It makes it understandable how any reasonable man can do such a thing at all. There are not five people in this Chamber who believe in that and perhaps they never will. But the deficit was deliberate. It was a device to use the Budget Act as a means of bypassing the individual authorizing and appropriations committees.

The further testimony on this, Mr. President, comes from another unimpeachable source, the American Enterprise Institute, in a book published just a few months ago, Essays in Contemporary Economic Problems: The Economy and Deficit.

Here is Mr. Norman Ornstein, a respected economist, describing the sources of the deficit in a chapter entitled "The Politics of the Deficit." A key Reagan lieutenant candidly assessing the situation.

"We are well aware that tax cuts at the level we are discussing"—this is going back to 1981—"will add tremendously to future deficits."

> We are well aware that tax cuts at the level we are discussing will add tremendously to future deficits. Most of us, to be frank, don't buy the extreme supply side line. Regardless, Reagan's main goal is not to balance the budget, it is to reduce the role of Government. How do we best do this? In our view, if we don't cut taxes and generate big deficits, spending will never come down. Congress will just spend the revenues and more but with huge deficits their choices are tougher. They will have to cut spending.

The American Enterprise Institute is a respected center of mainly conservative economists who have access to key Republican lieutenants, key Reagan lieutenants.

Mr. President, for more evidence, you could bring in personal conversations of this week, that month, that year. As I say, Senator BIDEN picked it up early on. I began writing about it shortly thereafter. At first, Mr. BIDEN's writings were rejected because nobody could believe such a thing. But that is the key to all victory in any contest—to do the unexpected, to do the unbelievable.

Think of the Japanese in their seizure of Singapore. There is one thing the British knew about Singapore—the Japanese would never attack them from the rear. They would never come down through those impassable jungles. So they built all their weapons aiming out to sea and the Japanese came down on bicycles through those impassable jungles and the world changed. It is the history of strategy to do what is not expected.

It was inherently unbelievable, it was inherently unbelievable that this administration should set out deliberately to create a deficit, and that is what whey they did because they knew they could do it. It got out of control.

In a recent debate on the MacNeil-Lehrer Show with Mr. Kudlow, who was chief economist to Mr. Stockman, I made this statement once again in the aftermath of Mr. Stockman's retirement. Kudlow said that the deliberate creation of the deficit is but a footnote to history.

It is the beginning of this history: it will be the history of the rest of this decade and this century.

George Will has said that the President changed the political conversation for a generation. And I do not think for the better. Because two things happened: In response to these cuts, as some of us on the Budget Committee said at the time—Senator SASSER, Senator HART, Senator RIEGLE, and myself—the Federal Reserve Board reduced the growth of the money supply to a negative rate. That triggered the 1982 recession. Revenues went down. Quite exogenously, as economists say, the price of oil went down, which lowered revenues. But, with the increased expenditures on defense, suddenly the deficit became larger than anyone anticipated, suddenly borrowing grew, suddenly the compounding of the deficit began. By "compounding", I mean the simple fact that in order to pay the service on

the debt, each year the deficit gets bigger.

The service on the debt is $130 billion this year. It goes to $234 billion by 1990. That is what Keynes called the magic of compound interest working against you, not for you.

Mr. President, I do generally think that with real testimony—the testimony of von Hayek, who was wearing the cuff links given him by the President during this interview; the testimony of Ornstein, a conservative economist quoting a "Key Reagan lieutenant"; the statement of Mr. Kudlow, which referred to the origins "of the deficit as a footnote"; and the witness I have offered from time to time—that I know this had been the strategy. It has been told to me. I will be open about that. How did I come to be told? Very much in the manner that that key lieutenant explained. Early around 1981, I would go to people I knew in the administration and say, "You really don't believe the Laffer curve. You really don't suppose by cutting tax rates this much, you are going to raise revenue." They said, "Of course we don't."

William F. Buckley used to have a term for this. He used to call it boob bait for conservatives. This is to make people comfortable. They knew they were going to get a deficit. They desired a deficit. They wanted a little fire in the basement. Just start a little fire, but you sometimes start a little fire and it gets out of control.

They miscalculated a whole number of things. They certainly miscalculated the counterpressures that would be put on them by desiring a large increase in defense spending. They significantly diminished the urgency of their demand for spending cuts in other areas. If spending was the problem, then you would not want to spend on defense either, would you? No.

The real agenda was they did not like certain Federal programs. They had created the deficit in order to avoid saying, "I don't like the program," and instead say, "Like it or not, we have got to get rid of it." There was the urgency of the deficit on the one hand but on the other they were increasing defense spending. But as much as they liked defense spending, the argument of the deficit meant that defense too would be cut.

The deficit argument lost its energy, it lost its impact because they proposed to increase spending in one place and cut it in another. If your argument is simply that spending must be cut, you undercut yourself when you say, "But in one place we must increase it." The hidden agenda became transparent.

The second mistake was that there was not nearly as much discretionary spending as people thought. There were too many speeches about waste, fraud, and abuse and welfare Cadillacs and such. It led to the notion there really was a large amount of really optional spending but in reality was not there.

I recall an editorial in the Washington Post that suggested, "Why don't we just abolish the welfare program altogether so they will stop talking about it?" It does not, in fact, amount to much money. If you cut it, you are not going to get any great effect.

Third, Mr. President, they overestimated the power of the Budget Committee process to bring this off. There was a combination of things that occurred: the loss of revenue in the 1982 recession, the drop in inflation which had an inflationary effect on revenues, and the sudden discovery that there were not that many options for cutting.

And finally the committee process, whereupon the debt begins to compound and you have the present crisis. It is an institutional crisis.

The New York Times stated that we may be on the edge of a historic failure in this body, a historic failure of the kind, say, of not ratifying the Treaty of Versailles, or some of the debates which took place in this Chamber and led to the War Between the States. I do not know if I exaggerate too much.

I know of an economist in Canada, for example, who looks forward to the United States in the 1990's and says,

> You know, it could easily become another large Western Hemisphere nation with a huge overseas debt that nobody wants very much, huge trade imbalances that they do not know how to deal with, exporting staples, food, minerals, things like that, and importing manufactured goods.

Oh, what a change that would be. Oh, what a change in this country's condition, and where will it have originated? It will have originated in the clever strategy of the young intellectuals, the radical intellectuals that came to office with Mr. Reagan to deliberately create a deficit.

Mr. President, I grant this is not going to be believed. I have been in government much of my life. And I have seen great untruths believed, and I have seen great truths disbelieved. At a certain point you acquire a certain detachment. I do not think this is going to be believed. I may say it, and Ornstein may witness it. But I would like to introduce in the RECORD the evidence that it is so, and I see my distinguished friend and chairman, the Senator from Louisiana rising. I am happy to yield to him.

Mr. LONG. Mr. President, the Senator referred to a plan to deliberately create a deficit. In view of the fact that there already was a deficit and had been for years, would it not be more correct to say that, if there was such a plan, it would have been a better plan to deliberately create a very, very large deficit?

Mr. MOYNIHAN. Yes, sir. There was a deficit. It was never a serious one as such. It was a form of delaying taxation. We would always be $20 billion or $15 billion or $30 billion short. There was always a countercyclical deficit which would go very high, I guess the highest deficit we ever had was $75 billion under President Ford. That was a cyclical deficit, a recession. But it was stable, it was not going out of control.

Mr. LONG. I thank the Senator. It seems to me you have made a very compelling argument and the supporting documentation is very difficult to contest. I must confess that in voting for the enormous tax cuts it is the thought of the Senator from Louisiana that we ought to be willing to experiment with the supply-side operation long enough to see if it would work, and if it did not work, we should make changes and move away from it. It did dismay me once all the signs were in that it was not working. In fact, it was boomeranging, and that we should take appropriate action to call off both the second and the third stages—stop the 5 percent cut—or certainly the second cut, the 10 or 15, the 10 on top of the first 5—simply because we could not afford the rest of it, and it was creating the wrong effect in the investment markets; just the opposite.

Mr. MOYNIHAN. I may say to the Senator from Louisiana that is his record. He was very clear. We were in that Finance Committee, and the Senator from Louisiana kept saying this is not working. We are digging ourselves a trench we are not going to get out of.

Mr. LONG. May I say to the Senator that the impression I had in talking to the responsible leadership, including the able chairman of the committee, the present majority leader, Mr. DOLE, was the same reaction that I was having to it; that is, we had better start moving to react to the situation, and that it was not working the way it had been intended.

Mr. MOYNIHAN. Yes, sir.

Mr. LONG. I am talking about the supply-side economics.

Mr. MOYNIHAN. But I make the point that I know you and I know Senator DOLE said, look, this is not working the way it was intended. We are getting the big deficit. The problem is, sir, that is exactly the way it was intended. That was so hard to get through. That is counterintuitive. You cannot believe that those people, given what they say, could want this. They have wanted it, and at some measure they still do. They have not given up the thought of using this as a device just to smash away at all those things of the last 50 years they do not like. But when the Senator from Louisiana was saying to them do you not see

that this is creating a deficit, to themselves they are saying that is right. It is working just as planned—not as announced, but as planned.

Mr. LONG. But at that point it not only created the deficit, but also it was causing the businessmen to withhold their investment rather than making them. I am talking about what happened when the first tax cut went into effect in October 1980, or at least 1981 when the first 5 percent tax cut went in. Almost immediately the business markets and the investment markets reacted exactly the opposite from what we would have intended. They froze up instead of investing in new plant and equipment.

Mr. MOYNIHAN. Because, sir, they saw the deficit implications, I think, in large respect, and here is the key in the middle of the tax cut war—says Ornstein, of the American Enterprise Institute, "A key Reagan lieutenant candidly assessed the situation: 'We are well aware that tax cuts at the level we are discussing will add tremendously to future deficits. Most of us, to be frank, do not buy the extreme supply side line' "—which is what the Senator was describing. They did not believe it.

Mr. LONG. But the point is certainly at that point the tax cut itself was causing the reaction which was setting the stage for a significant recession, and logic would have dictated at that point that we tell the business community that the second and third stages of the tax cut would not be implemented until the economy could stand it.

Mr. MOYNIHAN. That is the moment you were told, "Just make my day," as it were, "send me a tax cut." I remember very distinctly, sir, that you were there about 10 o'clock one night in 1984. We acquired about a 700-page bill, and by saying you cannot do that, you cannot do something else in taxes we would raise $50 billion over 3 years. The Senator from Rhode Island, Mr. CHAFEE, offered a one-line amendment. He said let us just take out the inflation adjustment, and postpone it for 3 years on the income tax. That will get us the same amount of money for one line as we have for 500 pages. I seconded the measure. Mr. DOLE, the chairman, said, well, you can do this if you like, but this is the killer amendment. Such a measure will be vetoed.

Today the Republican leadership is led to saying we are going to try it anyway by giving a variance on that proposition. We will give an inflation adjustment every other year.

But I thank the Senator for his generous intervention. No one is more wiser and experienced in this matter than he. I think the Senator agrees that we have a very serious problem.

Mr. LONG. No doubt.

Mr. President, may I say to the Senator that what troubles me about the tax reform bill is that we are spending a lot of time on the tax reform thing to try to see that some millionaire who donated a lot to charity and did some things to justify deductions pay us at least some modicum of taxes to support public confidence and to see the cooperation to pay a minimum tax to help add to confidence in the system. But while we are working on the tax reform which has merit to support it, we are not devoting outselves to the big problem: This enormous deficit which, coupled with the enormous trade deficit, the two taken together——

Mr. MOYNIHAN. The twin deficits, as we were told at the White House recently.

Mr. LONG. The twin deficits I am told eventually at some point will destroy you. That does not mean the Government will come to an end, but that means you will either have an enormous burst of inflation or that something else very bad is going to happen to us. Either you will have a depression, or something that you would like to avoid. Paul Volcker puts it in about the simplest way I know how to put it when he says with those two enormous deficits moving something very bad is going to happen. He said he nor no one else can tell you exactly when, but it is going to happen. Of course, my thought to that is the better answer is one should not want to find out. It is like one headed in a rowboat down the Niagara River. You should not wait until you see the falls to start heading for the shore. Yet that is about the path we seem to be on. That is when we ought to move to start doing something about those two twin deficits which are a great threat to this economy and the system.

Mr. MOYNIHAN. And they are connected. It is because we have to bring in the world savings as one has access to them and thereby keep up the price, keep the price of interest up. We have changed the value of the dollar in such a way that we also bring in a flood of imports. They are artificial. We would not have that change in our Treasury situation save that we have changed the value of the dollar, we have so increased the value of the dollar and other currencies, and that in turn is a consequence of this deficit and all because of a clever strategy in the early months of 1981. The Senator from Louisiana is not overly impressed with the role of intellectuals in politics, and he is right not to be. This has been a characteristic mistake of the intellectuals who figured it all out but paid too little attention to the gritty details of how institutions actually work, and how people actually behave.

Mr. LONG. Mr. President, please understand that the Senator from Louisiana admires intellectuals. He thinks that they contribute a great deal. But they are human and I have not seen one that does not put his pants on one leg at a time, just like the rest of them do.

Sometimes, intellectuals make the mistake of thinking that they are just too infallible and all of us are fallible. I do not know anyone on this side of Heaven who is not. Anyone can make mistakes and they make their share of them.

Mr. MOYNIHAN. And when they make them, they tend to be beauties.

Mr. LONG. That is right.

Mr. MOYNIHAN. I thank the Senator so much for his generous intervention.

Mr. LONG. I thank the Senator.

Mr. MOYNIHAN. Mr. President, to continue, I particularly draw attention to an article in last Friday's New York Times in which Mr. Tom Wicker showed that he still has his legs after several years in a demanding calling.

I also call attention to a comment by a distinguished New York economist, Mr. John Westergaard, the president and chief executive officer of Equity Research Associates, commenting on this whole discussion in a staff report of July 19, which he entitles "Historical Footnote, or More of the Same."

In conclusion, Mr. President, we have a problem which is contemporary to this time, the effort by those in the administration to suggest that if the deficit is large and getting larger, it is, after all, one that was inherited by the administration. It is not so.

There was a continuing, rather stable deficit over the past 20 years. It was, I found, a sort of underlying deficit of some fraction of 1 percent of GNP, which was a form of delayed borrowing; you had each year to raise money to pay off a deficit of the previous 10 or 15 years. In cyclical times, you had a higher deficit, as Mr. Ford learned in 1975. That was normal; it was not out of control, it was stable. The debt, as a proportion of GNP, was flat, had been flat since 1948 or so. We paid off the World War II debt by the early fifties, but from that time on, it was stable. The political economy of this Nation was all right.

It is now unstable and that onset of instability is a moment that is crucial to the analysis of history and the understanding of events. And the onset of instability comes with the deliberate calculation of the present administration to create a deficit, a strategic deficit.

That, Mr. President, marks the onset of instability, one which is now at the point of near desperation and possible failure in this body and in the other body, and in the National Government at large.

I wonder, will we meet the test, the challenge of comprehension? I wonder if, as a body, we have the institutional capacity to see what happened. All the evidence is in—well, the memoirs have

not been written, but Dr. von Hayek was, in a sense, offering a memoir and the key Republican Reagan lieutenant was offering a memoir. These are about the early days of 1981. Mr. Stockman has not denied this proposition. Mr. Kudlow, who was OMB's chief economist, says, "Well, it was a footnote to history." Mr. Westergaard says, no, not a footnote, the beginning of this history.

I would like to introduce the Senate to the idea of the onset of instability. That is the dividing line in history, when you find a political system that has been working well or badly, perhaps, but working at about the same rate and obviously can continue to do so. It sustains its institutions and reproduces them.

Suddenly, something is not working right anymore. Suddenly, there is a break in the arrangements. The onset of the problem of Corinth in the relationships between Sparta and Athens marked the onset of instability among the Greek States and led to the Peloponnesian War and finally the triumph of Philip of Macedon and the end of the glory that was Greece.

The key moment in the political history is the onset of instability, and with respect to the political history of the United States, that moment came in 1981 when the present administration was able to put in place a deliberate and intended strategy of creating a deficit, a deficit that would force the Congress to act to dismantle programs that otherwise, one by one, could not be done away with by using the budget process.

Mr. President, the Senate has been very generous with its time this morning. I see my distinguished friend from Maryland is on the floor and I am happy to yield.

Mr. MATHIAS. Mr. President, I just wanted to say that I think the Senator from New York is correct in pointing out that when instability occurs in the history of a nation, then the future of that nation becomes very cloudy. Kenneth Clark, in his remarkable television series on civilization, which later became a book, pointed out that it was at the moment in the history of the Roman Empire when confidence was leached away that the empire began to crumble. It became uncertain that it was worth while to continue to build the great structures of Rome or even to plant the crops because it was uncertain that they would be harvested. The power and the vitality of the Roman empire simply ceased to exist.

Mr. MOYNIHAN. If I may say to my distinguished learned friend from Maryland, we risk something just such when the dollar, as the central currency of the modern world, begins to be questioned, when people require higher and higher rates of interest in order to hold it. We have become a debtor nation in the last 5 years.

We owe more abroad than is owed us. We will very shortly now be borrowing money abroad to pay interest owed abroad. That is called the road to Argentina.

I do not ask the Senator to agree with me, but we have now the witness of Friedrich von Hayek that the deficit is a deliberate strategy, a disastrous deceit.

Mr. MATHIAS. As the Senator may be aware, I have said that we are engaged in a policy of "debtmail."

Mr. MOYNIHAN. Exactly. Debtmail is precisely the term. Because we have the deficit, we must do this, we must do that.

Mr. MATHIAS. We have a restriction on the functions of government because of the towering debt which makes it necessary to curtail what we believe to be essential.

Mr. MOYNIHAN. If I may take the testimony of Friedrich von Hayek in a recent interview in a Viennese journal, he was asked about these deficits. He is very unhappy about them, and he says—and I think very generously and properly about the President:

> . . . Reagan is a very reasonable man; he is certainly no theoretician, but he has a good instinct, and I appreciate him very much. I can make a good judgment about his instinct because he has chosen his advisors for the most part from circles I am acquainted with . . .

Which is a nice way of his saying circles that helped educate him.

> His politics? When the government of the United States borrows a large part of the savings of the world, the consequence is that capital must become scarce and expensive in the whole world. That is a problem. But you see, one of Reagan's advisors told me why the President has permitted that to happen, which makes the matter partly excusable: Reagan thinks it is impossible to persuade Congress that expenditures must be reduced, unless one creates deficits so large that absolutely everyone becomes convinced that no more money can be spent. Thus he hoped to persuade Congress of the necessity of spending reductions by means of an immense deficit. Unfortunately he has not succeeded, but even so this explanation makes it understandable how any reasonable man can do such a thing at all.

That is the Senator's thesis, I believe.

Mr. MATHIAS. That is my thesis. In all fairness, I think I should add to the Senator from New York that no greater authority than David Stockman has told me that it is not true. He has been aware of my theory of debtmail and has flattered me by saying he has read what I have written on that subject. He says it is not true, that this debt just happened, that it is not a diabolical radical right plot to shrink the Government.

Mr. MOYNIHAN. But I have to say that when I made the same assertion some not 3 weeks ago, Mr. Stockman did not deny it. He said, "I have a reputation of embellishment," but he said to me, referring to the exchange, "I have a reputation for candor."

Mr. MATHIAS. Of course, whether it is true or not, whether it is in fact a theory that can be proven or just speculation, the results are all the same. We have now reached a situation where we are projecting a half a trillion dollars in new debt in the next 3 years. So that I am not accused of being loose with figures, I believe the precise figure is $494 billion of additional debt in the next 3 years.

What makes if truly alarming is not merely its size but that in the same 3 years we project that we will owe and have to pay a half-a-trillion dollars in interest or, again to be precise, $480 billion in interest. Given the uncertainties of projections, we could round that out to half a trillion of new debt and a half a trillion of interest. What that means is we are going to have to borrow a half-a-trillion dollars to pay the interest on the money we have already borrowed; the old debt has now begun to breed new debt. This is a cycle that no individual, no institution and, I would submit to the Senator from New York, no nation can long endure.

Mr. MOYNIHAN. I wholly agree, and especially when you borrow money from abroad to pay interest owed abroad, you are on the road to Argentina. But I do ask my dear friend to consider that I do not think we break out of this if we think it is just somehow an institutional failure, that this is something inherent in our fallen ways. No; it was planned. It was a device. It was just too clever a device.

Mr. MATHIAS. So, the Senator would agree with my theory of debtmail?

Mr. MOYNIHAN. I endorse it and have always endorsed it. If you know that it was done deliberately, then you have a sense, "Well, now, what was done can be undone." It does not flow from the fundamentally flawed processes of our political democracy.

I ask unanimous consent to have printed in the RECORD a number of printed matters which I referred to and which I believe are important.

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

[Excerpted from "Essays in Contemporary Economic Problems, The Economy in Deficit," American Enterprise Institute, 1985.]

THE POLITICS OF THE DEFICIT

(By Norman J. Ornstein)

SUMMARY

Federal deficits have been an issue of the politics of American elections at least since the first party platform on record, in 1840; deficits have been a preoccupation of the politics of governing at least since the days of the Founding Fathers. The Founding Fathers set up a structure of government to prevent a powerful central government from exercising undue control, first and

foremost, over the power of the purse. To restrain government power over spending and taxing, they deliberately and explicitly gave more control to the Congress of the United States than to the president, expecting that the direct representatives of the people in a system of checks and balances, would be more restrained.

In this paper, a historical review of deficits and the responses of government to them suggests that the Founding Fathers' assumptions were, and remain, fundamentally accurate. Through neary 200 years, Congress has not acted in a basically irresponsible fashion, spending more money than it took in to satisfy short-term and parochial political needs. To the contrary, through the broad sweep of American history, Congress has struggled to restrain the growth of federal spending and to limit deficits and the public debt, through direct action and through periodic adjustments of its own structures to minimize the deleterious effects of political pressures. Indeed, the great growth in federal debt and the periodic problems with deficits are much more the result of massive expenditures to support major wars and the activist policies of presidents striving to make their mark on American society and in American history.

An examination of the problems of the 1960s through the 1980s confirms this judgment. Proposals, like the line-item veto, that would give more power to the president and weaken the hand of Congress to restrain the growth of federal spending and deal with the deficit are, upon analysis, misguided and began to develop his own tax-cut alternative. Eager to win at all costs, the House Democrats put together a package incorporating most of the Reagan plan, while adding additional tax breaks attractive to conservative Democrats and Republicans: greater depreciation, reduction of maximum taxes, indexing of brackets, and other components. Reagan's forces retaliated by sweetening the pot with even more tax cuts to lure back their natural allies. The bidding was intensified through the summer; in the end, however, the president once again prevailed. The "victory" meant a much deeper tax cut than originally envisioned.

There was an electricity in Washington and around the country during 1981, but it had little to do with substance. The question was, Would Reagan win or lose? Many Democratic and Republican legislators, along with serious economists and other observers, were raising serious questions about the Reagan program, especially about the combined cumulative effect on future federal deficits of deep tax cuts, large defense spending increases, and modest domestic spending reductions; but the questions were largely lost or ignored in the uproar over who would win. The rhetorical response from the White House reinforced the rosy economic assumptions and projections of the Office of Management and Budget: no need to worry, the tax cuts will raise more revenue than they will lose, and the package will stimulate instant economic boom, sustain prosperity, and bring a budget surplus by 1985. The same public arguments were made during the tax-cut battle, although they were a sideline to the clash of wills between Reagan and the House Democratic leadership. "It had nothing to do with good or rational public policy; it was simply a macho contest between Reagan and Tip O'Neill," said one disgruntled observed at the time, "and it really compounded the deficit."

The deep tax cut did compound the deficit. And behind the scenes the people around Reagan clearly knew that it would. In the middle of the tax-cut war, a key Reagan lieutenant candidly assessed the situation:

We're well aware that tax cuts at the level we're discussing will add tremendously to future deficits. Most of us, to be frank, don't buy the extreme supply-side line. Regardless, Reagan's main goal is not to balance the budget—it is to reduce the role of government. How do we best do this? In our view, if we don't cut taxes and generate big deficits, spending will never come down. Congress will just spend the revenues and more . . . but with huge deficits, their choices are together . . . they'll have to cut spending.

[From the New York Times, July 19, 1985]

A DELIBERATE DEFICIT

(By Tom Wicker)

To hear Larry Speakes tell it, President Reagan emerged from anesthesia righteously demanding action on the budget deficit "this week." That sounds fine—except that it now appears that the deficit was deliberately created by Mr. Reagan in order to do away with Democratic social programs dating back to the New Deal.

Who says so? David Stockman, the departing Budget Director, at second hand, and Friedrich von Hayek directly. He's the Nobel Prize-winning economist who's been a guru of Reaganomics.

Their comments suggest that the action the President demands "this week" is what he really wanted as far back as the mammoth tax cuts he steered through a bedazzled Congress in 1981—budget cuts to disembowel post-New Deal government. He's ruled out tax increases, and the disastrous budget "compromise" he engineered last week would result in more military spending and no reduction in Social Security cost-of-living benefits. The only way to compensate is to kill or prune even more social programs—such as student loans or Medicare.

But Mr. Stockman, who claims a reputation for candor, spilled the beans. After the Budget Director's resignation last week, Senator Moynihan of New York said Mr. Stockman had told him that even in 1981 Mr. Reagan knew the tax cuts would mean loss of revenue, but that the President had accepted the resulting rise in the deficit in order to bring pressure on Congress to cut spending.

That sharply contradicts what Mr. Reagan then publicly argued—that cutting taxes would expand the economic base and *increase* revenues. In his 1980 campaign, he even contended that the increase in revenues resulting from the tax cut would pay for the military buildup he also planned.

But Mr. Moynihan said Mr. Stockman had told him that in 1981, "the plan was to have a strategic deficit that would give you an argument for cutting back the programs that weren't desired. It got out of hand."

Mr. Stockman, a former student of Mr. Moynihan's, has denied "any such conversation" but not the substance of the allegation. Mr. Moynihan said he had had dozens of private talks with the Budget Director; their "thrust," the Senator said, was that "the principal purpose of the tax cuts was to provide a basis upon which to shrink government."

Senator Ernest Hollings of South Carolina, the ranking Democrat on the Budget Committee, has made a similar charge. He told the Association for a Better New York in January 1984 that Mr. Reagan "intentionally created a deficit so large that we Democrats will never have enough money to build the sort of government programs we want."

When I cited the possibility of a planned deficit in an article last spring, it caught the attention of Dr. Eckehart Köhler of the Institute for Advanced Studies in Vienna. He sent me a translation from the German of an interview with Friedrich von Hayek that appeared in the magazine Profil 13, in Vienna, in the issue of March 25, 1985.

After remarking that his work had influenced both Mr. Reagan and Prime Minister Thatcher of Britain, that many of the President's advisers had come from "circles I am aquainted with," and that he was wearing a set of cuff links given him by Mr. Reagan, the economist commented:

"I really believe Reagan is fundmentally a decent and honest man. His politics? When the Government of the United States borrows a large part of the savings of the world, the consequence is that capital must become scarce and expensive in the whole world. That's a problem."

But, Dr. von Hayek continued, "You see, one of Reagan's advisers told me why the President has permitted that to happen, which makes the matter partly excusable: Reagan thinks it is impossible to persuade Congress that expenditures must be reduced unless one creates deficits so large that absolutely everyone becomes convinced that no more money can be spent."

Thus, the economist said, Mr. Reagan "hopes to persuade Congress of the necessity of spending reductions by means of an immense deficit. Unfortunately, he has not succeeded!!!"

But he has, more than Dr. von Hayek could know last March. Now he wants more. While some Americans may agree that a shrunken government makes a deliberately created deficit "partly excusable," such a deficit still reflects a reckless deception with worldwide consequences yet to be calculated. And Congressional Democrats should realize the source of the pressure they're under to sell their political birthright.

[From Equity Research Associates, July 19, 1985]

HISTORICAL FOOTNOTE OR MORE OF THE SAME?

Last week we witnessed a debate on the MacNeil/Lehrer Report between Senator Daniel Patrick Moynihan of New York and the economist, Larry Kudlow, formerly of David Stockman's Office Of Management and Budget. The subject was Senator Moynihan's recent statement to the effect that the tax cut in 1981, while clothed by the Administration in "supply side" rhetoric, was in reality orchestrated to created a deficit for the purpose of getting public spending under control. President Reagan clearly stated his philosophy that the way to control a child's over-spending is to take some of his allowance away. By creating a deficit through reduced tax revenues (i.e. taking some of the Federal government's allowance away), Reagan would gain the leverage to force a reduction in spending.

The problem is that whatever deficit President Reagan thought would be sufficient to give him "leverage", it certainly was never planned to run $200 billion. The magnitude of tax cuts generated in 1981 far exceeded anyone's expectations and this was followed by a recession in 1982 which threw all numbers out of kilter.

We happen to think Senator Moynihan's point is important in relation to current discussions about taxes and deficits. What

is happening today is a replay of 1981 in the sense that the Congress and the Administration are operating on revenue assumptions and economic predictions that are soft at best. Kudlow dismisses Moynihan's argument as an "historical footnote." He further brushes off the defcit by saying, "well, in 1982 we had a recession and, of course, then everything changed".

That is truly outrageous. First of all, it was clear immediately following the passage of the 1981 Revenue Act that the deficit would be much larger than generally perceived. We recall very well Moynihan telling us that we were looking at $100 billion or better, and he said so publicly as well. As for the recession, that was induced by the Federal Reserve and to now refer to it as surprise event, sound policy or not, is absurd. The point is that *it was induced* and for Kudlow to treat it as an extemporaneous factor squares hardly with the facts.

There is an "Alice In Wonderland" quality to the budget debate. Four years ago President Reagan and the Congress created a budget deficit in excess of $100 billion. Despite subsequent approval of billions of dollars in spending cuts and projected further cuts and some tax increases, the deficit is now $200 billion and may well stay that way for the rest of the decade.

Let's remind ourselves of how off base those 1981 assumptions were? Can one believe current assumptions? Does one believe that there will be 4% economic growth over the next five years and that there will be no interim recession? Can one really count on lower interest rates than at present over the next three years? The House and Senate budgets, with these assumptions, project a $170 billion deficit next year taking into account $56 billion in cuts that each of these legislative bodies has approved.

As Helen Dewar of The Washington Post pointed out in a recent article, billions of dollars of these savings are dubious or exaggerated, beginning with the fact that defense cut-backs have been calculated from Administration benchmarks rather than from actual spending levels. This gets technical, but the way she explains it is that if actual spending levels were used for comparison the savings would be considerably less than claimed. The Congressional Budget Office, using actual Defense Department numbers, comes up with some $18 billion less in annual savings than the $56 billion House and Senate proposals.

As for domestic programs, there are some soft numbers such as $4 billion claimed in savings from improved contracting of government services and another $4 billion from passage of legislation distributing funds from fees and royalties paid for oil and gas exploration on the Outer Continental Shelf. Another sneaky one is moving the cost of filling the strategic petroleum reserve back into the budget. This was once moved "off budget" so it could be counted as a deficit reduction. In moving it back on the budget it is *again* categorized as a "deficit reduction" item by counting a freeze in filling the reserve as a "saving". Stockman was not far in his recent comments to the board of the New York Stock Exchange:

". . . we have increasingly resorted to squaring the circle with accounting gimmicks, evasions, half-truths and downright dishonesty in our budget numbers, debate and advocacy. Indeed, if the S.E.C. had jurisdiction over the executive and legislative branches, many of us would be in jail."

Interest cost is another large variable in the deficit equation. According to the Congressional Budget Office, annual interest costs of the federal government could increase $24 billion annually over three years if interest rates remain steady as opposed to the decline in rates presently projected. The mathematics are simple: $200 billion annual deficits add $600 billion to the federal debt over three years which at 8% comes out to $24 billion in interest annually.

As for the debate between the House and Senate on defense spending versus Social Security, if the House/Senate conferees take the path of least resistance, as appears likely, one loses another slug out of that $56 billion theoretical deficit reduction package. Indeed, if one totals up the numbers discussed herein the fact is that the entire $56 million deficit reduction package pretty much evaporates.

Mr. Kudlow sloughs off the Moynihan/Stockman repartee as an "historical footnote". These are serious matters, not footnotes. They involve the fundamental integrity of our financial system over the long term. The Moynihan/Stockman flap which goes back to various conversations the two had in 1981 is more than simply an "historical footnote" because what Moynihan is saying is that nothing has changed. Economic and other assumptions on which the tax cut in 1981 was based proved invalid so what reason do we have to accept present assumptions?

Kudlow, incidentally, is a bright man. As Treasurer of the 1976 Moynihan Campaign (and '82 and '88), this writer happens to know something about Kudlow which he might not widely admit to today, namely that he, the conservative supply sider, worked in that campaign for a brief while. That *is* an historical footnote!

STATEMENT OF SENATOR DANIEL PATRICK MOYNIHAN ON THE ONSET OF INSTABILITY

Mr. President, last Friday, in The New York Times, Tom Wicker reported an interview with the eminent and eminently conservative Nobel Laureate in economic science, Friedrich von Hayek, that had appeared in the March 25 issue of Profil published in Vienna. There, Professor von Hayek recounted that "one of Reagan's advisors told me why the President has permitted" the current enormous budget deficits:

"Reagan thinks it is impossible to persuade Congress that expenditures must be reduced, unless one creates deficits so large that absolutely everyone becomes convinced that no more money can be spent. Thus he hoped to persuade Congress of the necessity of spending reductions by means of an immense deficit. Unfortunately he has not succeeded, but even so this explanation makes it understandable how any reasonable man can do such a thing at all."

Thus the most trustworthy of sources, a man of world reputation for his forthright analysis, Professor von Hayek, has confirmed that the current deficits were, in the most fundamental sense, created as part of a deliberate strategy, a tactic to place pressure on Congress to reduce spending. This precise matter is one about which I have spoken and written for several years how.

In December 1983, I wrote in The New Republic, "The proposition is that the deficits were purposeful. . . . The President genuinely wanted to reduce the size of the federal government. He genuinely thought it was riddled with "waste, fraud, and abuse," with things that needn't or shouldn't be done. He was astute enough to know there are constituencies for such activities, and he thought it pointless to argue them out of existence one by one. He would instead create a fiscal crisis in which, willy-nilly, they would be driven out of existence."

I returned to the proposition time and again in the following months—and the following years. On March 12, 1984, I told the New York State Democratic Committee Dinner, ". . . the present fiscal crisis did not just happen, it was made to happen . . . deliberatly . . . to reduce the size of the federal government." The next month, on April 18, 1984, I dissented from the Senate Budget Committee approval of the First Concurrent Budget Resolution, because that resolution did not confront the sources of the looming deficits, deficits, created "deliberately . . . to reduce the size of the federal Government." The following month, on this floor, I made the same point. And again, on September 11, in a press briefing in my office. And again, this past March 24, 1985, in an address to the National League of Cities. The month following, once again in an interview with The American Spectator. On May 2 of this year, again, in an interview on the MacNeil/Lehrer newshour, and yet again on the same program on July 11. Most recently, in an article published in this past Sunday's New York Times.

I do not recite these references to demonstrate any special perspicacity on my part. I relied, in the first, on the words of the President himself. In his first televised speech to the nation as President, on February 5, 1981, he explained his agenda.

"There were always those who told us that taxes couldn't be cut until spending was reduced. Well, you know we can lecture our children about extravagance until we run out of voice and breath. Or we can cure their extravagance by simply reducing their allowance."

The President, like Professor von Hayek, is a forthright man, and if we are to understand the origins of the current fiscal crisis, we would do well to listen to what he has said.

More than history is at stake here; the operations of great institutions stand in the balance. We have before us today—in the form of legislation to deliver to the President authority to veto single items in appropriations bills—the proposition that the balance of powers between the Congress and President must be altered to resolve this crisis.

We know from the President, from Professor von Hayek, and from others, that this crisis did not arise from the inability of Congress to manage the budget—that, I would hazard, was a consequence—rather it arose from a strategem of the Executive.

If we are to avoid such in the future, would we not better, say, resolve never again to reduce revenues without reducing spending? We would certainly have done better, had we listened to the President when he told us in 1981 that his tax proposals were designed, in part, to create a deficit so large that it would "cure" the extravagance of Federal spending. Then, at the least, we would have known what it was we were about.

Mr. President, I would commend to the attention of the members of this body, Tom Wicker's article of July 19, 1985 and the interview with Professor von Hayek from Profil.

The material follows:

INTERVIEW WITH FRIEDRICH VON HAYEK IN VIENNA

Reagan is a very reasonable man; he is certainly no theoretician, but he has a good instinct, and I appreciate him very much. I can make a good judgment about his instinct because he has chosen his advisers for the most part from circles I am acquainted with. . . .

His politics? When the government of the United States borrows a large part of the savings of the world, the consequence is that capital must become scarce and expensive in the whole world. That is a problem. but you see, one of Reagan's advisers told me why the President has permitted that to happen, which makes the matter partly excusable: Reagan thinks it is impossible to persuade Congress that expenditures must be reduced, unless one creates deficits so large that absolutely everyone becomes convinced that no more money can be spent. Thus he hoped to persuade Congress of the necessity of spending reductions by means of an immense deficit. Unfortunately he has not succeeded, but even so this explanation makes it understandable how any reasonable man can do such a thing at all.

[From the New Republic, Dec. 31, 1983]

REAGAN'S BANKRUPT BUDGET

(By Daniel Patrick Moynihan)

EXCERPT

If I may say so, what I now write, I know. That is not and should not be enough for the reader. I will ask to be judged, then, by whether the proposition to be presented is coherent, and whether any other proposition makes more sense.

The proposition is that the deficits were purposeful, that is to say, the deficits for the President's initial budgets. They were thereafter expected to disappear. That they have not, and will not, is the result of a massive misunderstanding of American government. This is not understood in either party. Democrats feel uneasy with the subject, one on which we have been attacked since the New Deal. Republicans are simply uncomprehending, or, as Senator John Danforth of Missouri said in a speech on the debt ceiling in November (referring to the whole Senate, but permit me an inference), "catatonic." * * *

* * * as a candidate, Mr. Reagan did not propose to reduce federal spending. Waste, yes, that would be eliminated, but name a program, at least one of any significance, that was to go. To the contrary, defense spending was to be considerably increased. That was the one program issue of his campaign. It was the peculiar genius of that campaign that it proposed to increase defense expenditures while cutting taxes. This was the Kemp-Roth proposal, based on Arthur Laffer's celebrated curve. As a candidate, Mr. Reagan went so far as to assert that this particular tax cut would actually increase revenues.

* * * * *

There was a hidden agenda. It came out in a television speech sixteen days after President Reagan's inauguration, when he stated, "There were always those who told us that taxes couldn't be cut until spending was reduced. Well, you know we can lecture our children about extravagance until we run out of voice and breath. Or we can cut their extravagance by simply reducing their allowance." The President genuinely wanted to reduce the size of the federal government. He genuinely though it was riddled with "waste, fraud, and abuse," with things that needn't or shouldn't be done. He was astute enough to know there are constituencies for such activities, and he thought it pointless to try to argue them out of existence one by one. He would instead create a fiscal crisis in which, willy-nilly, they would be driven out of existence.

If his understanding of the government had been right, his strategy for reducing its size would have been sound. But his understanding was desperately flawed. * * *

EXCERPT FROM SPEECH BY SENATOR DANIEL PATRICK MOYNIHAN AT THE NEW YORK STATE DEMOCRATIC COMMITTEE DINNER

First of all I think it is time—and some of our candidates have tried—to impress upon the public that the present fiscal crisis did not just happen, it was made to happen. The President created the deficit—deliberately—in order, as he assumed, to reduce the size of the Federal government.

It was an act of irresponsibility which could only come from someone who did not understand what it is the Federal government does, and who in any event wished to bring about a great increase in defense spending, not having heard that it was already increasing. (For the record, the Federal budget under Ronald Reagan has reached one quarter of GNP—the highest in peacetime history.)

EXCERPT FROM MINORITY VIEWS OF SENATOR DANIEL PATRICK MOYNIHAN

According to the budget the President sent us in January, the Government will run $200 billion deficits * * *.

The present fiscal crisis did not just happen, it was made to happen. The President's policies *created* the deficit—deliberately—in order, as he assumed, to reduce the size of the Federal Government. * * *

EXCERPTS—RECORD OF MAY 24, 1984

What with one deficit and another, the national debt mounted steadily over the half century, 1930-80. In the 1950's, 1960's, and 1970's, however, the economy grew faster than did the debt, so it was actually declining as a proportion of the Nation's gross national product. But as a political issue, deficits were growing. It was the single, simplest way of stating the idea that Government was not behaving responsibly.

It was preeminently Ronald Reagan's issue. In his 1980 campaign, he did not propose to cut specific Government programs; it was the deficit he would cut.

How? He would bring about a massive reduction in revenues, so Congress would have no choice but to cut specific programs. Sixteen days after his inauguration he so told the Nation on television:

There were always those who told us that taxes couldn't be cut until spending was reduced. Well, you know we can lecture our children about extravagance until we run out of voice and breath. Or we can cut their extravagance by simply reducing their allowance.

* * * * *

COMMENTS FROM SENATOR DANIEL PATRICK MOYNIHAN—SEPTEMBER 11, 1984

(At Press Briefing for New York Reporters)

The Vice President is right. The deficit is the first and necessary domestic concern of the President. The present arrangements will not persist. People in the Administration know it. Their hope very simply is that the American people don't know it.

I call one thing to your mind. I've been saying for a long time now that the essential purpose of the deficit was to put an end to social policy. And it has.

Sixteen days after coming to office, the President gave that television speech, in which he said: What do you do with a child that won't behave? You cut its allowance.

In the New Republic piece I wrote last December, I said the purpose of the deficit—the fundamental purpose of the deficit—was to disable the American Government, to make it impossible to propose initiatives in areas where they had been regularly forthcoming for half a century.

PRESIDENT REAGAN AND CHAIRMAN MORRILL

(By Daniel Patrick Moynihan, U.S. Senator From New York)

(Excerpts from a speech delivered to the National League of Cities' Congressional-City Conference, Washington, D.C., March 24, 1985.)

* * * By the time he became President, Mr. Reagan had come to the judgment that the Federal Government had grown much too large, and would continue to do so unless some radical restraint was placed on the Congress, and for that matter the Executive as well.

He proclaimed his purpose in his third week in office and attained it in his seventh month, with a tax cut that radically reduced the revenues of the Federal Government, bringing about a sustained deficit.

The purpose of the deficit was elemental. It was to put in place a permanent process of seeking reductions in existing Federal programs, and resisting the establishment of new ones.

The concept was more inspired than the execution. The execution was in fact considerably blundered. Much too large a deficit was created. This deficit began to compound, and to assume a life of its own. In the first four years of the administration the national debt all but doubled, to a trillion and a half dollars. In the next four years another trillion dollars will be added.

[Excerpts from the American Spectator—April 1985]

(Daniel Patrick Moynihan)

Then came the inaugural address and an extraordinary proposition. The new President said the nation faced a crisis. Well, most new Presidents do that. Indeed, as Eugene McCarthy remarked as we strolled away to lunch after the ceremonies, most new Presidents declare war in their inaugural address; which President Reagan had not done.

But he did say this with respect to the crisis: ". . . government is not the solution to our problem; government is the problem."

This made me nervous. It was too general a statement; too indiscriminate. Did this man understand just how much government has to do? I don't think he did (and am not sure he does), for in short order he set in place a basic strategy—still in place—of reducing the size of government itself to the condition of bankruptcy. All credit to Ronald Reagan, who is not a devious man: He stated his plan straight out, sixteen days after the Inauguration. In his first national television address he said: "There were always those who told us that taxes couldn't be cut until spending is reduced. Well, you know we can lecture our children about extravagance until we run out of voice and

breath. Or we can cut their extravagance by simply reducing their allowance."

And that is what he did in the 1981 tax act. On July 27, 1981, as the bill neared passage, I found myself on national television responding to a presidential plea to get on with it; urging that to the contrary things were getting out of hand, that the President needed to impose a measure of restraint; "In the last few days something like an auction of the Treasury has been going on . . . What this is doing is taking a tax bill we could afford and transforming it into a great barbecue that we can't afford.". . .

EXCERPT: MACNEIL/LEHRER NEWS HOUR

JIM LEHRER. Senator Moynihan, what do you think is going on up there looking at it from the minority party point of view?

Senator DANIEL P. MOYNIHAN. Well, there is no longer a Republican majority that would solidly support the kinds of reductions in domestic programs that the president keeps insisting on. This goes back—if I can suggest, to a strategy which the president put in place when he arrived in his first administration which was deliberately to create a deficit that would produce an ongoing fiscal crisis that would force the shrinkage of government and, as he said the other day to business groups, the federal spending machine. (sic) They over calculated what they could really reduce as optional. I once said if by abolishing the Marine Corps, you could balance the budget, you probably could get the votes. But if abolishing the Marine Corps would save you six billion dollars and you get all the marines mad at you and you would be nowhere near a balanced budget. The president let that contrived deficit turn into a monster, now feeding on itself.

[July 11, 1985 Transcript No. 2554]

THE DEFICIT: PLAN OR PLOY?

WOODRUFF. Tonight's final focus segment looks at a new dispute about an old problem: the federal deficit. On Tuesday, budget director David Stockman submitted his resignation, reportedly frustrated by Congress' failure to make major cuts in government spending to combat the growing deficit. Yesterday, one member of Congress who was a longtime friend of Stockman's, Democratic Senator Daniel Patrick Moynihan of New York, charged that Stockman had confessed to him several times over the past few years that the Reagan administration deliberately let the deficit grow by cutting taxes in hopes of forcing a major cutback in government programs. . . .

Sen. DANIEL PATRICK MOYNIHAN. Well, you said Dave didn't deny the proposition, and let me say, let's go to the President's words and let us also remember we're going back to early 1981 and a kind of strategy which the administration in good faith within itself brought to Washington. On the fifth of February, 1981, the President spoke to the national television, his first address since his inaugural. And these are his words. He said, "There are always those who told us that taxes couldn't be cut until spending was reduced. Well, you know, you can lecture your children about extravagance until you are out of voice and breath, or we can cut their extravagance simply by reducing their allowance." That's the President of the United States. And the plan was to have a moderate deficit. The point was the revenue projections weren't real, and Mr. Stockman said that at the end of the year to Mr. Grieder in the Atlantic Monthly. . . .

WOODRUFF. So you're saying the President himself said initially we're going to be cutting taxes and we know that's going to mean an increase in the deficit?

Sen. MOYNIHAN. That's right.

WOODRUFF. You're saying he acknowledged that right away?

Sen. MOYNIHAN. He said so. And having—being short of revenue, you would then say you had to cut programs. What happened was the shortage went out of control, and from maybe a $40 or $50 billion planned deficit, it got—to what David Stockman has said is a $200 billion as far as the eye can see. A different situation now, but if we're going to understand the situation today, I think it helps to see how it began.

[From the New York Times, July 21, 1985]

REAGAN'S INFLATE-THE-DEFICIT GAME

(By Daniel Patrick Moynihan)

The week of July 8 began with the announcement that David A. Stockman would be leaving as budget director and ended with the Senate Judiciary Committee approving two constitutional amendments requiring a balanced budget. This marks the transition from policy to panic. It suggests we pause for a moment's reflection.

First, some definitions. The policy was the Administration's deliberate decision to create deficits for strategic, political purposes. The panic arises among those who think the deficit was caused instead by a failure of our political system.

The Reagan Administration came to office with, at most, a marginal interest in balancing the budget—contrary to rhetoric, there was no great budget problem at the time—but with a very real interest in dismantling a fair amount of the social legislation of the preceding 50 years. The strategy was to induce a deficit and use that as grounds for the dismantling.

It was a strategy devised by young intellectuals of a capacity that Washington had not seen for years. They were never understood, and as they depart they leave behind an alarming incomprehension of the coup they almost pulled off.

The key concept was that individual Government programs are relatively invulnerable to direct assault. The Congress, the staff, the constituency can usually beat you and always outwait you.

On the other hand, the Budget Act of 1974 contained little understood powers of huge potential. The budget committees, assuming agreement by the full Congress, could require other committees to cut back programs. The power—technically a "reconciliation" instruction—had never been used to the fullest, but it was there.

Thus, the plan: Reduce revenues. Create a deficit. Use the budget process to eliminate programs.

A hidden strategy? Not really. On Feb. 5, 1981, 16 days in office, the President in his first television address to the nation said: "There were always those who told us that taxes couldn't be cut until spending was reduced. Well, you know, we can lecture our children about extravagance until we run out of voice and breath. Or we can cure their extravagance by simply reducing their allowance."

This statement was noticed by Republican conservatives: What was this business of deliberately creating a Republican deficit? As it happened, a new economics was at hand to show that this need not happen. Known as "supply-side," it held that cutting taxes would increase revenues. A few weeks after the President's speech, the Office of Management and Budget issued revised budget projections showing taxes going down and receipts going up, almost doubling from $520 billion in 1980 to $940 billion in 1986.

Well, of course none of this happened. The budget was not balanced in 1984 as promised. Rather, by that time, Mr. Stockman was talking about $200 billion deficits "as far as the eye can see."

There are plenty of reasons the strategy came to grief, but the least noticed is that the budget committees just couldn't deliver. Successive chairmen, especially in the Senate, tried to transform the process from a straightforward allocation of funds for 19 "budget functions" into an item-by-item decision on everything. Committee meetings became spectacles: dazed legislators, swarming staff, exhausted journalists.

Then it collapsed. Other committees stopped paying any heed. The Senate Budget Committee itself broke apart. In 1982, the chairman in effect gave up and settled for a party-line vote on a one-page budget resolution with about a dozen numbers on it that nobody bothered to examine because by then nobody believed any of it any more.

On June 5, 1985, Mr. Stockman told the board of the New York Stock Exchange: "The basic fact is that we are violating badly, even wantonly, the cardinal rule of sound public finance: Governments must extract from the people in taxes what they dispense in benefits, services and protections . . . indeed, if the [Securities and Exchange Commission] had jurisdiction over the executive and legislative branches, many of us would be in jail."

This is taking too much blame. It was an honest effort, simply too clever. A failing, they say, of intellectuals in Government.

The constitutional amendments are another matter. They reflect a kind of desperation: Don't let us do it again. Which quite misses the point. The deficit was policy, a curious legacy of the young radicals who came to power in 1981, but not a symptom of a failed system of Government.

The budget is now out of control for the moment. Debt service was $53 billion in 1980; it will be $234 billion by 1990. The debt is compounding; we will indeed in time be borrowing abroad to pay interest owed abroad.

We can do little about this in the near-term. It is now, at minimum, a 15-year problem. On the bright side, the Social Security Trust Funds begin to grow rapidly after 1988, reaching an estimated $1 trillion surplus by 1999. The dark prospect is that some administration in the 1990's will give up and wipe out the debt by inflating the currency.

But if there isn't much we can do, there are things we can learn. Principally, that the dysfunction of the political economy is not a symptom of a failing of the political system. The disaster was planned, although not as a disaster. If we can get a truly conservative Administration into office by the 1990's, we can probably restore stability by the year 2000.

Mr. MOYNIHAN. Mr. President, again I thank the Senate for indulging me this morning, and absent any other Members seeking recognition 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. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business for not to extend beyond the hour of 11 a.m., with statements therein limited to 5 minutes each.

SOVIET JEWISH EMIGRATION CONTINUES TO DECLINE

Mr. CRANSTON. Mr. President, I am pleased to participate in the 1985 Congressional Call to Conscience for Soviet Jews and Christians. I wish to commend my distinguished colleague, Senator BOSCHWITZ, for organizing this important effort.

As one who has worked hard over the years to press the Soviet Union to respect the basic human rights of its Jewish citizens, I am deeply dismayed by the continued decline in the numbers of exit visas being granted Soviet Jews. From a high of 51,320 exit visas that were granted Soviet Jews in 1979, less than 900 Jews were given permission to emigrate from the Soviet Union in 1984. Thus far, only 499 visas were granted for the first 6 months of this year. These deplorable figures are worrisome in view of the fact that there are at least some 350,000 Jews in the Soviet Union who wish to emigrate to the United States and elsewhere.

I am also deeply concerned about the Kremlin stepping up what appears to be an official campaign to crush Jewish culture in the Soviet Union. Since July of 1984, at least 14 Jewish cultural activists and Hebrew teachers have been arrested on trumped-up charges. Many more others have been beaten or fired from their jobs.

We in the U.S. Senate must be vigilant in calling on the Soviet Union to stop its persecution of all its citizens, including Jews, Christians and those of other faiths, and to respect their basic human rights—including the right to emigrate freely. The Soviets must be put on notice that continued harassment of religious groups poses a serious impediment to improved United States-Soviet relations and that closer ties cannot be gained at the expense of the oppressed.

Today, I wish to direct the attention of my colleagues to the case of Ida Nudel who has been seeking to emigrate from the Soviet Union since 1971 so that she may be reunited with her sister in Israel. In 1978, Ida hung a banner outside her apartment window asking the Soviet authorities for an exit visa. For making this simple appeal, she was sent to Siberia to serve a 4-year sentence of internal exile for malicious hooliganism. Many of you are very familiar with her plight and have worked on her behalf. Ida Nudel is known as the "Guardian Angel" for her courageous activities on behalf of Soviet Jewish prisoners of conscience. And now, we must renew our efforts on her behalf. Ida suffers from ulcers, kidney and heart ailments and her health continues to deteriorate. Most recently, she learned that she may have cancer and boarded a train for Moscow where she hoped to seek medical care.

Incredibly, Soviet authorities took her off the train, preventing her from going to Moscow. Under these circumstances, 44 of my distinguished colleagues, including Senator BOSCHWITZ, joined me in expressing our deep concern for Ida Nudel to Soviet General Secretary Mikhail Gorbachev. We asked that Ida Nudel be given the immediate necessary medical care and that she be granted an exit visa. I ask for unanimous consent that our letter to General Secretary Gorbachev be printed in the RECORD.

Mr. President, I reaffirm my strong support for the just cause of Soviet Jews and pledge to continue to do all I can to help alleviate their plight.

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

U.S. SENATE,
Washington DC, July 16, 1985.

Mikhail Gorbachev,
General Secretary, C.P.S.U., The Kremlin, Moscow, U.S.S.R.

DEAR MR. GENERAL SECRETARY: We are writing to you about Ida Nudel because of our growing concern about her deteriorating health and about reports that she has been prevented from receiving the necessary medical care.

Ida Nudel has been seeking to emigrate from the Soviet Union since 1971. Unfortunately, her many efforts to obtain an exit visa have been unsuccessful. From 1978, she served a four year sentence in Siberia for placing a banner outside her apartment window asking for an exit visa.

We have followed her case closely and have been increasingly concerned about her health. Ida Nudel suffers from ulcers, kidney and heart trouble and is in a great deal of pain. Given her physical suffering, it is with great distress that we learned that Soviet authorities took her off a train bound for Moscow where she hoped to seek medical care.

We appeal to you to see that Ida Nudel is permitted to receive the immediate medical attention necessary and to grant her an exit visa expeditiously so that she may be reunited with her sister in Israel.

Mr. General Secretary, your favorable response to our urgent appeal would be a most helpful step and would be welcomed greatly by Ida Nudel's friends here in the United States and all over the world.

Thank you for your prompt consideration of our earnest request.

With best regards.

Sincerely,

Alan Cranston, Bob Packwood, Paul Simon, David Durenberger, Paul Sarbanes, William Proxmire, Carl Levin, Edward Zorinsky, David L. Boren, Nancy Landon Kassebaum, Patrick Leahy, Lawton Chiles, Claiborne Pell, Jim Sasser, Albert Gore, Jr., Howard M. Metzenbaum, Strom Thurmond, Arlen Specter, David Pryor, Alfonse M. D'Amato, Edward M. Kennedy.

Chuck Grassley, J.J. Exon, Richard G. Lugar, Dennis DeConcini, Christopher J. Dodd, William S. Cohen, Rudy Boschwitz, John Glenn, Dan Quayle, Steven Symms, Slade Gorton, John Melcher, Pete Wilson, Tom Harkin, Donald W. Riegle, Jr., Dale Bumpers, Frank R. Lautenberg, Don Nickles, Gordon Humphrey, Alan J. Dixon, Bill Bradley, Wendell H. Ford, Frank H. Murkowski.

THE NATIONAL DEBT

Mr. GRASSLEY. Mr. President, a new nationwide poll gives us more evidence of the wisdom of the American people. The poll on the national debt was commissioned by the National Debt Repayment Foundation, a nonprofit organization dedicated to educating the public about the dangers of the national debt, and was conducted by Civic Service Inc., a respected polling organization.

Mr. President, the poll is at the same time encouraging and disheartening.

It is encouraging because it shows that the American people are keeping a close watch on the Nation's finances. More than 93 percent of those interviewed think the deficit is an important issue; 90 percent believe that the national debt is a threat to the future of the U.S. economy; and 82.3 percent believe that failure to reduce the debt threatens their personal financial security.

The people want action; 95.2 percent of those interviewed believe it is important that something be done to reduce the national debt; and 86.3 percent agree that citizens will have to make sacrifices to deal with the debt.

These figures are encouraging. They show that Americans understand the grave danger to the U.S. economy that is posed by continued fiscal irresponsibility. And more important, they show that Americans understand there is no easy way out—they understand that sacrifices must be made for the sake of the Nation. Our country is blessed with citizens who are willing to face up to the difficult task ahead.

But, Mr. President, the poll is also disheartening because less than half of the Americans interviewed have confidence that their elected leaders in Congress will take action on the debt in time to avoid a national crisis. Less than 10 percent are very confident that Congress will act in time.

These figures are disturbing to me as a Member of the Senate, but unfortunately I cannot blame our citizens for their lack of faith. The deficits and huge national debt have been allowed to grow at alarming rates. A time

bomb of debt is being created. If we do not bring it under control, we will jeopardize the economic opportunities available to future generations of Americans—our children and grandchildren.

The American people understand this danger. We Members of Congress must act now. We must take every initiative, examine every possible solution, keep trying when there seems no hope, for we may have no more chances. The tough decisions we face will only be much, much tougher if we put them off until the Nation faces an economic crisis.

Mr. President, the Congress must achieve major long-run deficit reductions and make repayment of the national debt a part of the policy debate. Unless we turn the tables on the deficit trend and face up to our financial responsibilities, we will have betrayed not only the American citizens who put their trust in us by electing us to office, but also the millions of Americans who will have to pay the price in the years to come.

WINTER WHEAT FARMERS SHORTCHANGED WITHOUT ACTION ON FARM BILL

Mr. NICKLES. Mr. President, time is running out for our Nation's wheat farmers. Like I said 2 days ago, if there is not quick action on the farm bill, winter wheat farmers above all others will be the biggest losers.

All of the agriculture is facing tough times. All of agriculture has an interest in the development and passage of the farm bill. But, winter wheat farmers are the hungriest for information about next year's program because it won't be long until they pull the grain drills out of the shed and into the fields to sow the 1986 crop.

The production cycle will not be slowed if the farm bill is not acted on by the August recess. But farmers in Oklahoma and other wheat States will be left trying to second-guess what Congress will do with the programs which have a direct impact on them, their families and their communities.

To put it bluntly, farmers have to know program details in order to make cost-saving management decisions. And everyone knows that in these economic times farmers are searching for any cost savings they can find.

According to the Wheat Export Trade Education Committee, winter wheat farmers in one dozen States, including Oklahoma, will be planting next year's crop before Congress is back in action following the August recess. By September 15, farmers in 21 States will be planting winter wheat. The 1981 farm bill passed the Senate on September 18 and was eventually signed by the President that December. Just because Congress gave wheat farmers the short end of the stick then doesn't mean we have to do it again.

Thirty years ago farmers received $1.99 a bushel of wheat. Ten years ago the same bushel would fetch $3.40. Today, Oklahoma farmers find the downward market offering a dismal $2.85 per bushel. Do my colleagues realize that a single bushel of wheat produces 73 1-pound loaves of bread? Do my colleagues realize that the farmer's share of a dollar loaf of bread is less than 4 cents?

Mr. President, farmers have their backs against the wall. They are being hit from all sides with credit problems, cash problems and if we don't act quickly, congressional problems. Today, I am circulating a letter among some of my colleagues asking them to join me in requesting the majority leader to bring up the wheat section of the farm bill on Tuesday of next week if it has yet to be reported out of committee.

Farmers throughout the Nation deserve our best efforts, Mr. President. If we are going to be in their business, we at least ought to get it right.

TAX REFORM, WOMEN, AND FAMILIES

Mr. DURENBERGER. Mr. President, "Increase Fairness for Families," so reads the heading for chapter 2 of the President's tax proposals to the Congress for fairness, growth, and simplicity. I share that goal. I feel strongly that we should increase fairness for all families, not only traditional families. Any attempt at tax reform should have as its centerpiece a policy which recognizes the economic forces which determine a family's ability to pay taxes.

Mr. President, I think we all share similar definitions of the words "equity" and "fairness." However, we run into trouble when we try to define the average American family. Is the average American family what it used to be 30 years ago: Two working parents, the father working outside the home, the mother working in the home, one taxable income and two or three dependents? No; that family portrait is only one of the many typical families which make up our diverse society.

Recently I introduced a bill, S. 1169, the Economic Equity Act, which goes a long way in reforming our Tax Code to accommodate the diversity of today's American families. The Economic Equity Act seeks reform in the zero bracket amount for single heads of households, the dependent care tax credit, and the earned income tax credit. All of these reforms are warranted by the shift in womens' roles away from primarily homemaking, and toward being a major, or the only wage-earner for the family.

The remarkable change in the composition of American families has come about largely due to the changes in womens' roles. Today women are working in greater numbers than ever before, many of them are single heads of households, they are partners in two-earner couples, and often they are largely or solely responsible for the care of children, dependent parents, and relatives.

The statistics frame a picture which indicates that a tax code geared specifically to a two-parent, one-earner family with dependents who are cared for by a parent, is out of step with a large percentage of American families. In addition, our Tax Code must be amended to take into consideration the phenomenon of the "new poor"; it must reflect the fact that women and children are sinking below the poverty line at ever-increasing rates. Nearly one-half of all poor families—45.7 percent—are headed by women. The percentage of minority families below the poverty line headed by women is even higher: 57 percent of all black and Hispanic families.

When I introduced the Economic Equity Act for the first time in 1981, I was approaching the problem of women's inequity from an economic standpoint. I believed then, and I continue to believe, that equal economic standing is a vital component to ensuring equal access to all our society can offer, whether in business, education, public service, or domestic life, to both sexes. In order for women to enjoy all the privileges of our society, they must attain firm economic footing. A good place to begin the reforms is in one of the major economic facts of life: taxes.

The Economic Equity Act of 1985, amongst its 22 bills, offers three reforms in our current Tax Code. These three provisions are aimed toward three specific, but often overlapping groups of taxpayers. The changes in the dependent care tax credit are designed to assist lower income families with dependent care costs, the zero bracket amount [ZBA] legislation will bring fairness in taxation between families headed by a couple, and families headed by a single parent, and the changes in the earned income tax credit will offer increased incentive for low-income families to work.

THE DEPENDENT CARE TAX CREDIT

Under the President's tax reform proposal, the dependent care tax credit would be changed to a deduction. This change would wipe out the largest Federal expenditure in the area of dependent care, mainly adversely affecting lower and middle income families who rely on dependent care in order to maintain their earning status.

However, the EEA proposal for reforming the dependent care tax credit moves the other direction. The de-

pendent care tax credit would be maintained, expanded, indexed for inflation, and made refundable for low-income families who owe no income tax. Under the EEA, the current sliding scale would be increased to 50 percent of dependent care costs for individuals earning $10,000 or less, decreasing to 20 percent of dependent care costs for individuals earning $40,000 or more. The EEA proposal would index the income thresholds in order to keep pace with inflation, and allow working poor families to receive a refundable credit. These reforms are both appropriate and necessary additions to the dependent care tax credit. They will assist working families who have the least ability to pay dependent care costs. Refundability extends the benefits of the dependent care tax credit to those families below the poverty line who need the assistance the most.

THE ZERO BRACKET AMOUNT

Reform of the zero bracket amount [ZBA] constitutes a clear equity issue: That of the different tax treatment of families headed by a couple and families headed by a single head of household. Current law allows a single head of household $2,390 in untaxable income. This sum is equal to the amount allowed unmarried individuals. However, married couples filing jointly are allowed $3,540 as their zero bracket amount. The President's tax plan recognizes the inherent inequity of either rewarding joint heads of households, or penalizing single heads of household through the Tax Code. I applaud the President's tax proposal for recognizing the tax gap between these two types of families, and for proposing to narrow that gap by increasing the ZBA for single heads of households. However, that gap should be closed completely.

A key element of the economic equity tax title is closing that zero bracket amount gap entirely. Our Tax Code has no role in economically discouraging single heads of households. In 1983, the median income for female-headed households was $11,789, and for married couples it was $27,286. In 1984, a single parent family of four at the poverty level paid $135 more in Federal taxes than a two-parent family of four at the poverty level. Raising the ZBA for single heads of household to that of married couples is an equity reform which will, additionally, remove an inappropriate tax burden on the large percentage of poor families headed by single women.

THE EARNED INCOME TAX CREDIT

The earned income tax credit [EITC] serves an incentive for low-income families to work rather than to receive public assistance by offsetting a portion of the Social Security payroll taxes paid by the worker. Under the President's tax proposal, in recognition of the fact that the EITC is an effective method of helping working families to remain above the poverty line, the EITC would be increased from 11 percent to 14 percent, and indexed for inflation.

Although the administration takes a step in the right direction by expanding and indexing the earned income tax credit, I feel the proposal does not go far enough. The Economic Equity Act proposal expands the credit from 11 percent to 16 percent of the first $5,000 of earned income. The maximum credit of $800 would be phased out for incomes between $11,000 and $16,000 at a 16-percent rate. Reform of the earned income tax credit would allow one of the sections of our current Tax Code which is geared to assist working poor families, many of whom are headed by women only, to continue to work. Expansion and indexing of the credit will allow families to avoid a tax burden which will once again, push them below the poverty line.

Mr. President, these three primary tax issues, and a number of others important to women and families were discussed in a hearing held by the Senate Finance Committee, June 19, 1985, as part of an ongoing series of hearings on tax reform. I urge my colleagues to consider the EEA tax proposals I have outlined here for inclusion in our final tax reform package. The Economic Equity Act tax provisions are a response to changing times, and the changing, and highly diverse nature of American families. I feel strongly that any tax reform proposal we adopt will have to earn the trust of the American taxpayers through a tax code with a direct correlation to their lives, one which has been formulated to fit all kinds of families' earning abilities, not just the classic two-parent, one-earner model.

Excellent testimony was offered in the Finance hearing by Nancy Duff Campbell of the National Women's Law Center and Maxine Forman of the Women's Equity Action League on the various tax reform proposals and their effect on women and families. I ask unanimous consent that their testimony be printed in the RECORD.

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

STATEMENT OF NANCY DUFF CAMPBELL, MANAGING ATTORNEY, NATIONAL WOMEN'S LAW CENTER, AND MAXINE FORMAN, DIRECTOR OF POLICY ANALYSIS, WOMEN'S EQUITY ACTION LEAGUE, ON TAX FAIRNESS FOR WOMEN

We are submitting this statement on behalf of Nancy Duff Campbell, Managing Attorney with the National Women's Law Center, and Maxine Forman, Director of Policy Analysis with the Women's Equity Action League. We are appearing together today, not only on behalf of our respective organizations, but also because we co-chair the Coalition on Women and Taxes. This coalition, which includes a diverse group of women's, children's, religious, aging, civil rights and civic groups, has been meeting since early in the year to analyze national tax policy as it affects women and to assess the various reform proposals and their impact on women.

The views which we present today have grown out of this coalition's efforts. Nearly thirty national groups have endorsed the principles which must form the basis of fair and equitable tax reform for women. In a letter sent last month to Treasury Secretary Baker and to all members of this Committee, and attached to this statement, these groups stated:

"First, we support expanding significantly the tax base, particularly by reaching corporate and sheltered income that has escaped taxation in recent years, and returning that income to individuals in the form of lower rates and a simplified tax structure. Secondly, we favor giving priority to adequacy issues: the tax burden on the poor, most of whom are women and their dependent children, must be alleviated. At a minimum, no one at or below the poverty line should be subject to federal income tax. Finally, we support giving priority attention, too, to equity issues: ability to pay must be the major factor in establishing tax rates and determining taxable income, so that individuals and families with greater needs, such as obligations to dependents, are treated differently from those without such obligations."

We will be submitting for the record a statement on behalf of the Coalition which develops our positions in greater detail.

We have made tax issues a priority for our organizations because tax policies must meet women's basic economic needs. The past several decades have seen a dramatic change in the nature of the responsibilities that women have assumed. Although over 40% of women are not in the paid labor force and maintain the important role of homemaker, women have entered the labor market in unprecedented numbers. In 1960, only 38% of women worked outside the home in paid employment, while by 1982 that figure reached 53% and climbed to 63% for women between the ages of 18 and 64. Moreover, an increasing number of women are combining paid employment and family responsibilities: in the past three decades, the labor force participation rate of mothers has more than tripled. Today, nearly 60% of the mothers of school-aged and infant children are in the labor force, almost double the number in 1960.

The changing nature of women's work and family responsibilities has in part been the result of the increasing numbers of women who are the sole or principal source of economic support for their families. In 1983, female-headed families constituted over 15% of all families, compared to 10% of all families in 1970. For Black families the percentage is even greater; in 1983, 41.9% of black families were headed by women, an increase from 28% in 1970. In Hispanic families, the percentage of female-maintained families increased from 15% in 1970 to 23% in 1983; among Puerto Rican families, 41% were maintained by women. About one-quarter of Native American families were maintained by women.

Finally, despite the growth in the numbers of women in the paid labor force, the spectre of poverty has become a reality for greater numbers of women than ever before. Today, women and children constitute 75% of the poor in this country, and nearly 50% of all poor families are headed by women.

up from 25% of all poor families twenty-five years ago. The percentage of minority families maintained by women who are poor is even higher: approximately 57% of all Black and Hispanic families are female-maintained.

Our objective here today and throughout the debate in coming months is to ensure that national tax policy as it is reshaped by Congress and the Administration is responsive to the basic economic facts of life for women. We welcome the prospect of tax reform. We are encouraged that women, particularly low-income women, stand to improve their status if some of the provisions in the reform proposals are enacted. We will, however, suggest additional improvements in order to ensure maximum fairness and equity to the full range of women who are affected by national tax policy.

The cornerstone of our support for tax reform derives from our agreement with the underlying principle of the major reform proposals: that tax rates can be brought down by eliminating many preferences and deductions which have enabled high-income individuals and corporations to escape taxation. As upper-income individuals and corporations have sheltered more and more of their income, and enjoyed little or no tax liability, others have been paying at higher and higher marginal rates—shouldering the tax burdens thrust upon them because others have avoided their fair share. Whether as workers in paid employment or homemakers, whether in one- or two-earner couples, whether as single heads of households, or elderly women living alone, women have been bearing the brunt of a tax system which takes their last dollars but permits the wealthy and corporate America to pay little or no tax. In short, the potential gain for women under tax reform is great.

However, tax reform must provide not only lower rates and a broadened base, but also must provide fairness to individual taxpayers, particularly those at the low and middle end of the income scale. Each of the major reform proposals is built around the premise of lower rates in exchange for fewer preferences and deductions, but each offers a somewhat different approach. The Administration proposes creating three different individual tax rates of 15%, 25% and 35%; Bradley-Gephardt proposes three rates of 14%, 26% and 30%; Kemp-Kasten generally imposes a flat tax of 24% on all income. From the initial analysis which we have done, we are concerned that none of the major plans is progressive enough and requires of upper-income taxpayers an obligation commensurate with their ample ability to pay. In addition, there are adequately and equity issues of special concern to women, both in their capacity as workers in paid employment and as spouses and parents, which we address in more detail below.

TAX THRESHOLD: ADEQUACY FOR LOW INCOME WOMEN AND FAMILIES

As we have stated above, eliminating the tax burden on the poor is a priority issue for us. We are, of course, heartened to see that this principle has guided all the major reform efforts to date and we are particularly pleased that the Administration's new proposal provides relief for individuals and families at or near the poverty level. Indeed, exempting those at or near poverty from federal income taxation is so essential that it must remain an absolute sine quo non of any reform plan which Congress ultimately adopts.

Current law

Under the current law, the tax burden on the poor—three-quarters of whom are women and their dependent children—is harsh and getting harsher each year. The facts speak for themselves: Since 1978, the tax burden on the poor has risen dramatically as families of four at the poverty line have seen their combined federal income and payroll taxes increase from $269 to $1,147, and from 4% to over 10.4% of their income. Between 1980 and 1982, the number of persons in poverty paying federal income tax more than doubled. While the point at which a family began paying federal income tax was 21.7% above the poverty line in 1975—thus exempting poor and near-poor families from income tax—a decade later, in 1985, this tax threshold was nearly 20% below the poverty line, thus forcing many families with poverty and below-poverty level earnings to pay income tax. In short, the 1981 tax cuts enjoyed by so many Americans simply ignored those at the lower end of the income scale. Women and their children, the vast majority of the poverty population, sank deeper into poverty, in part as a result of tax policies which have failed to keep up with their needs.

The three provisions which together determine the tax threshold are the personal exemption, the zero bracket amount (formerly called the standard deduction), and the Earned Income Tax Credit (EITC). Since 1979 the personal exemption has been $1,000, but with the start of indexing in 1985 it will increase to $1,040 and to $1,080 in 1986. The zero bracket amount varies according to a taxpayer's filing status. Single persons and single heads of households for many years have had a zero bracket amount of $2,300. With indexing it will rise to $2,390 in 1985 and to $2,480 in 1986. For married couples, the zero bracket amount has been $3,400 since 1979. With indexing, in 1985 it will rise to $3,540 and to $3,670 in 1986. The third provision affecting whether low-income families pay federal income tax is the EITC. The EITC is a refundable credit—available to families with children and earned incomes of less than $11,000—of approximately 11 percent of the first $5,000 of earned income, for a maximum of $550. It was enacted in 1975 to encourage workforce participation by offsetting the effect of rising payroll taxes on low-income workers and, as such, has been of special benefit to low-income women heads of households. Payroll taxes have risen considerably since 1975, however, but the EITC has not been adjusted either to the rise in payroll taxes or to account for inflation. Although Congress last year increased the eligibility ceiling for this credit to $11,000, in 1985 and subsequent years the poverty line for a family of four and all larger size families will exceed $11,000, rendering the EITC unavailable to some working families who live in poverty.

The personal exemption, the zero bracket amount, and the EITC, structured originally to work together to protect proverty-level individuals and families from paying federal taxes, have failed in recent years to accomplish this goal and more and more low-income families are being required to pay federal income tax on an increasing portion of their meager earnings. Even with the beginning of indexing in 1985, because so many poor families have already been required to pay income tax and because the EITC is not indexed, this change will not provide tax relief for poor families.

Reform proposals

The changes proposed by the Administration in the three provisions directly affecting the poor substantially eliminates the unfairness in current law for heads of households and married couples but not for singles. The new Treasury plan proposes increasing the personal exemption to $2,000, effective in 1986. The plan increases the zero bracket amount for singles to $2,900 (from $2,480), for married couples to $4,000 (from $3,680) and for single heads of households to $3,600 (from $2,480). The EITC will be increased to 14% of the first $6,500 of earned income and would phase out at $13,500, thus providing a maximum credit of $700. To avert erosion through inflation, each provision would be indexed and poverty-level families should be assured over time of relief from federal income tax.

Both the Bradley-Gephardt and Kemp-Kasten proposals also make significant improvements over current law on tax threshold issues, though Bradley-Gephardt particularly has shortcomings, which, when viewed against the Administration's proposal, make the latter proposal preferable. Bradley-Gephardt has a three-tiered personal exemption: $1,600 for taxpayers and their spouses, $1,800 for heads of households and $1,000 for dependents. Zero bracket amounts are raised to $6,000 for married couples, and to $3,000 for single taxpayers and single heads of households. Bradley-Gephardt brings some married couples above the poverty threshold. However, because the zero bracket amount for heads of households remains the same as for single taxpayers, and because the exemption for dependents is lower than for adults, this bill makes the tax threshold much lower for single heads of household than for married couple families of the same size. For example, a married couple with one child would have $10,200 of tax-free income ($6,000 in zero bracket amount and $4,200 in exemptions), while a head of household with two dependents would have only $6,800 tax-free income ($3,000 in zero bracket amount and $3,800 in exemptions). Moreover, the EITC is not changed, and none of the provisions is indexed. The failure to index the provisions which determine the tax threshold makes any gains for low-income families short-lived, since inflation will erode any relief achieved.

Despite the fact that the straight flat tax of 24% in the Kemp-Kasten bill is on the surface unfavorable for low-income families, it is structured in such a way that poor families are exempt from federal income tax. Like the Administration bill, the personal exemption is $2,000 and indexed. Zero bracket amounts are raised to $2,600 for singles, to $3,300 for married couples, and to nearly that level, $3,200, for single heads of households, and are indexed. The bill also expands the Earned Income Tax Credit to 14.3%, ties the percent to the combined employer/employee Social Security tax rate, and adds a dependent allowance so that larger families receive more of a benefit than smaller families. However, the credit is phased out at lower earnings levels than under the Administration bill, or under current law. Thus, it appears that some working families currently eligible for the credit would lose it.

In assessing the approaches to eliminating the tax burden on the poor, it is our view that Congress should be guided by several principles. First, and most importantly, there must be a sacrosanct commitment to

ensure that families at or near poverty are exempt and continue to be exempt from federal income tax. Secondly, the provisions adopted must provide relief to all poor and near-poor individuals and families—singles, single heads of households, and married couples with one earner and with two earners. Finally, in putting together a combination of provisions—the personal exemption, the ZBA, and the EITC—preference must be given to expanding those features which give the most relief to low-income families—ZBAs and the EITC. Raising the personal exemption helps to provide important relief, especially to larger families, but because it benefits wealthiest taxpayers most, it is a less efficient and more costly way of helping low-income families.

We offer our support for changes which remove poverty and near-poverty level families of all types from the federal income tax rolls and pledge the resources of our Coalition on Women and Taxes to ensure that this goal is incorporated in all versions of tax reform which are considered and adopted by Congress. Any proposal which does not result in exempting poor families and individuals from federal income tax will be viewed as a retreat by Congress and the Administration from their commitment to tax reform and will force us to reconsider our commitment to tax reform efforts we have pledged to support.

Further improvements

The tax threshold provisions which have been advanced in the reform proposals discussed above could be improved in several important respects to offer even more protection to low-income individuals and families. As discussed in another part of our statement, no proposal eliminates entirely the disparity between the tax burdens of single heads of households and married couples. We urge the Committee to raise the ZBA for heads of households to the level enjoyed by married couples, as provided in the Economic Equity Act, S. 1169, and to equalize their tax rates as well.

Another improvement which the Committee should consider is expansion of the group of low-income earners eligible to receive maximum benefit from the EITC. Although the Administration proposal raising the EITC from 11% to 14% and permitting it to phase out at $13,500 instead of $11,000 is an important improvement over current law, we prefer the proposal contained in the Economic Equity Act. That proposal raises the earnings level eigible for the maximum credit to $16,000, increases the percent to 16%, and begins the phase-down of the credit at $11,000. We urge the Committee to commit itself to go beyond the proposals for very low-income working families which the Administration has advanced and expand the EITC along the lines we have suggested.

TAX THRESHOLD: ELDERLY AND DISABLED WOMEN

The tax threshold is particularly important to elderly and disabled people because of attendent expenses of age and disability. To provide equity to these individuals, their tax threashold should be higher than the tax threshold of other individuals. Clearly, the tax code must maintain provisions which tax elderly and disabled people fairly and allow them to maintain an adequate standard of living.

Fairness to low-income elderly and disabled individuals is an especially important principle for women. Women are 60% of people over the age of 65, and 70% of those over 85 years of age. Over three-fourths of elderly women have incomes under $10,000 a year. The median annual income of all elderly women from all sources (earnings, interest, pensions and Social Security) was only $5,599, as compared to $9,766 for men in 1983. Only 8% of elderly women are in the workforce, with median annual earnings of $3,150. One in three single elderly women and one in two single elderly Black women receiving Social Security depend on it for more than 90% of their income. The poverty rate for elderly women is nearly 18%. Forty-nine percent of elderly white single women and 80% of elderly Black single women live at or near the poverty level.

Disabled women are disproportionately represented in poverty, too. Women are 74% of all the disabled poor. In general, Black and Hispanic origin individuals are 25% more likely to be disabled than white individuals. Over 90% of severely disabled women are completely out of the workforce as compared to 80% of the men.

Elderly and disabled women often have health conditions which require them to make more frequent visits to the doctor and have longer than average hospital stays. As a result, according to one study, the elderly incur out of pocket health care expenses averaging over $1,500 a year.

Current law

The higher tax threshold for the elderly under current law recognizes that elderly persons, millions of whom are single women living on small fixed incomes, often incur high medical expenses or related costs which reduce their ability to pay taxes.

Under current law, persons with low and moderate incomes do not pay income tax on Social Security benefits, including disability benefits. Tax is imposed on the lesser of: (1) one-half of the taxpayer's Social Security benefit; or (2) one-half of the amount by which the taxpayer's combined income (AGI plus one-half of the Social Security benefit) exceeds $25,000 for single returns and $32,000 for joint returns. The income thresholds are not indexed. Very few elderly and disabled women currently have incomes above the thresholds, but the number will increase with inflation.

In addition to exempting Social Security benefits from taxation for low and moderate income people, current law provides an extra personal exemption for the blind and the elderly as well as a nonrefundable, unindexed credit for certain individuals age 65 and over and certain disabled individuals.

The administration's proposal

The Administration's proposal maintains and improves the tax threshold for the elderly and the disabled. Through an expanded and indexed credit, coupled with the doubling of the personal exemption, the plan substantially raises the tax-free levels of income for the elderly and disabled individuals.

Tax-free levels of income for people age 65 or older and blind individuals with average Social Security benefits are raised from $10,640 to $11,900. For disabled individuals under age 65 the tax-free level is raised from $9,383 to $10,400. The extra personal exemptions for the elderly and blind, which are worth more to higher income taxpayers, are repealed. Also, the Administration's plan maintains the current law treatment of Social Security benefits.

Because of the special significance of the tax threshold to elderly and disabled women, we support the provisions in the Administration's proposal which maintain and improve the level of the tax-free income. We especially support repealing the extra personal exemption which benefits higher income individuals who require the least help and replacing it with an expanded and indexed credit which targets help to lower and moderate income people.

TAX EQUITY FOR SINGLE HEADS OF HOUSEHOLDS

Equity between similarly situated families is a principle that must be adhered to in any tax reform proposal. This principle requires that single heads of households and married couples with the same income and family size be treated similarly by our tax code. Current tax provisions which cause heads of households to pay more taxes than married couples with the same income and family size must be changed so these families are treated equally.

The IRS defines heads of households as single taxpayers maintaining a home for over half the year for a child, grandchild or any dependent, or separated taxpayers maintaining a home for a dependent child. A large and increasing number of taxpayers file as heads of households. In 1982, over 8.4 million taxpayers filed as heads of households. This represented almost 9% of all returns filed. While the total number of returns filed decreased between 1981 and 1982, the number of head of household returns increased by more than 8%.

Most heads of households are single parents maintaining homes for dependent children. Over 85% of heads of households claimed dependent children in 1982. Although the IRS maintains no data on the number of women who file as heads of households, statistics show that nearly 90% of single persons maintaining families with children under 18 years of age are women. In a little more than a decade, the proportion of families with children under age 18 maintained by single women has nearly doubled, rising from 10% in 1970 to 19% in 1983.

The inequitable tax burden on single heads of households

In addition to problems of single parenthood, pay inequity, and high unemployment, single women maintaining families are shouldered with an inequitable tax burden. Single women and their families can ill afford this burden. Over 22% of families maintained by single women with employment income lived below the poverty level in 1983. The median annual income for single women maintaining families was only $11,789.

The household expenses for a head of household are roughly comparable to those of a married couple with the same income and family size. A survey by the Bureau of Labor Statistics indicates that while household budgets vary slightly depending upon the ages of the householders and the children, the cost of a budget for a family maintained by a single parent is very close to and in some instances greater than the cost of a budget for a same-size family maintained by a married couple. Indeed, the poverty level is set higher for a head of household with one dependent than for a married couple with no dependents. Married couples with dependents have the same poverty level as heads of households with same-size families.

Current law

Although their household expenses are comparable, heads of households and married couples with the same income and same-size families do not pay the same amount of federal income tax. Heads of households pay more. In 1984, a head of household with $10,000 of income, no spe-

cial credits or deductions, and two dependents paid 35% more tax than a married couple with the same income and one dependent. The same head of household with $20,000 of income paid 19% more tax than a comparable married couple.

The differential between the tax liability of heads of households and married couples is caused by two provisions: the zero bracket amounts (ZBAs) and the tax rate schedules. Heads of households have the same ZBA as single taxpayers without dependents. They currently have a ZBA of $2,300 compared to $3,400 for married couples filing joint returns. Because the ZBA tends to be most significant for lower-income taxpayers, the tax penalty on heads of households compared to married couples generally is greatest for lower to middle income taxpayers. In addition, the tax rates for heads of households are higher than those for married couples filing jointly. Heads of households have an intermediate tax rate schedule with rates between the rates for married couples and single taxpayers.

Equity between heads of households and married couples

Equity dictates that heads of households not pay more income tax than married couples with the same income and family size. Heads of household should bear the same tax burden as similarly situated married couples. This requires use of the same ZBA and tax rates for both filing statuses. The 1985 Economic Equity Act raises the ZBA for heads of households to the amount currently available for married couples. Using ZBA levels in current law, the cost of raising the ZBA for heads of households was estimated in 1984 to be about one billion dollars a year. This amount would be a small price to pay to achieve greater fairness and to ease the tax burden on heads of households who are working to support themselves and their families.

CURRENT PROPOSALS

Two of the three major tax reform proposals address the inequity between single heads of households and married couples which exists under current law. The Administration's proposal and Kemp-Kasten partially remedy the current disparity although neither achieves complete equity. The Administration proposal raises the ZBA for heads of households to $3,600 compared to $4,000 for married couples but retains an intermediate tax rate schedule for heads of households. Kemp-Kasten raises the ZBA for heads of households to $3,200 compared to $3,300 for married couples and imposes a single tax rate on all taxpayers. Thus, Kemp-Kasten very nearly eliminates the penalty on heads of households, while the Administration's proposal reduces the penalty to some degree. We support the intent of these measures although neither achieves our goal of complete equity for heads of households.

The Bradley-Gephardt proposal exacerbates the inequity in current law and increases the penalty on heads of households. As explained earlier [1] the proposal increases the differential between the ZBAs for heads of households and married couples, retains an intermediate tax rate schedule for heads of households, and gives a lower total exemption to heads of households than to married couples with same-size families. These provisions create inequity not only in the tax threshold of heads of households, but also in their tax liability. For example, a head of household with an income of $10,000 and two dependents pays 448% more federal income tax under Bradley-Gephardt than a married couple with the same income and one dependent. At $15,000 of income, the head of household pays over 70% more tax and at $40,000 of income she pays over 54% more tax.

The goal of equity for single heads of households requires that Congress recognize the greater tax burden on single women maintaining families compared to married couple families of the same income and family size. To correct this glaring inequity Congress should equalize the ZBAs and tax rates for heads of households and married couples.

TAX EQUITY FOR TWO-EARNER COUPLES

The tax code must continue to give a tax deduction to married couples where both partners are emloyed. This provision recognizes the greater nondeductible employment-related expenses incurred by two-earner couples than by one-earner couples and the effect of these expenses on ability to pay. It also eases the so-called marriage penalty, under which two-earner couples pay more federal income tax than two single taxpayers with comparable incomes.

More than half of all wives are in the labor force. Most join the labor force out of economic necessity. On average, wives contribute about 30% to total family income when both partners are employed and 16% of working wives contribute more than half. A second income keeps many families from falling below the poverty level. The two-earner deduction helps two-earner couples to realize a fair return on their work efforts.

The greater expenses of two-earner couples

Two-earner couples incur greater nondeductible employment-related expenses than one-earner couples. The major increases are for transportation, clothing, and in many instances Social Security taxes. According to a study based on Consumer Expenditure Survey data, a two-earner couple spends over 17% more than a one-earner couple on employment-related expenses.

The marriage penalty

Most two-earner couples currently pay more federal income tax than two single taxpayers with comparable incomes. This marriage penalty is caused by two factors. First, the zero bracket amount for married couples is less than the combined zero bracket amount for two single taxpayers. In 1984, the zero bracket amount for married couples was $3,400 compared to $2,300 for each single taxpayer or $4,600 for two single taxpayers. This portion of the penalty especially affects low-income taxpayers to whom the zero bracket amount is most significant. Second, the progressive tax rate structure places a higher effective tax rate on a couple's second $10,000 of income than on a single taxpayer's first $10,000 of income.

Current law

Current law allows two-earner couples to deduct 10% of the salary, up to $30,000, of the lesser earning spouse, yielding a maximum deduction of $3,000. The two-earner deduction is allowed only for income attributable to employment; it is not available, for example, for pension or annuity income. The deduction is taken from gross income and thus is available to nonitemizers.

The two-earner deduction recognizes the increased employment-related expenses incurred by two-earner couples. It also helps to offset the marriage penalty. Without the deduction, a two-earner couple where each spouse earned $10,000 would have paid 15% more in federal income taxes in 1984 than two single taxpayers with the same incomes. With the deduction, however, the penalty was reduced to 5%.

Preliminary data from 1983 indicate that the deduction is used primarily by low- and middle-income couples. Almost 22.7 million couples claimed deductions in 1983. Over one million of those couples had combined incomes under $10,000 a year. Over 30% of couples claiming the deduction had incomes under $25,000 and nearly 70% had incomes under $40,000 a year.

Current proposals

All the major tax reform proposals would repeal the two-earner deduction. Hence, none of the proposals recognizes the increased expenses of two-earner couples, and only one of them significantly reduces the marriage penalty on two-earner couples.

Without the two-earner deduction, all married couples will be taxed alike even though two-earner couples have greater expenses. Failure to recognize the increased expenses of two-earner couples appears to reward married women for staying out of the workforce.

The Administration claims that the lower, flatter tax rates contained in its tax proposal will remedy the marriage penalty and make the two-earner deduction unnecessary. Flattened tax rates will help to some degree, because many couples now pushed into a higher marginal tax bracket because of the second earner will remain in the same tax bracket. However, the flattened rates do not resolve the issue fully. Because of the relationship of the ZBAs for singles and married couples, a substantial marriage penalty on many couples, especially at low and moderate income levels, will continue under this plan. For example, a two-earner couple with no dependents, where each spouse earns $5,000, will pay 900% more federal income tax than two single taxpayers with the same incomes, and a couple where each spouse earns $10,000 will pay 18% more tax than two singles. Kemp-Kasten also imposes a substantial marriage penalty on many low and moderate income couples. Under this plan, the couples will pay 168% more tax than the single taxpayer. A couple where each spouse earns $10,000 a year will pay 28% more than two single taxpayers under Kemp-Kasten. Low and moderate income couples can least afford an increased penalty. These are the same couples that lose the most if the Dependent Care Tax Credit is converted to a deduction as several of the tax reform plans propose.[2]

The Bradley-Gephardt proposal gives married couples a zero bracket amount exactly twice the zero bracket amount for single taxpayers. This proposal eliminates the marriage penalty for two-earner couples with incomes under $40,000 a year. However, the increased zero bracket amount is very costly and gives many married couples increased marriage bonuses.

The two-earner deduction was enacted in 1981 after careful and extensive consideration. Several proposals were studied, analyzed and discussed and voluminous testimony was heard. Congress concluded that the deduction, while not a perfect answer, was the best available solution for an existent and complex problem. The problem has not disappeared and does not disappear under any of the tax reform proposals. The feder-

[1] See p. 8.

[2] This proposal is discussed on pages 24–30.

al tax system should continue to strive to avoid penalizing taxpayers for either their marital or employment status and to take into consideration extra expenses which affect ability to pay taxes. Tax reform should improve, not eliminate, the current provision for two-earner couples.

EQUITY FOR ONE EARNER COUPLE: SPOUSAL IRA'S

One earner and two earner couples should be permitted to benefit equally from the establishment of Individual Retirment Accounts (IRAs). This could be accomplished by allowing each spouse to contribute up to $2,000 ($4,000 for a couple) to an IRA, even if one spouse has little or no earnings.

Current law

Under current law wage earners may establish a tax-sheltered IRA and contribute up to $2,000 per year (or the amount of their earnings, whichever is less) to such accounts. In cases where the wage earner is married to a spouse with no earnings, the couple may contribute up to $2,250 (or the amount of the wage earner's earnings, whichever is less). The contribution may be divided between the spouses in any way they choose for retirement purposes, provided that neither account is credited with more than $2,000. (If the wage earner contributes the maximum $2,000 to his or her account, the non-earning spouse is limited to a contribution of $250 towards retirement). Thus families with two earners may shelter as much as $4,000 each year and draw retirement benefits based on such contributions, while couples with one earner may shelter only $2,250 each year and draw retirement benefits based on these smaller contributions.

Reform proposals

The Administration's proposal corrects the inequity for homemakers in current law. The provision is identical to the IRA proposal in the 1981 and 1983 Economic Equity Act. It would increase from $2,250 to $4,000 the limit on IRA contributions for one-earner families who have $4,000 of earned income, even if one spouse has little or no earnings. Thus, all married couples would be permitted to shelter up to $4,000 per year in an IRA, provided that no more than $2,000 were contributed to each account. (The 1985 EEA provides for a 3-year phase-in of this proposal).

We support the Administration's proposal because it recognizes the homemaker's contribution to marriage as equal to that of the wage earner's and would increase retirement income for homemakers married to wage earners with incomes high enough to take advantage of the higher contribution limit. In addition, the proposal provides equity between one-earner and two-earner couples by allowing all married couples to contribute up to $4,000 per year to IRA accounts.

However, while we support the Administration's proposal to provide equity to one-earner couples through expanded IRAs, we object to the Administration's proposals which lessen equity for other families, including those with two earners: the elimination of the two-earner deduction and the conversion of the dependent care tax credit to a deduction with less value for low to moderate income families.

The Kemp-Kasten and Bradley-Gephardt proposals make no changes in current law treatment of spousal IRAs.

DEPENDENT CARE EXPENSES: TAX EQUITY FOR WOMEN AND FAMILIES

Another issue that must be considered to assure equity in any tax reform proposal is the treatment of dependent care expenses, since families and individuals with these expenses have less ability to pay taxes than taxpayers without such expenses. This difference in ability to pay must continue to be recognized by the tax code and, indeed, the current tax credit for dependent care expenses should not only be retained but expanded to provide greater recognition of the needs of families and individuals with dependent care expenses.

The recognition of dependent care expenses in the tax code is particularly important to women because arranging care for children and elderly or disabled dependents is a task that falls to women, who are usually expected to provide that care even though their circumstances may not permit them to do so. Over 62% of mothers of school-age children are in the paid labor force. Almost 52% of mothers with children under age six work outside the home, as do 47% of women with a child under the age of one year. These numbers are expected to rise during this decade.

Dependent care responsibilities are not limited to those women in the paid work force who have young children. Many middle-generation women are responsible for older relatives, and some are forced to leave the workforce to provide care for these relatives. According to a 1982 study, 28% of the women out of the paid labor force who were surveyed had quit their jobs because they were needed at home to care for their mothers; 26% of their employed peers had considered leaving their jobs or had reduced the number of hours they worked for the same reason. Disabled relatives also require care. There are approximately 500,000 handicapped children under the age of six and 4.2 million handicapped school-aged children in this country, as well as 8.4 million severely disabled adults between the ages of 18 and 64 who are living in families with at least one other adult. Meeting the need for dependent care for these individuals is a significant responsibility for women.

Current law

The dependent care tax credit is one way of helping to meet dependent care needs. Under current law, a taxpayer is allowed a tax credit for employment-related expenses incurred for the care of a dependent child or other dependent or spouse who is incapable of self-care. Since the 1982 tax year, the credit has been targeted to provide the greatest benefit to low-income taxpayers. The maximum credit is 30% of expenses up to $2,400 for one dependent (or $4,800 for two or more dependents) for taxpayers with adjusted gross incomes (AGIs) of $10,000 or less. The percentage of the credit declines (by 1% per $2,000 of AGI) to 20% for taxpayers with AGIs of over $28,000.

The dependent care tax credit is the largest source of federal financial support for dependent care. In 1983, according to preliminary IRS data, 6.4 million tax returns claimed the credit, an increase of over one million returns since 1982, for tax expenditures of $2.1 billion. In 1982, the first year the credit was targeted to low-income taxpayers, the number of returns claiming the credit was up 9% over 1981; expenditures were up 39%. Moreover, taxpayers with less than $30,000 in AGI received 61% of the additional monies.

The value of the credit of individual taxpayers is not insignificant either. On average, taxpayers in 1983 reduced their taxes by $322 through use of the credit. Taxpayers with AGIs between $10,000 and $20,000 reduced their taxes, on average, by $354. This value is expected to increase; the projected cost of the credit for the 1984 tax year is $2.5 billion.

Problems in the credit's effectiveness remain, however. First, taxpayers at the lowest income levels cannot take full advantage of the credit because they cannot afford to spend the amounts necessary to obtain the maximum credit ($2,400 or $4,800 depending on the number of dependents), and the credit is not refundable. In 1983, taxpayers with between $5,000 and $10,000 in AGI received, on average, a reduction of $274 in their tax liability because of the credit as compared with a potential maximum reduction for taxpayers at that income level of between $720 and $1,440. Taxpayers with adjusted gross incomes of $5,000 and under reduced their taxes because of the credit by only $27, as compared with a potential maximum reduction of $720 to $1,440.

In addition, because of inflation, the number of taxpayers in the lowest income brackets is decreasing, rendering the credit's current targeting to low-income taxpayers less significant over time. In 1983, for example, the number of taxpayers with AGIs under $10,000 decreased by 462,186.

Finally, unlike the treatment of other costs of doing business, both the percentage limits and the dollar limits of the credit prevent recoupment of the full cost of care. Indeed, given the high cost of dependent care, very little assistance in meeting that cost is afforded by the credit. The current cost of out-of-home care per dependent ranges from $2,860 to $6,500/year for infant care, $2,340 to $3,900/year for pre-school care, and $5,460 to $6,500/year for adult day care.

To ameliorate these problems, the credit should be expanded to give greater recognition to the fact that taxpayers with dependent care expenses, especially low-income taxpayers, have significantly less ability to pay taxes than those at the same income level who do not have such expenses. The sliding scale should be increased and the credit should be made refundable and indexed. These changes are included in the Economic Equity Act. This Act also laudably expands the credit to cover homemakers caring for disabled adults and children, to provide them with help in obtaining respite care. These changes would help all taxpayers—especially taxpayers at the lowest income levels—better meet their dependent care needs.

The proposals

None of the major tax simplification proposals makes the requisite changes. Indeed, all would reduce the recognition of dependent care expenses contained in current law for taxpayers at low- and moderate-income levels. Taxpayers at $0-$10,000 AGI now receive a 30% credit, declining to 25% at $20,000 AGI and 20% at $28,000 AGI and above. The Administration would give married taxpayers with taxable incomes (substantially lower than adjusted gross incomes) between $4,000 and $29,000 a 15% deduction, those at $29,000-$70,000 a 25% deduction, and those at $70,000 and above a 35% deduction. This change decreases the value of the credit to taxpayers below $29,000 and increases its value to those above $29,000, especially those above $70,000. Bradley-Gephardt changes the credit to a deduction, and reduces its value to taxpayers at all income levels to 14%, and Kemp-Kasten eliminates the credit entirely,

both of which disproportionately affect low- and moderate-income taxpayers who currently receive a 30-20% credit.

We object to these plans, because they eliminate the targeting of the current credit to low- and moderate-income taxpayers, and in the case of the Administration plan, because it does so at the expense of favoring high-income taxpayers. For example, under current law a single head of household taxpayer with AGI of $18,000, and dependent care expenses for one dependent of $2,000 would reduce her tax liability through use of the credit by $520 (26% of $2,000). Her deduction under the Administration's plan reduces her taxes only $300 (15% of $2,000), and under Bradley-Gephardt only $280 (14% of $2,000). In contrast, a single head of household taxpayer at $70,000 in AGI with dependent care expenses of $2,000 would reduce her taxes by $400 under current law (20% of $2,000), as compared with $700 (35% of $2,000) under the Administration proposal and $280 (14% of $2,000) under Bradley-Gephardt. The result is a significant reduction in the tax recognition of dependent care expenses for all families under Bradley-Gephardt and for low- and moderate-income families under the Administration's proposal, with a concomitant increase in the recognition of dependent care expenses for high-income families. Indeed, the Administration estimates that under its plan the same number of taxpayers will claim the deduction as claimed the credit in 1983; yet the cost will increase by $3 million beginning in 1987. This increase will go to families at higher income levels.

Al three plans justify their change from a credit to a deduction, or total elimination of the credit, by claims that their lowered tax rates, increased zero bracket amounts and increased personal exemptions will compensate for the loss. These changes alone, however, fail to reflect that taxpayers with dependent care expenses have less ability to pay taxes than other taxpayers who are also benefiting from lower rates and increased ZBAs and personal exemptions. The Administration and Bradley-Gephardt proposals reflect this in part by retaining some tax recognition for dependent care expenses, but lower their value to low- and moderate-income taxpayers. Kemp-Kasten eliminates recognition of dependent care expenses entirely.

In sum, we believe that at a minimum the current credit with its targeting to low-income taxpayers should be retained. Indeed, it should be expanded as provided in the Economic Equity Act. In no instance should it be eliminated, reduced, or changed to target more of its benefits on high-income taxpayers, as in the three proposals discussed here.

TAXATION OF FRINGE BENEFITS

The tax treatment of certain kinds of employer-provided fringe benefits also raises equity concerns. Health and dependent care are the two benefits which are most basic to women's economic survival, and because they are such life-line benefits, we are troubled by any proposal to dramatically alter their tax-exempt status. Therefore, we are pleased to see that the Administration has rejected the Treasury proposal made in November to tax employer-provided dependent care. We hope that supporters of tax reform will concur with the Administration's position on this issue and support continuation of current law which exempts from taxation dependent care assistance provided by employers, which is so important to working women and their families.

The Administration's proposal to tax a portion of employer-provided health insurance, modified from the November proposal to tax all employer-provided premiuns above a cap of $70 for individuals and $175 per month for family coverage, continues to concern us, however. The Administration now advocates a partial tax on employer-provided health insurance. The first $10 of an individual monthly premium and the first $25 of a premium for family coverge would be subject to tax, at the taxpayer's regular tax rate. Thus, someone with an individual policy would pay taxes on an additional $120 of income annually, which would amount to $18 of additional taxes in the 15% bracket, $30 of additional taxes in the 25% bracket, and $42 of additional taxes in the 35% bracket. Similarly, for family coverage there would be $300 of additional taxable income which would cost the taxpayer $45 in the 15% bracket, $75 in the 25% bracket, and $105 in the 35% bracket. Moreover, this tax increase is actually understated because the additional taxable income will be included in the Social Security wage base, and as such will increase the amount of social Security tax as well.

The problem with this approach is not only the tax burden which it imposes, but also that the burden does not bear an accurate relationship to the value of the premium or the family's ability to pay. The $10 and $25 amounts are flat figures which are charged to employees at all incomes levels, regardless of their different income or earnings. This regressive feature is partially offset by the fact that the tax treatment of the fixed amount is progressive, so that workers with high incomes will pay a higher percentage of taxes than lower-income workers. The $10 and $25 flat amounts, however, constitute a greater portion of taxable income of lower-income workers than of higher-income workers. This regressive effect is compounded by the fact that taxable income is also being added to the FICA wage base, and the FICA tax (7.15% in 1986, paid equally by the employer and employee) is itself regressive. The result will be that the Administration's approach to taxing health premiums will be more onerous for lower-income workers than for higher-income workers, who will feel less of a bite from the additional taxes they will be required to pay.

The treatment of fringe benefits in other proposals is even more problematic. In the Bradley-Gephardt bill, fringe benefits including health insurance and dependent care assistance in total, are treated as taxable income. This sweeping approach reflects no sensitivity to the benefits which serve an important social purpose or are of particular value of low-income workers. The Kemp-Kasten approach to the tax treatment of fringe benefits on its face is preferable than the other two plans because the current exclusions for health and dependent care would continue. However, because of the bill's relatively high flat tax rate, it is not clear whether low- and moderate-income individuals and their families would be helped or hurt by the exclusions, and whether wealthier families would be getting a disproportionate benefit.

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Thank you very much for inviting us here today. We look forward to working with the Committee on developing a reform bill which retains the positive provisions we have indentified, and which includes the improvements we have recommended. Women and their families will be looking to your leadership.

COALITION ON WOMEN AND TAXES,
Washington, DC, May 6, 1985.

Hon. JAMES A. BAKER III,
Secretary of the Treasury,
Washington, DC.

DEAR SECRETARY BAKER: We are writing to you to express our support for tax reform and to articulate the principles which would assure that the Treasury proposal currently being drafted fairly and adequately addresses women's needs and concerns.

Federal tax policy, as it is shaped in coming months, must be responsive to these concerns. In an initial examination of tax policy as it affects women, we have identified the following principles which should form the basis of fair and equitable tax reform. First, we support expanding significantly the tax base, particularly by reaching corporate and sheltered income that has escaped taxation in recent years, and returing that income to individuals in the form of lower rates and a simplified tax sturcture. Secondly, we favor giving priority to adequacy issues: the tax burden on the poor, most of whom are women and their dependent children, must be alleviated. At a minimum, no one at or below the poverty line should be subject to federal income tax. Finally, we support giving priority attention, too, to equity issues: ability to pay must be the major factor in establishing tax rates and determining taxable income, so that individuals and families with greater needs, such as obligations to dependents, are treated differently form those without such obligations.

The women we represent include the full range of individuals participating in the tax system. Many are working in paid employment, over half in two-earner couples. Others are homemakers in one-earner couples. Many have dependents, some do not. A growing number are single heads of households or older women living alone. Despite the diversity in women's icome and filing status, our organizations have common concens about women's economic status today: women and their children are the fastest growing segment of the poverty population and now represent 75% of all individuals living in poverty. In part, this results from the rapid rise in the number of single heads of households, which has more than doubled in recent decades. Even when women are employed—and nearly one-half of the women with children in poverty have earnings—women still earn only less than two-thirds of what men earn. While significant progress has been made in reducing the incidence of poverty among the elderly, older women still have a higher than average poverty rate and they are nearly twice as likely to be poor as older men. Minority women and disabled women of all ages are disproportionately represented in poverty. For many women, these conditions have been exacerbated in recent years both by budget cuts which have limited the access to desperately needed safety net programs, and by tax cuts which have ignored the plight of the poor and single heads of households.

We applaud the Treasury Department's commitment to exempting individuals living at or near the poverty line from income tax, and strongly urge that this principle be adhered to throughout the many stages and proposals which will unfold in coming months. Increasing the personal exemption, raising the zero bracket amount for all groups of filers, and expanding and index-

ing the Earned Income Tax Credit are, we believe, the most straightforward and desirable ways of eliminating the tax burden on poor families and individuals, including the elderly. The combination of adjustments to the exemption, ZBA and EITC needed to achieve this is not clear at this point. Our primary concern at this stage of the process is that the tax entry point fall no lower than the poverty level in order to ensure that families and individuals in poverty are exempt from taxation.

Equity issues are equally important. Three issues which must be considered to assure that women are equitably treated in any reform proposal are the provisions affecting single heads of households, married couples in which there are two earners, and families and individuals who have dependent care expenses. Individuals who are affected by each of these provisions have unique work and/or family-related expenses which make a difference in their ability to pay and necessitate recognition by the tax code. The present separate tax treatment for single heads of households which requires these individuals—nearly 90% of whom are women—to pay higher taxes than married couples with the same size family and income has been a long-standing concern to many of us. We strongly urge the Treasury to give full recognition to this inequity by raising the zero bracket amount for single heads of households to the level enjoyed by married couples. Another equity issue concerns the treatment of two-earner couples. These couples have greater expenses than married couples with only one earner, an economic fact of life which also deserves recognition in our national tax policy. We are particularly concerned that although eliminating the two-earner deduction, as Treasury proposed in November, may be inconsequential for many married couples whose combined incomes under flattened tax rates do not push them up into higher tax brackets, it will have a harsh impact on other couples, including many at the low end of the economic ladder. Therefore, we urge that special attention be given to this problem when a revised proposal is drawn up. Lastly, we are deeply concerned about the treatment of dependent care expenses, because families and individuals with these expenses spend significant amounts of money on child and adult dependent care, reducing their ability to pay taxes when compared with families and individuals without such expenses. As an ever-increasing number of women combine work and family responsibilities, the number of families with dependent care expenses is also expected to increase. We are particularly concerned about the conversion of the dependent care credit to a deduction because of the impact on low-income families who are currently targeted to receive the greatest benefit from the credit. The plan which is submitted to Congress must, we believe, retain the low-income targeting of the current credit and, indeed, expand the recognition of dependent care expenses to further reduce the tax liability of families and individuals with dependent care responsibilities.

Finally, eliminating the tax-exempt treatment of employer-provided fringe benefits for individuals continues to be a source of concern to our groups. Health insurance and dependent care are the two benefits which are most basic to women's economic survival. Many women and their families would suffer economic hardship in the form of increased taxes and lower take-home pay under the proposal advanced by the Treasury in November. We are still looking closely at the proposal to tax other fringe benefits, and will advance our positions as they evolve from our continuing work.

Thank you very much for your consideration of our concerns. We plan to refine our positions on these and other issues in coming weeks and will communicate our views to you and other policy makers as they are developed further. In the meantime, if you wish to obtain more information about the issues we have raised, or our effort on behalf of women, please contact one of the co-chairs of the Working Group of the Coalition on Women and Taxes that is coordinating the work of many organizations concerned about the effect of tax policy on women.

Very truly yours,

NANCY DUFF CAMPBELL.
ANN KOLKER.
MAXINE FORMAN.
LAURIE MIKVA.

Co-Chairs on behalf of:

American Association of University Women.
Americans for Democratic Action.
BPW/USA, National Federation of Business and Professional Women's Clubs, Inc.
B'nai B'rith Women.
Center for Women Policy Studies.
Child Welfare League of America.
Children's Defense Fund.
Children's Foundation.
Church Women United.
Displaced Homemakers Network.
Divorce Taxation Education, Inc.
Federally Employed Women.
Friends Committee on National Legislation.
Lutheran Council in the USA, Office for Governmental Affairs.
Mexican American Legal Defense and Education Fund.
National Conference of Puerto Rican Women.
National Educational Association.
National Women's Law Center.
National Women's Political Caucus.
O'Connell & Kittrell.
Older Women's League.
Parents Without Partners.
Presbyterian Church U.S.A., Washington Office.
Unitarian Universalist Association.
United Methodist Church, General Board of Global Ministries, Women's Division.
Women USA.
Women's Equity Action League.
Women's Legal Defense Fund.
YWCA of the USA, National Board.

OIL IMPORT FEES—AN UNFAIR TAX ON THE NORTHEAST

Mr. PELL. Mr. President, I wish to state my strong opposition to the oil import fee proposed yesterday by the Senate Budget Committee as part of a new plan to reduce the Federal budget deficit.

An oil import fee would impose an unfair and highly discriminatory tax on business, homeowners and consumers in the State of Rhode Island and other States of the Northeastern section of the United States.

Rhode Island and other States of the Northeast already suffer from paying energy costs that are far above the national average. We are more heavily dependent on oil as an energy source than any other region of the country. About 70 percent of Rhode Island energy consumption—for industry, business, home heating and transportation—is in the form of oil, while for the Nation as a whole oil provides just 40 percent of total energy consumption. And not only is Rhode Island heavily dependent on oil, it is particularly dependent on imported oil, with imports accounting for 70 percent of total oil consumption.

An oil import fee would bear far more heavily on the Northeast and the State of Rhode Island than on other regions of the country that have access to natural gas, coal and hydroelectric power. It would mean higher energy costs for Rhode Islanders for home-heating, for business and industrial uses, and for transportation. An oil import fee would widen the gap between Rhode Island energy costs and energy costs in other regions of the Nation.

Rhode Island has been making a strong and determined effort to encourage economic and business growth. We know that to persuade business to remain in our State, to expand in our State and to come to our State, we must be competitive with other States and regions. In that effort the State of Rhode Island has cut taxes, made painful and difficult revisions in labor laws, and worked hard to provide attractive sites and financing to industry.

But surveys, studies, and my own conversations with business leaders all confirm that the most serious problem confronting business in Rhode Island is high energy costs. An oil import fee, further increasing energy costs, would be an economic disaster for industry, workers and business in Rhode Island.

I can understand why Senators from other regions might consider an oil import fee as a good way to reduce the Federal budget deficit. After all, it would provide another huge subsidy to the domestic oil industry which could and would increase the price of domestic oil by the amount of the oil import fee. With higher oil prices, the oil producing States would receive more money from their severance taxes—money that is paid by the consumers in Rhode Island, and other oil-consuming States.

But these benefits to other regions would come at a huge and unfair cost to Rhode Island and other States that are heavily dependent on oil.

An oil import fee would be a new tax, and one that would be grossly unfair to Rhode Island and other States of the Northeast. It is an idea that should be dropped. If it is not dropped, I will work to see it is defeated.

COMPROMISE NEEDED TO SALVAGE TOBACCO PROGRAM

Mr. SASSER. Mr. President, as many of my colleagues know, our tobacco program currently faces serious financial strains which threaten its very existence. Several alternatives have been proposed as means of dealing with the problems in the tobacco program. Each of these proposals contains sound suggestions on how to resolve the crisis facing our tobacco farmers. I commend the yeoman's efforts which have gone into shaping these legislative proposals and applaud the efforts of all who have joined in striving to preserve the economic health and well-being of the family farmers who rely on the tobacco program.

We have reached a point in these efforts, Mr. President, where all the elements of the tobacco family must unite behind a comprehensive, compromise legislative package. The best interests of tobacco growers in Tennessee and elsewhere can only be served by a unified effort on tobacco legislation that will alleviate current problems. I strongly urge my colleagues in both Houses to pull together the best elements of the different tobacco bills under consideration so we can work out an effective compromise to keep the tobacco program alive.

We need to fashion such a compromise Mr. President, as the threat to the tobacco program raises the specter of dire economic consequences for literally thousands of small family farms across Tennessee and other tobacco producing States. These small producers are threatened with the loss of a program which has provided them with a source of income since its inception 50 years ago. And while profits generated through this program are modest, they have allowed countless farm families to significantly improve their quality of life.

My home State of Tennessee is typical of the small, family characteristics of tobacco producers. Tobacco is grown on nearly 38,000 farms in Tennessee. The average Tennessee farm on which tobacco is grown devotes only 1.9 acres to the crop. These farmers produced more than 100 million pounds of tobacco in 1983 and brought in $239 million in cash receipts. Clearly, Tennessee's tobacco farmers stand to lose substantially should the Tobacco Program break down.

These farm families face an uncertain future for a number of reasons. One primary reason is the current level of tobacco imports, a relatively new problem. In 1971, imports of burley tobacco stood at 3 million pounds, only 1 percent of domestic use. However, imports grew dramatically throughout the 1970's and 1980's, reaching 141 million pounds in 1982. This represented 24 percent of all the burley used in this country that year. Looking at all types of tobacco, imports accounted for nearly one-third of the tobacco used in U.S. cigarette production in 1984. U.S. cigarette companies will rely on imports for one-third of their tobacco this year.

This skyrocketing increase in tobacco imports has occurred while domestic disappearance has continued to decrease. Use of domestic burley tobacco fell from 463 million pounds in 1981 to 444 million pounds in 1982 and down to 388 million pounds in 1983. This is a formula which spells disaster for tobacco growers in all tobacco producing States.

And disaster is what these growers are looking at. Stockpiles of surplus American tobacco have risen to alarming levels. Some 1.3 billion pounds of burley and Flue-cured tobacco have accumulated over the past few years. Stock levels are likely to increase again this year despite projected increases in tobacco use.

As surpluses grow, the assessments levied under the no net cost program climb upward. Tobacco growers have seen the assessment grow from 1 cent per pound in 1982 to 30 cents per pound this year. Net year's assessment could be 50 cents or more per pound.

Faced with this prospect, many tobacco growers will simply vote out the tobacco program in referendums later this year and early in 1986. Should such a vote occur, these small family farms would be right back where they were 50 years ago. They will lose the financial benefits and improvements in their quality of life which have come with the Tobacco Program.

Clearly, we must move to prevent the drastic consequences which would follow such a vote. I believe the best way to achieve this goal is to pull together the best elements of the various legislative proposals under consideration and design a comprehensive compromise package to save the Tobacco Program.

There are several points which can form the basis for such a compromise. We must lower the assessments under the no net cost program to a manageable level, preferably a few cents. We should split the cost of the assessments evenly between the growers and the companies, rather than place this burden solely on the backs of the growers.

We must take steps to bring down the price support level for tobacco to make our crop more marketable. This is a step which has the backing and support of growers and grower groups across Tennessee and the tobacco producing States. Their willingness to accept a reduced price support level reflects the difficult sacrifices which are needed on all sides to tighten up the Tobacco Program.

In addition, we must raise additional funds to cover the cost of reducing existing stockpiles of tobacco. While it is true that the cost of doing nothing and watching the Tobacco Program self-destruct would be greater than the cost of a legislative remedy, I do not believe we can afford to ignore the price tag associated with this type of legislation.

I suggest we examine a number of ways in which the existing excise tax may be used to help defray the cost of keeping the Tobacco Program intact. The House Ways and Means Committee recently voted to leave the excise tax at 16 cents and earmark 1 cent of this tax to help pay for the Tobacco Program. Such an approach is acceptable to the tobacco growers of Tennessee and is an alternative worth exploring.

Indeed, use of the excise tax coupled with splitting the assessments evenly between growers and tobacco companies strikes me as an equitable way of distributing the costs of saving the Tocacco Program. Each of these groups, growers, companies, and those who use tobacco, benefits from the Tobacco Program. It seems only fair that each group should accept a portion of the costs of retaining these benefits.

Finally, I believe a compromise must address the import question. As I have noted earlier, failure to address the import problem will mean exposing our growers to great economic peril. Indeed, for many tobacco growers, this issue is the single most pressing question in the current debate on the Tobacco Program. I strongly urge my colleagues to explore ways to adequately address the import problem in a compromise bill.

I do not wish to be misunderstood, Mr. President. In no way do I mean to denigrate the efforts which have gone into existing legislative approaches to resolving the problems with the Tobacco Program. These bills have made great strides in the effort to salvage the Tobacco Program. Yet, it is clear that we still have hurdles to clear. The members of the tobacco family can best meet these challenges by working as one community of interests. I urge my colleagues to join in a compromise effort which will present the united effort necessary to ensure the viability of the tobacco for future generations of farm families.

THE WRITING SKILLS OF SENATOR COHEN

Mr. HART. Mr. President, this last Tuesday, July 23, the New York Times published an article about our distinguished friend from Maine, Senator COHEN, which I commend to all my colleagues. The article describes Senator COHEN's avocation as a poet, and discusses the role it has played in his work and his life.

For the past 4 years, I have had the extraordinary experience of working

with BILL COHEN on a different sort of writing. Over those 4 years, I came to know and appreciate Senator COHEN's creative talent. His appreciation of language, and his poetic eye for descriptive color and detail, breathed life into what was the first attempt at fiction writing for both of us.

The Times article gives the reader an example of Senator COHEN's writing skills by reprinting one of his poems, "The Word Not Spoken." Without objection, I would ask that this poem and the text of the Times article be printed in full in the RECORD.

The material follows:

POETRY IN MOTION ON CAPITOL HILL

WASHINGTON, July 21.—While many lawmakers wax poetic on Capitol Hill some wax better than others. Consider Senator William S. Cohen, a second-term Republican from Maine.

In his 12 years on Capitol Hill, he has compiled two books of poetry, one published in 1978, and a second, "Baker's Nickel," that he is waiting to publish as soon as the excitement dies down around "The Double Man," a spy thriller he wrote with Senator Gary Hart of Colorado.

But to Mr. Cohen, poetry is more than just words on a page. He sees it as an avenue Americans can use to communicate with the Russians.

SOVIET POET MEETS PRESIDENT

Such was the case in June when, with Mr. Cohen's help, the Soviet poet Andrei Voznesensky met with President Reagan in the Oval Office. That meeting, never publicly announced, grew out of an earlier meeting Mr. Cohen had with Mr. Voznesensky, whose poetry is often critical of the Soviet Government, and Robert P. McFarlane, the national security adviser.

Mr. McFarlane "said he thought it was important that somebody of his stature from the Soviet Union have a chance to talk to the President," Mr. Cohen said.

The President, Vice President Bush, Mr. McFarlane and Donald T. Regan, the White House chief of staff, met with Mr. Voznesensky for 20 minutes. Mr. Cohen, who had met Mr. Voznesensky and his compatriot Yevgeny Yevtushenko in a trip to the Soviet Union in 1984, was there, too.

An aide to Mr. Cohen said the meeting was never announced because the White House did not want to give the impression that a major Soviet-American effort might be under way.

Mr. Reagan and Mr. Voznesensky talked about the importance of better relations and a need to understand each other's culture. Mr. Cohen said Mr. Vosnesensky suggested an exchange of poets to help narrow the cultural gap. Poetry in the Soviet Union "is a means of expression, not only of poetic imagery, but also of political statements," Mr. Cohen said. "It takes on a much broader significance there."

His own writing was just ignored in the meeting. Mr. Cohen said Mr. Vosnesensky asked Mr. Reagan if he had read "The Double Man" and the President said it was by his bed, waiting to be read.

Senator Cohen says of that meeting and his own with the Soviet poets: "It's not going to change the way their government looks at us, or vice versa. But at least you're building some lines of communications so you don't automatically paint everybody as a monster over there."

Mr. Cohen praised Mr. McFarlane for his role in the Voznesensky meeting, calling him "probably the only one with the sensitivity in the Administration" on cultural discussions.

POETRY AS AN ESCAPE

For Mr. Cohen, writing poetry is an escape from the busy life he leads in the Senate, and as a result, little of the poetry deals with politics ("mostly about the larger questions, more interior explorations than anything else"). And if a Poetry Caucus were to ever start in Congress, he would have the inside track for chairman: He knows of no other legislators who write poetry. Which is not to say they do not like what he is doing.

Howard Baker, the former Senate majority leader, used to come to him in a pinch when he needed a poem to insert in the CONGRESSIONAL RECORD, as was his custom every Monday. Senator Mark Hatfield of Oregon often expresses an interest in Mr. Cohen's latest work.

"It's not great poetry, but it's good enough for me, I guess," Mr. Cohen said.

THE WORD NOT SPOKEN

The word not spoken goes not quite unheard.
It lingers in the eye, in the semi-arch of brow.
A gesture of the hand speaks pages more than words.
The echo rests in the heart as driftwood does in sand,
To be rubbed by Time until it rots or shines.
The word not spoken touches us as music does the mind.

—*Senator William S. Cohen.*

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

FEDERAL TRADE COMMISSION ACT AMENDMENTS OF 1985

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (S. 1078) to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment.

The Senate resumed consideration of the bill.

Pending:

Kasten modified Amendment No. 542, to add a provision regarding congressional review of FTC rules.

AMENDMENT NO. 542, FURTHER MODIFICATION

Mr. KASTEN. Mr. President, I would like to send a modification of my amendment, which I believe is the pending business, to the desk.

The PRESIDING OFFICER. The Senator has a right to modify his amendment, if he desires.

Mr. KASTEN. The clerk has the modifications.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as further modified, is as follows:

On page 16, insert the following immediately after line 2:

CONGRESSIONAL REVIEW OF RULES

SEC. 16. (a) The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by inserting after section 25, as added by section 10 of this Act, the following new section:

"SEC. 26. (a) For purposes of this section, the term—

"(1) 'appropriate committee' means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

"(2) 'joint resolution' means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: 'That the Senate and the House of Representatives disapprove the rule entitled , transmitted to the Congress by the Federal Trade Commission on , 19 .', the blank spaces being filled with the appropriate title of the rule and the date of transmittal of the rule to the Congress, respectively; and

"(3) 'rule' means any rule promulgated by the Commission pursuant to this Act, other than any rule promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural rule.

"(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended rule, the Commission shall transmit a copy of such rule to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended rule under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

"(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended rule, the Secretary and the Clerk shall transmit a copy of such rule to the appropriate committees.

"(c)(1) Notwithstanding any other provision of law, no recommended rule may become effective until the expiration of a period of ninety days after the date on which such rule is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such rule may not become effective under this paragraph if within such ninety-day period a joint resolution with respect to such rule has become law.

"(2) For purposes of this subsection—

"(A) the term 'days' means only days of continuous session of Congress;

"(B) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

"(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

"(d) Notwithstanding any other provision of law, any rule subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a rule unless such rule has become effective in accordance with this section.

"(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied

by a committee report specifying the reasons for the committee's action.

"(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the rule involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

"(g)(1) If a recommended rule of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended rule at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such rule may only become effective in accordance with this section. The Commission shall not be required to forward such rule to the Federal Register for publication, if such rule is identical to the rule transmitted during the previous session of Congress.

"(2) If a recommended rule of the Commission is disapproved under this section, the Commission may issue a recommended rule which relates to the same acts or practices as the disapproved rule. Such recommended rule—

"(A) shall be based upon—

"(i) the rulemaking record of the recommended rule disapproved by the Congress; or

"(ii) such rulemaking record and the record established in supplemental rulemaking proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing rulemaking record; and

"(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the rule.

"(3) After issuing a recommended rule under this subsection, the Commission shall transmit such rule to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such rule shall only become effective in accordance with this section.

"(h) The provisions of this subsection, subsection (a)(1) and (2), subsection (e), and subsections (i) through (l) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(i) Except as provided in subsection (l) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within 30 days of continuous session of Congress after the date of transmittal to the Congress of the recommended rule to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within 30 days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the Majority Leader supported by the Minority Leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same rule); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

"(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

"(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

"(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same rule from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same rule from the other House, the vote in the first House shall occur on the joint resolution of the other House.".

(b) Section 36 of the Consumer Product Safety Act (15 U.S.C. 2083) is amended to read as follows:

"CONGRESSIONAL REVIEW OF RULES

"SEC. 36. (a) For purposes of this section, the term—

"(1) 'appropriate committee' means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

"(2) 'joint resolultion' means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: 'That the Senate and the House of Representatives disapprove the rule entitled , transmitted to the Congress by the Federal Trade Commission on , 19 .', the blank spaces being filed with the appropriate title of the rule and the date of transmittal of the rule to the Congress, respectively; and

"(3) 'rule' means any rule promulgated by the Commission pursuant to this Act, other than any rule promulgated under section 18(a)(A) of this Act and any interpretive or procedural rule.

"(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended rule, the Commission shall transmit a copy of such rule to the Secreatary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended rule under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

"(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended rule, the Secretary and the Clerk shall transmit a copy of such rule to the appropriate committees.

"(c)(1) Notwithstanding any other provision of law, no recommended rule may become effective until the expiration of a period of ninety days after the date on which such rule is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such rule may not become effective under this prargraph if within such ninety-day period a joint resolution with respect to such rule has become law.

"(2) For purposes of this subsection—

"(A) the term 'days' means only days of continuous session of Congress,

"(B) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

"(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

"(d) Notwithstanding any other provision of law, any rule subject to this section shall be considered a recommendation of the Commission to the Congress and shall have

no force and effect as a rule unless such rule has become effective in accordance with this section.

"(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

"(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the rule involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

"(g)(1) If a recommended rule of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended rule at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such rule may only become effective in accordance with this section. The Commission shall not be required to forward such rule to the Federal Register for publication, if such rule is identical to the rule transmitted during the previous session of Congress.

"(2) If a recommended rule of the Commission is disapproved under this section, the Commission may issue a recommended rule which relates to the same acts or practices as the disapproved rule. Such recommended rule—

"(A) shall be based upon—

"(i) the rulemaking record of the recommended rule disapproved by the Congress; or

"(ii) such rulemaking record and the record established in supplemental rulemaking proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing rulemaking record; and

"(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the rule.

"(3) After issuing a recommended rule under this subsection, the Commission shall transmit such rule to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such rule shall only become effective in accordance with this section.

"(h) The provisions of this subsection, subsection (a) (1) and (2), subsection (e), and subsections (i) through (l) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(i) Except as provided in subsection (1) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within 30 days of continuous session of Congress after the date of transmittal to the Congress of the recommended rule to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within 30 days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the Majority Leader supported by the Minority Leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same rule); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

"(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

"(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

"(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same rule from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same rule from the other House, the vote in the first House shall occur on the joint resolution of the other House.".

(c) Section 17 of the Flammable Fabrics Act (15 U.S.C. 1204) is amended to read as follows:

"CONGRESSIONAL REVIEW OF RULES

"SEC. 17. (a) For purposes of this section, the term—

"(1) 'appropriate committee' means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

"(2) 'joint resolution' means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: 'That the Senate and the House of Representatives disapprove the regulation entitled , transmitted to the Congress by the Federal Trade Commission on , 19 .', the blank spaces being filled with the appropriate title of the regulation and the date of transmittal of the regulation to the Congress, respectively; and

"(3) 'regulation' means any regulation promulgated by the Commission pursuant to this Act, other than any regulation promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural regulation.

"(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended regulation, the Commission shall transmit a copy of such regulation to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended regulation under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

"(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended regulation, the Secretary and the Clerk shall transmit a copy of such regulation to the appropriate committees.

"(c)(1) Notwithstanding any other provision of law, no recommended regulation may become effective until the expiration of a period of ninety days after the date on which such regulation is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such regulation may not become effective under this paragraph if within such ninety-day period a joint resolution with respect to such regulation has become law.

"(2) For purposes of this subsection—

"(A) the term 'days' means only days of continuous session of Congress;

"(B) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

"(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period

referred to in this subsection if the adjournment is for more than five days.

"(d) Notwithstanding any other provision of law, any regulation subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a regulation unless such regulation has become effective in accordance with this section.

"(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

"(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the regulation involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

"(g)(1) If a recommended regulation of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended regulation at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such regulation may only become effective in accordance with this section. The Commission shall not be required to forward such regulation to the Federal Register for publication, if such regulation is identical to the regulation transmitted during the previous session of Congress.

"(2) if a recommended regulation of the Commission is disapproved under this section, the Commission may issue a recommended regulation which relates to the same acts or practices as the disapproved regulation. Such recommended regulation—

"(A) shall be based upon—

"(i) the regulation-making record of the recommended regulation disapproved by the Congress; or

"(ii) such regulation-making record and the record established in supplemental regulation-making proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing regulation-making record; and

"(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the regulation.

"(3) After issuing a recommended regulation under this subsection, the Commission shall transmit such regulation to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such regulation shall only become effective in accordance with this section.

"(h) The provisions of this subsection, subsection (a)(1) and (2), subsection (e), and subsections (i) through (1) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(i) Except as provided in subsection (1) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within 30 days of continuous session of Congress after the date of transmittal to the Congress of the recommended regulation to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within 30 days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the Majority Leader supported by the Minority Leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same regulation); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

"(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

"(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

"(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same regulation from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same regulation from the other House, the vote in the first House shall occur on the joint resolution of the other House.".

(d) Section 21 of the Federal Hazardous Substances Act (15 U.S.C. 1276) is amended to read as follows:

"CONGRESSIONAL REVIEW OF RULES

"SEC. 21. (a) For purposes of this section, the term—

"(1) 'appropriate committee' means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

"(2) 'joint resolution' means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: 'That the Senate and the House of Representatives disapprove the regulation entitled , transmitted to the Congress by the Federal Trade Commission on , 19 .', the blank spaces being filled with the appropriate title of the regulation and the date of transmittal of the regulation to the Congress, respectively; and

"(3) 'regulation' means any regulation promulgated by the Commission pursuant to this Act, other than any regulation promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural regulation.

"(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended regulation, the Commission shall transmit a copy of such regulation to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended regulation under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

"(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended regulation, the Secretary and the Clerk shall transmit a copy of such regulation to the appropriate committees.

"(c)(1) Notwithstanding any other provision of law, no recommended regulation may become effective until the expiration of a period of ninety days after the date on which such regulation is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such regulation may not become effective under this paragraph if within such ninety-day period a joint resolution with respect to such regulation has become law.

"(2) For purposes of this subsection—

"(A) the term 'days' means only days of continuous session of Congress;

"(B) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

"(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

"(d) Notwithstanding any other provision of law, any regulation subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a regulation unless such regulation has become effective in accordance with this section.

"(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

"(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the regulation involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

"(g)(1) If a recommended regulation of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended regulation at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such regulation may only become effective in accordance with this section. The Commission shall not be required to forward such regulation to the Federal Register for publication, if such regulation is identical to the regulation transmitted during the previous session of Congress.

"(2) If a recommended regulation of the Commission is disapproved under this section, the Commission may issue a recommended regulation which relates to the same acts or practices as the disapproved regulation. Such recommended regulation—

"(A) shall be based upon—

"(i) the regulation-making record of the recommended regulation disapproved by the Congress; or

"(ii) such regulation-making record and the record established in supplemental regulation-making proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing regulation-making record; and

"(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the regulation.

"(3) After issuing a recommended regulation under this subsection, the Commission shall transmit such regulation to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such regulation shall only become effective in accordance with this section.

"(h) The provisions of this subsection, subsection (a)(1) and (2), subsection (e), and subsections (i) through (l) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(i) Except as provided in subsection (1) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within 30 days of continuous session of Congress after the date of transmittal to the Congress of the recommended regulation to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within 30 days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the Majority Leader supported by the Minority Leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same regulation); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

"(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resoluton. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

"(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of the House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

"(1) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same regulation from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same regulation from the other House, the vote in the first House shall occur on the joint resolution of the other House.".

(e) The amendments made by this section shall cease, to have any force and effect on or after the date which is five years after the date of enactment of this Act.

(The name of Mr. NICKLES was added as a cosponsor of the amendment, as modified.)

Mr. KASTEN. Let me very briefly, for the purpose of the Senate, say that the modifications that were just sent to the desk have to do with a number of procedural questions that were raised by the Senator from Iowa, the Senator from Michigan, the Senator from West Virginia, and the Senator from Kentucky.

I might say, Mr. President, that the Senator from West Virginia, the distinguished minority leader, has been extremely helpful and thoughtful. I would also say that I think the delay we have had over a day or so has been a positive one, and that we now are in a position to move forward.

I would say to the Senate, and those who are concerned about the details of legislative veto, that there is one specific change here which I think is important. The new amendment, as modified, has a 5-year sunset provision. The legislative veto process will sunset after 5 years unless we, through a new authorization of another form, extend the legislative veto as it applies to the Consumer Product Safety Commission and the Federal Trade Commission.

Mr. President, I know of no further need for debate.

I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Will the distinguished Senator yield?

Mr. KASTEN. I yield the floor.

Mr. BYRD. I will not take more than 1 minute. I want to commend the distinguished Senator from Wisconsin, the author of the amendment, for his cooperation. Our discussions were, I think, of benefit to the Senate and the Nation. The problems I had with the expedited procedures are gone, thanks to Senator KASTEN's acceptance of modifications I proposed. I thank the Senator for his good work in this respect.

I also wish to commend Senator FORD for the knowledge that he brought to our discussions and the support he gave to the modifications. I thank Mr. LEVIN, and I thank Mr. GRASSLEY also. They were very cooperative.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, I do not want to delay the consideration of this amendment too long. I will be brief because I think most of my colleagues understand my sentiments. I believe in the system rather than in improvising what many may consider a procedure to suppress regulatory agencies. In fact, the procedure will probably not be exercised 10 percent of the time.

We have had the authority from the beginning to change any rule any agency should promulgate. We have created the agencies by legislative mandate. When they do something wrong and our constituencies complain about it, we run to try to find some way to satisfy those constituencies. We try to satisfy them that we are doing something to stop an agency from promulgating some regulation that might restrict businesses, procedures, or whatever.

Rulemaking by Federal agencies requires an extensive congressional review role. I said here yesterday that back in 1980 I insisted that an amendment be included in the Federal Trade Commission authorization bill. By the way, that was 5 years ago and we have not had one since. We are about to get one now, and I am proud of that.

In that legislation in the Senate, we were required to have at least two oversight hearings of the Federal Trade Commission every fiscal year. I do not recall since 1980 any such oversight of the Federal Trade Commission except when they asked for money. We ask how they are going to use it and try to find a little bit more for them. They want more jurisdiction and they want more money so they can get more jurisdiction. We say, "Yes," and give them a little bit more and that is the end of it.

We are abdicating the legislative authority and the legislative responsibility, that our constituents sent us here to exercise.

Extensive review of agencies is the purpose of congressional oversight. By having oversight, we are given the opportunity to respond to the problems by introducing legislation to be passed by both Houses and presented to the President for his signature to halt ill-conceived rules.

We do not need another statute on the books. We have the authority now.

No delay of implementation of particular rules should be necessary if we perform our function.

Mr. President, the framers of the Constitution envisioned that Congress would make laws reasonably specific reflecting policy judgments and decisions that would guide the agencies in execution of the law.

Congress has the power now to expand, to modify, or repeal unsatisfactory enactment of agency rules.

So basically, we are saying those agencies that were conceived by Congress, which were given authority by us, are now out of hand. We are saying we have no control over them, so we have to have a legislative veto power in order to suppress those agencies we created.

When we create an agency, we have the same authority and the same power to restrict it.

This is just a piece of legislation to go back home to our business people and beat our chests and say, "Look what we have done. We have suppressed those regulatory agencies because we are going to look at the rules. If we do not like them, we are going to have a resolution that will be passed by the House and the Senate and sent to the President for his signature."

That is not what the framers of the Constitution said.

I fought the legislative veto for several years, saying, one, we did not need it, and, two, it was unconstitutional. I was right that it was unconstitutional because the Surpeme Court has already stated that on two separate occasions. I still say the legislative veto is not needed.

The legislative veto, in my opinion, is being used as a substitute for congressional direction and policy guidance to agencies. We are abdicating the responsibility that our constituencies expect of us.

Let us talk about what the Department of Justice had to say on July 9 of this year, this administration's Department of Justice.

I will read from their testimony before the Judiciary Committee.

> We think it is relatively clear that the legislative veto mechanism, in addition to its constitutional infirmities, simply was not effective in checking agencies' abuse, and, in fact, may have encouraged the passage of vague and overly broad delegation of authority.

They continue in their testimony to say:

> Although there has not been any relevant experience with "regulatory veto" mechanisms, substantial questions are presented as to whether widespread use of such mechanisms would be similarly counterproductive and would mask rather than relieve the fundamental problem of clearly articulating public policy into law.
>
> It is questionable whether such widespread use of the legislative veto would be productive.

I know where the votes are. I have not been here very long, but I understand what people want to do. I will guarantee you most of those up for reelection next year will vote for this and use it in their political advertisements. Just remember, when they do that and they support this, they are abdicating their responsibility.

I personally urge the rejection of this amendment and hope some of my colleagues will feel the same way. I understand some of those who would oppose the amendment have official business and cannot be here today. Probably just as many who favor this amendment are out on official business. But I hope that they will look at all the ramifications of what is about to develop here as it relates to legislative veto. If every committee in the Senate would spend 10 days—just 10 days—out of a year, 10 days out of a year, and have those agencies under their jurisdiction come before that committee and say, "This is what we are going to do; this is how we are spending the money; this is the result of the expenditure of taxpayers' dollars; this is the rule we have promulgated; this is now we have helped our constituencies," we would not need the rules. We would be exercising that authority given to us by our constituents' vote to come here and represent them.

Why, we have spent more time on the Senate floor debating the legislative veto than most people have on oversight hearings. If we would just spend the time in oversight, we would not have all these huge expenditures for minor items; we would be looking at the agencies, asking questions, and finding out a lot more than we are by standing here debating. We could be using this time to oversee the various agencies under our control.

I hope there will be at least some who will agree with me. It is not an easy position to stand against the legislative veto, but for a long time, not many of us opposed it. Those who did were vindicated by the Supreme Court's decision. This is an amendment with a lot of infirmities, as the Department of Justice has stated.

Mr. President, I yield the floor.

Mr. LEAHY. Mr. President, Alexander Hamilton wrote in Federalist 72 that the "administration of government, in its largest sense, comprehends all the operations of the body politic, whether legislative, executive, or judiciary; but in its most usual and perhaps most precise signification, it is limited to executive details, and falls peculiarly within the province of the executive department."

The Framers of the Constitution intended for Congress to deliberate on important issues of the day and legislate accordingly. As Hamilton put it, executive details would be left to the executive department. This arrangement is inherent in the separation of power so wisely crafted in the Constitution.

Hamilton correctly argued, however, that in the broadest sense, every branch of Government must be concerned with the administration of government. He was arguing that the executive branch must not be allowed to encroach upon the other two branches. It must not be permitted to legislate nor pass judicial judgment.

Here before us today, Mr. President, we have a proposal to grant Congress a limited legislative veto over the rulemaking of the Federal Trade Commission and the Consumer Product Safety Commission.

I am opposed to the legislative veto, in general, because it violates this same doctrine of the separation of powers. Congress is to legislate, not to administer the powers and programs of government.

The proposal before us, however, is meant to ensure that the intention of the Founders is followed that the executive branch—the bureaucracy—not encroach upon the domain of the national legislature.

But the Federal Trade Commission is a special case. It has been given such little statutory guidance by Congress that it has in some cases inadvertently exercised wide authority in the marketplace—asserting the broad authority to regulate commerce that is duly reserved for Congress by the Constitution.

Because Congress has provided so few guidelines guidance to the FTC, I believe that a limited legislative veto over FTC regulation is necessary to ensure that the FTC regulates, as it should, but does not legislate or determine broad policies.

The legislative veto proposal before us would provide that Congress must pass a joint resolution, which must be signed by the President, all within 90 days of the publication of a final regulation, if that regulation is to be vetoed.

Mr. President, the requirement that a majority of both Houses of Congress and the President must disapprove of a regulation in order that it is annulled, means that only the most controversial and constitutionally questionable regulations will ever be considered for a legislative veto. The power of the executive to administer the Government, envisioned by the Founders, would not be encroached upon. Instead, this measure would reserve for Congress its constitutional right to determine the broad policies of our Government.

The Supreme Court has declared that past versions of the legislative veto were unconstitutional; namely, because they did not require the President's assent. The proposal we are voting on today, Mr. President, not only passes that constitutional test, but also carries out the Founders' intention that Congress shall legislate, not the executive bureaucracy.

Mr. BYRD. Mr. President, I am most pleased that we have been able to work together and reach a compromise on several issues that concerned me. As I indicated on the floor last night, I had some problems with the original formulation of the Kasten amendment, particularly with the expedited procedures sections of that amendment. But this morning Senators KASTEN, FORD, LEVIN, GRASSLEY, and I met in my office to seek a resolution of these problems, and I believe that we succeeded efficiently and amicably.

I would like to describe briefly for my colleagues the changes that I proposed that were incorporated in the Kasten amendment and my reasons for them:

First, I believe that this newly formulated legislative veto with its expedited procedures for overseeing and controlling the Federal Trade Commission and the Consumer Product Safety Commission should have a trial period to be tested—both for meeting the objectives of the amendment's sponsors and for its utility. The sponsors agreed to my suggestion that this section be tried for 5 years and that it be "sunsetted" after that date if Congress has not determined to reauthorize this provision.

Second, the original proposal would have permitted any Senator to move to discharge a committee from further consideration of a resolution of disapproval of a proposed rule if the committee had not reported that resolution within 30 days. An individual Senator could have made a privileged motion to discharge a committee, with a 1-hour time limit on the motion and no amendments in order. If the motion were successful, he could immediately make another privileged motion to proceed to the joint resolution with no debate in order. Having adopted that motion, the resolution would become the immediate business before the Senate with a 2-hour time limitation, displacing all other business including even a matter on which cloture had been invoked.

The sponsors of the amendment agreed that the motion to discharge the committee from further consideration of a disapproval resolution only be made by the majority leader with the approval of the minority leader. With the modification, the joint resolution of disapproval may not displace the business before the Senate if cloture has been invoked under rule XXII, and the time for debate on the resolution was increased from 2 hours to 10 hours.

Third, the original version stipulated that a motion to reconsider the vote by which the joint resolution was agreed to or rejected could only be made on the actual day that the vote took place. This provision was deleted in favor of retaining the current Senate rules that permit a motion to reconsider to be made on either of the next 2 days of actual session after the day of the vote.

In addition, the sponsors agreed to clarify the sentence "Any other motions shall be decided without debate," by adding the following clause "except that no motion to proceed to the consideration of any other matter shall be in order." This will eliminate the possibility of statutorily locking in the potential for permitting a nondebatable motion to proceed to a controversial piece of legislation.

Fourth, last, I have been concerned that this language was too sweeping in its impact, that by defining the term "rule" to mean "any rule promulgated by the Commission pursuant to this Act" other than interpretive or procedural rules, the Congress would be deluged in paper. I fear that an avalanche of proposed rules and regulations dumped on our committees would hinder, rather than enhance, those committees' ability to efficiently review the operations and functioning of the Federal agencies. I have been assured by the sponsors, however, that these legislative veto provisions with the attached expedited procedures for Senate consideration only apply to rules and regulations promulgated by the Federal Trade Commission and the Consumer Product Safety Commission. Senators LEVIN and GRASSLEY have said that the definition of "rule" in this amendment is not intended to be a model for how that term is to be construed in any future specific, or generic legislative veto provisions.

I thank Senators KASTEN, LEVIN, GRASSLEY, and FORD for their cooperation and assistance in developing the modifications to the Kasten and Levin-Grassley amendments.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, first, let me thank Senator BYRD for the tremendous contribution he has made over the past days to this amendment. He, I think, is probably unique in this body in the extent to which he knows the rules of this body and will defend this institution against changes in the rules which might be deleterious to it. I personally want to thank him for his tremendous personal involvement over the last few days on this amendment. It is most appreciated and will really be important historically in the Senate.

Mr. BYRD. I thank the Senator.

Mr. LEVIN. Mr. President, when I came to this body, I recently had been a local official representing my community as president of the city council. My community had been almost decimated by a Federal agency named HUD. We had tens of thousands of vacant houses owned by HUD, vandalized, boarded up, creating problems in our neighborhoods.

I came to Washington. I came to my elected officials. I said, "We have to save the neighborhoods of my community. I want help. I want HUD to move relative to these homes, relative to these properties."

I was told, "Go see HUD."

I went to see HUD and HUD talked about their regulations and how they could not really dispose of all these properties because of their regulations.

I went back to my elected officials and they said, "Well, we cannot change the regulations, that is HUD. Go back to HUD."

So it was back to HUD, a Federal agency, to Federal bureaucrats, instead of to my elected officials.

I began to explore the question of just what authority the elected officials in this Government were willing to exercise over the regulations of our bureaucracy. I found out, much to my dismay, that they really did not want to take much responsibility for those regulations, that they would rather pass general laws and then hide.

I could not agree more with my friend from Kentucky when he says there is not enough oversight in this exercise and I think he is right. I think we have ducked our responsibility too often by the lack of oversight over the regulations and operations of agencies. But the regulations of the agencies, in many cases, have a greater impact on human lives then do the laws we pass. For us to simply duck a ready review and an accessible review and an available review of those regulations, which are often more critical to more people than the very laws we write, is the abdication of responsibility which we must end.

We have abdicated responsibility in the lack of oversight but we have also too often abdicated responsibility by saying, "Hey, we can't do anything about those regulations, go see the agencies." We have to make it easier to do something about regulations which we do not like, which do not carry out our intent, which we are not in agreement with. There is a great deal of power in those agencies. Those agencies in many instances, with many millions of people, have a greater impact on daily lives than we do. And we have to find ways of controlling those agencies, both legislatively and administratively—indeed, the White House has also sought ways of controlling those agencies which too often have run amok, too often may have been unaccountable.

Chadha came along and said the prior version of oversight through legislative veto was unconstitutional. This amendment meets Chadha. I do not know of any lawyer or any legal opinion that has indicated that this amendment that Senator KASTEN has introduced and which I, along with Senator GRASSLEY, have cosponsored does not meet the requirements of Chadha. It does. It is a two-House veto, it is then submitted to the President of the United States.

The critical part of this amendment is that it has a delay procedure and has expedited procedures for getting resolutions of disapproval to the floor of both Houses so that they cannot be stopped by procedural delay when a majority of Congress wants to act, when a majority of Congress wants to say that a regulation does not carry out our intent. This makes it possible for Congress to act in a constitutional way.

There is nothing new in what we are doing. We have had literally dozens of legislative vetoes in the law. This makes an existing legislative veto on FTC constitutional. We have had a legislative veto on FTC. We adopted a legislative veto in 1980, with expedited procedures as it came out of Congress. This is not new. What we are doing today makes what we have done constitutional.

In 1982, we also adopted a generic legislative veto that applied to the regulations of most of the agencies. That vote in 1982 in the Senate was 69 in favor of the generic legislative veto with expedited procedures, as this one has, and 25 opposed. So we have been over this ground. We tried to do it before. But Chadha said we did not do it right. Today, we are going to do it right and this day is long overdue.

What this amendment and what legislative veto does is say we have more confidence in the elected officials of this country than we do in the unaccountable, unelected agencies. That is the critical issue.

Before I close, Mr. President, I want to thank just a few Members on this side of the aisle. There have been many on both sides, but the few Members, particularly Senator BOREN and Senator DECONCINI, for the kind of support that they have shown over the year to various forms of legislative veto. I am not sure that both of them are here today to vote for this legislative veto amendment, but because they have sponsored so many legislative veto efforts and supported them over the year I could not close without paying my respects and thanking them for their efforts in support of legislative veto requirements.

I also want to thank Linda Gustitus of my staff and Ally Milder of Senator GRASSLEY's staff for their tireless efforts on behalf of the legislative veto. Linda Gustitus has literally worked for years, and engaged in countless meetings to bring us to where we are today. Her sensitivity to the need to compromise while at the same time her ability to keep her eye on the ultimate goal have been nothing less than remarkable.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Wisconsin. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from California [Mr. ARMSTRONG], the Senator from Mississippi [Mr. COCHRAN], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota [Mr. DURENBERGER], would vote "yea."

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Arizona [Mr. DECONCINI], and the Senator from Louisiana [Mr. JOHNSTON], are necessarily absent.

I further announce that the Senator from New Mexico (Mr. BINGAMAN) is absent on official business.

The PRESIDING OFFICER (Mr. WILSON). Are there any other Senators in the Chamber who wish to vote?

The result was announced—yeas 67, nays 22, as follows:

[Rollcall Vote No. 163 Leg.]

YEAS—67

Abdnor	Gramm	Mitchell
Andrews	Grassley	Moynihan
Baucus	Harkin	Murkowski
Bentsen	Hatch	Nickles
Boren	Hatfield	Nunn
Boschwitz	Hawkins	Pryor
Bumpers	Hecht	Quayle
Burdick	Heflin	Riegle
Byrd	Helms	Roth
Chiles	Humphrey	Rudman
Cohen	Inouye	Sasser
Cranston	Kasten	Simpson
D'Amato	Kerry	Specter
Denton	Lautenberg	Stevens
Dixon	Laxalt	Symms
Dodd	Leahy	Thurmond
Dole	Levin	Trible
Domenici	Lugar	Wallop
Eagleton	Matsunaga	Warner
East	Mattingly	Wilson
Exon	McClure	Zorinsky
Goldwater	McConnell	
Gore	Melcher	

NAYS—22

Biden	Hollings	Proxmire
Chafee	Kassebaum	Rockefeller
Danforth	Kennedy	Sarbanes
Evans	Long	Simon
Ford	Mathias	Stafford
Glenn	Metzenbaum	Stennis
Gorton	Packwood	
Hart	Pell	

NOT VOTING—11

Armstrong	DeConcini	Johnston
Bingaman	Durenberger	Pressler
Bradley	Garn	Weicker
Cochran	Heinz	

So the amendment (No. 542), as modified and further modified, was agreed to.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. FORD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 547

(Purpose: To provide for congressional review of Federal Trade Commission rules and Consumer Product Safety Commission rules)

Mr. GRASSLEY. Mr. President, I send on 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 Iowa [Mr. GRASSLEY], for himself, Mr. LEVIN, Mr. DOLE, Mr. THURMOND, Mr. BOREN, Mr. SIMPSON, Mr. LAXALT, Mr. DECONCINI, Mr. HATCH, Mr. DENTON, Mr. ZORINSKY, Mr. NICKLES, Mr. ANDREWS, and Mr. BOSCHWITZ, proposes an amendment numbered 547.

Mr. GRASSLEY. 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 16, between lines 2 and 3, insert the following new section:

ENFORCEMENT OF CONGRESSIONAL REVIEW OF RULE

SEC. 17. (a) This section is adopted as an exercise of the power of each House of Congress to determine the rules of its proceedings. The Congress specifically finds that the provisions of this subsection are essential to the Congress in exercising its constitutional responsibility to monitor and to review exercises by the Executive of delegated powers of a legislative character.

"(b)(1) After the Senate and the House of Representatives adopt a joint resolution with respect to a rule pursuant to Section 16 of this Act, it shall be in order in the Senate or the House of Representatives, notwithstanding any provision of the Standing Rules of the Senate except Rule XXII or the Rules of the House of Representatives, to consider an amendment described in subparagraph (2) to a bill or resolution making appropriations for the Federal Trade Commission or the Consumer Product Safety Commission.

"(2) An amendment referred to in subparagraph (1) is an amendment which only contains provisions to prohibit the use of funds appropriated in the bill or resolution described in such subparagraph for the issuing, promulgating, enforcing, or otherwise carrying out the rule with respect to which a joint resolution has been adopted pursuant to this section.

"(c) Debate on an amendment described in paragraph (b)(2) shall be limited to not more than four hours, which shall be divided in the House of Representatives equally between those favoring and those opposing the amendment and which shall be divided in the Senate equally between, and controlled, by the majority leader and the minority leader or their designees. An amendment to, or motion to recommit, the amendment is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

Mr. GRASSLEY. Mr. President, the amendment read adds a provision to the Kasten amendment just adopted. My amendment, which is cosponsored by the Senator from Michigan [Mr. LEVIN] only comes into play when both Houses of Congress have acted to disapprove a rule but the President has vetoed the joint resolution of disapproval. Under our provision, the passage of the joint rsolution by both Houses triggers expedited procedures for consideration of an amendment to the FTC or the Consumer Product Safety Commission appropriation bills which would limit the use of Goverment funds to implement the disapproved rule.

Both the FTC and the Consumer Product Safety Commission are currently governed by a two-House veto, and a 1½-House veto respectively. Congress has decided this issue in the past and determined that much stricter vetoes were appropriate for these two agencies than we are now considering here. This amendment is a modest approach and conforms with past expression of congressional policy.

Supporters of this approach include the National Federation of Independent Businesses and the chamber of commerce. Our amendment will give the joint resolution approach more teeth and will bring the proposal a bit closer to the policy already adopted by Congress for oversight of the FTC and the Consumer Product Safety Commission.

Senator LEVIN, as I indicated, joins me as a cosponsor of this amendment. Other cosponsors include the majority leader, Senator DOLE, Senator THURMOND, Senator BOREN, Senator SIMPSON, Senator LAXALT, Senator DECONCINI, Senator HATCH, Senator DENTON, Senator ZORINSKY, Senator NICKLES, Senator ANDREWS, and Senator BOSCHWITZ.

In regard to the National Federation of Independent Businesses support of this bill, they feel that this is such an important issue for small business that they have labeled this as one of the NFIB's key small business votes of the 99th Congress.

Mr. President, I yield the floor.

Mr. LEVIN. Mr. President, the amendment that we just voted on of the Senator from Wisconsin, which I and Senator GRASSLEY cosponsored enthusiastically, took us about 90 percent of the way that we should go relative to legislative veto. We have taken about nine steps. We have 1 of the 10 steps left and that is what this Grassley-Levin amendment is all about. It is aimed at a very narrow situation. That is where Congress has exercised its will, Congress has vetoed a regulation, but the President, who must be presented with it under Chadha, in turn vetoes it and there is not the two-thirds vote of the Congress to override. That is the narrow group of cases that this amendment addresses.

What happens if a majority of Congress has decided that a regulation does not implement our will but our majority will is in turn thwarted by a Presidential veto? This amendment says, in that circumstance, the appropriation process should be made readily available to preclude the expenditure of funds for such a rule. Because the majority has voted in the Congress, because the majority will is that the regulation does not carry out our will or is in other ways inappropriate, we should be able to readily act.

All this amendment says is that if an appropriation bill relative to the agency in question whose rule has been disapproved by a majority of the Congress comes to the floor without a prohibition of funds to implement such a rule included, then we will use expedited procedures to make sure that an amendment prohibiting such funding will be readily available.

It goes directly to the old power of the purse of the Congress and says, "Let's make sure we can use it without being thwarted by delaying tactics, by minority voices in the Congress." And again the critical thing to remember on this amendment is that Congress has already acted. The assumption of this amendment is that Congress has already acted. It has already said it does not like the rule in question, but that majority will has, under this narrow set of circumstances, been thwarted by a Presidential veto and presumably there were inadequate votes to override that veto.

But the majority is still here. The majority still says the regulation violates our intent. We do not like that regulation. We want to act. And this allows us to act expeditiously to prohibit the expenditure of funds to implement a rule which the majority of Congress does not like and has so expressed in its joint resolution of disapproval.

So we have gone 90 percent of the way this morning. This takes us the last 10 percent. It is a critical 10 percent. It is a critical additional step. It puts some additional teeth in the legislative veto. As Senator GRASSLEY indicated, the National Federation of Independent Businesses is strongly supportive of it. I hope that our colleagues will also strongly suppport

this additional very modest amendment.

Mr. KASTEN. Mr. President, I feel very strongly that the work of the Senator from Iowa and the Senator from Michigan and others who have worked with me on the legislative veto has been a very positive step for the legislative branch. Frankly, I am reluctant to move forward with a motion to table, which is what I will do in just a moment.

But we have gone, with the compromise that was just adopted, as far as I believe that we can go and, No. 1, move forward with this bill; but, No. 2, have a procedure in place that can be accepted by everyone and that will in fact reflect the concern of elected officials in their work to oversee or if necessary veto the work of the regulatory agencies.

This amendment, in my opinion, would put an undue burden on the appropriations process and it would in a sense duplicate action by authorizing committees.

I pointed out yesterday that while, at first blush, requiring the use of appropriations legislation to enforce every legislative veto of an FTC or a CPSC rule may appear reasonable, my fear is that it will result in needless duplication and would prolong debate regarding appropriations bills and continuing resolutions. Congress cannot afford such burdens at a time when we are repeatedly subject to criticism for ineffectiveness due to unnecessary delay.

I would suggest to the Senate, let us try the veto in the form that we have just adopted it. Let us see if we have problems in this very narrow instance. Let us determine whether in fact it is appropriate to move forward with a special procedure of expediting amendments against appropriations bill. I do not believe it is necessary.

I would like to point out the most recent experience we had on the used car rule veto was in fact we had a two-thirds majority in both Houses. When we get to the point where there is the concern that we are talking about where the legislative veto mechanism would work, I think the chance of us not being able to override the veto is very, very limited. And the used car vote in both the House and the Senate—and, of course, it would just take one—the used car votes indicate that that would be the case.

But had the joint resolution been in place when we vetoed the used car rule, we would have overridden any Presidential veto. My point is let us not go further at this time. Let us stop where we are with the legislative veto mechanism that will work, and let us not overburden the appropriations process.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, in the words of the President of the United States, "Here we go again." About 15 minutes ago we passed a legislative veto provision for the Federal Trade Commission and Consumer Product Safety Commission. And immediately following that, we start monkeying around again.

One of my colleagues said a minute ago, "At least you are making us think about it, Ford." I am glad I am.

Mr. President, one of our distinguished Members, the distinguished Senator from Delaware, [Mr. BIDEN] wrote a paper for the Syracuse Law Review and it is entitled "Who Needs the Legislative Veto?" I wish all of my colleagues could read it. It tells you why we do not need it. It tells you why we are abdicating the responsibility we accepted when we held up our hands and took our oath. Mr. President, I ask unanimous consent that the paper written by Senator BIDEN for the "Syracuse Law Review" be included in the RECORD at this point.

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

[From the Syracuse Law Review, Nov. 2, 1984]

WHO NEEDS THE LEGISLATIVE VETO?

(Senator Joseph R. Biden, Jr.)*

I. INTRODUCTION

I have been asked to appraise the likely impact of the Supreme Court's decision in *Immigration and Naturalization Service v. Chadha*[1] on the way our government works. As a member of the United States Senate—and especially as a member of the United States Foreign Relations Committee—I am greatly concerned with what I take to be the most fundamental question regarding the *Chadha* decision: Does it leave the federal government more or less able to meet its responsibilities?

On the one hand, I believe our government can and will function, for the most part, more effectively in the absence of the legislative veto. Especially with regard to the regulatory agencies, the legislative veto has too often tempted Congress to delegate to administrative agencies the hard legislative work of writing law, too often resulted in the intrusion of Congress upon the proper ground of the Executive, and much too often trust Congress into the role of a court of appeals for the regulatory agencies, where legions of lobbyists descend to plead their narrow, special interests and disrupt the proper work of Congress.

On the other hand, I believe that the loss of the veto will make it difficult for Congress to meet its responsibilities in a limited number of policy areas. My primary concern is foreign policy—especially war powers and arms-export control—where *Chadha* strikes at the foundations of carefully structured systems for sharing power between the executive and legislative branches.

To discuss the impact of *Chadha* on the way the government functions I do not think I need delve very far beneath the surface of the *Chadha* decision. Other participants in this symposium have done that, and have done so far more expertly than I could.

For members of Congress, the fundamental message of *Chadha* is clear: Every act of legislative power that does not adhere to what the Court called the "finely wrought and exhaustively considered procedure" [2] of bicameral consideration and presentment to the President is unconstitutional. Indeed, in light of the Court's summary decisions regarding the natural-gas pricing rule promulgated by the Federal Energy Regulatory Commission [3] and the "used-car rule" issued by the Federal Trade Commission (FTC),[4] there can be little doubt that all legislative vetoes are unconstitutional.

Accordingly, the appropriate congressional response to *Chadha* is not to challenge the Supreme Court's legal reasoning, nor to doubt its wisdom. Whether or not we personally agree with the decision, it now governs our actions. Instead, we must take *Chadha* as our starting point, seek to understand the purpose of each legislative veto Congress has enacted, and then, in each individual case, find alternate means of fulfilling that purpose.

II. THE CONGRESSIONAL RESPONSE

The immediate reaction to *Chadha* in Washington was near panic. One wire service reported the decision as a "shattering blow to legislative power." [5] Scholars, editorial writers, lawyers, and many of my colleagues in Congress denounced the Court's uncompromisingly rigid interpretation of the Constitution, a decision which, in the words of Justice White's dissenting opinion, "strikes down in one fell swoop provisions in more laws enacted by Congress than the Court has cumulatively invalidated in its history." [6]

Fortunately, most members of Congress responded more calmly, and quickly got down to the business of determining what had to be done. The Senate Judiciary Committee, of which I am the Ranking Minority Member, held hearings as did the Foreign Relations Committee of which I am a member. Other hearings were held by the Senate Finance Committee and by the House Judiciary and Foreign Affairs Committees.

Within five weeks, nine days of hearings had been held, with testimony from more than forty witnesses. Numerous items of legislation were introduced, each intended to solve all or part of the problem created by the Supreme Court, with proposals ranging from constitutional amendments to study commissions. The Democratic Party in the Senate responded almost instantaneously, forming a task force, of which I am a member, to study the problem. In addition, the Congressional Research Service, the General Counsel of the House, and Senate Legal Counsel issued voluminous analyses of the ramifications of *Chadha*. In short, there was never any danger that the problem would suffer from inattention.

III. A BLOW TO LEGISLATIVE POWER?

The testimony at these hearings convinced me that there would be no radical shift in the balance of legislative and executive power. The Presidency would not necessarily become more imperial, nor would Congress find it necessary to throw legislative barricades up around Capitol Hill, specifically by withdrawing all powers previously delegated to the Executive and the regulatory agencies.

At least with regard to domestic issues, and especially concerning agency rulemaking—which has been the major target of the

*Footnotes at end of article.

veto—the legislative veto is not primarily a balance-of-power issue. The contest for power that is affected is between the legislature and the regulatory agencies. Those agencies do not necessarily share in the power of the executive branch, nor do they necessarily share their powers with the Executive. Enhancing agency power does not necessarily mean augmenting the power of the President. Indeed, it often means just the opposite.

Those who were asking which branch had won, or would win, after the *Chadha* decision were not asking the important question. The real danger is that Congress and the executive branch will believe what they read in the press and turn the current mood of accommodation on the *Chadha* decision into confrontation.

As political scientist James Sundquist has stated, "[t]he fundamental problem in trying to make the government of the United States work effectively, is not to preserve the separation of powers but to overcome it." [7] The legislative veto is a mechanism that has been used for precisely that purpose for more than fifty years.

But Sundquist goes too far, in my judgment, when he argues that the two branches are now condemned "to the confrontation, stalemate and deadlock that so frequently leave the government of the United States impotent to cope with complex problems." [8] Congress has lost one of the *means* it had developed for "fine tuning" its power, but its basic constitutional power remains intact.

Congress, I believe, has both the means and the will to restore the equilibrium that prevailed on domestic issues between the executive and legislative branches prior to *Chadha*.

IV. ALTERNATE MEANS OF FULFILLING THE PURPOSE OF THE VETO IN THE DOMESTIC ARENA

Chadha is, after all, much more of an inconvenience than a disaster. Congress still has ample means for controlling the agencies. And Congress is proceeding, realistically in my opinion, on the assumption that a separate accommodation will have to be fashioned for each occasion where the veto has been applied. That is the central conclusion of the Senate Democratic task force on which I served, and that makes sense to me. Legislative vetoes were of many types—by both houses, by one house, or by committee—so that alternatives should likewise be flexible. A "global solution," a single solution that would apply to every legislative veto, would be as undesirable as it is unlikely.

There have been, however, some suggestions that I do not support. I do not approve of the constitutional amendment, introduced by Senator DeConcini in the Senate [9] and by Representative Jacobs in the House,[10] to restore the legislative veto over agency actions. I oppose that amendment for two reasons. First, I have become convinced that using the legislative veto to overrule agency actions creates more problems for Congress than it solves. Second, this amendment would restore the veto only in areas where I think we are better off without it, and not where we need it, or something like it, as with the War Powers Resolution.[11]

I also strongly oppose the creation of a new type of executive calendar in both houses, providing for time to review all agency actions and giving those matters privileged time. I do not believe Congress has the time or the expertise to review every agency action.

For the same reason, I oppose the concept of a joint resolution of approval, which would require Congress to pass affirmatively on each new agency rule or regulation. I see no reason to resort to such measures when Congress can still exercise its traditional methods of careful legislative drafting and effective oversight to make its intent known and force the agencies to act accordingly.

Congress has become extraordinarily vague in its instructions to the agencies, giving them carte blanche to do as they please, until of course, the Washington lobbyists begin clamoring in the corridors and reception rooms of the Capitol. This problem is illustrated by legislative instructions to several agencies. The Consumer Production Safety Commission is instructed "to protect the public against unreasonable risks." [12] The Federal Trade Commission is charged with protecting the public from "unfair and deceptive acts and practices in . . . commerce." [13] Finally, the Interstate Commerce Commission is to control various industries on behalf of the "public convenience, interest and necessity." [14]

The definition of these terms, and the regulations that flow from them with the force of law, are left to the agencies to determine. Then, when special interests become dissatisfied with the results, Congress is swamped with special pleadings pouring in from all directions. That is what the legislative veto has done for us, and I am convinced that we have better ways of spending our time.

Congress is entirely capable of putting its intent into words. And where that intent is unclear, Congress can clarify it with the agencies in oversight hearings. After all, Congress controls their purse strings—indeed, mandates their very existence—so I think it is reasonable to assume that they will listen closely. It is my experience that they do listen. And if an agency still refuses to listen, Congress can enact legislation to overrule or control agency action or cut off funds. For example, in the mid-1970's Congress was unhappy because the Department of Health, Education and Welfare (HEW) was ordering busing on its own, without the authority of the courts or Congress. So I ushered an amendment through Congress that put an end to administrative busing orders.[15]

I have no doubt that by clearer statutory standards, engaging in active oversight, passing legislation to overcome agency action that is objectionable, and limiting agency funds where necessary, Congress can make the agencies accountable in ways that retain and improve upon the powers of the legislative veto, without incurring its very real disadvantages. One of those disadvantages is that the legislative veto provides only for a negative vote, limiting Congress, therefore, to only a negative role. Applying the methods I have outlined above, however, will make the role of Congress far more positive and productive.

There are two other proposals that will assist Congress in its effort to assure that its intent is carried out. The first is the so-called Bumpers Amendment.[16] This amendment would modify the judicial review provisions of the Administrative Procedure Act to give courts more authority to overturn erroneous action. The central provisions of the amendment would require courts to make sure that agencies do not exceed the jurisdiction or authority conferred upon them by statute, and to set aside agency action that is "without substantial support in the rulemaking file." [17] This amendment will be especially effective if used in concert with clearer statutory delegations to the agencies. The Bumpers Amendment is included in a major regulatory reform bill pending in the Senate.[18]

A second proposal is one I have worked on throughout my years in the Senate—sunset legislation.[19] The effect of sunset legislation is to set, for each agency of the federal government, a date certain at which its programs will be terminated unless they are affirmatively revived by Congress. The purpose is to force the agencies, at regular intervals, to justify their missions and functions before Congress. That puts the responsibility on the agencies, where it belongs, and it would have a tonic effect in keeping agency actions in accord with congressional intent. I believe that the American Bar Association was correct in telling the Senate Judiciary Committee that sunset legislation "is an idea whose time has come, gone and [in light of the *Chadha* decision] returned." [20]

V. ABUSE OF THE LEGISLATIVE VETO

Clearly, in my judgment, the loss of the legislative veto has not deprived Congress of any of its real powers for dealing with the regulatory agencies. Over its fifty-one year history the legislative veto became a classic example of a good idea that was overextended to the breaking point. It was first applied in 1932 to reorganizations of the executive branch. Congress, very sensibly in my judgment, felt that the primary responsibility for reorganizations should rest with the Executive.

Through 1975 Congress had enacted approximately 150 veto provisions—but then the dam broke. In the 95th Congress thirty-eight veto provisions were enacted, in the 96th Congress another fifty-eight were added, and in the 97th still another sixty-four were enacted. More and more often Congress used the veto to evade legislative labors and responsibilities, and more and more often the result was to tempt growing hordes of lobbyists onto Capitol Hill.

In my eleven years in the Senate there has been a dramatic change in the way in which that body is lobbied. Single-interest groups have multiplied, representing business, trade associations, unions, political action committees, and others. All of them claim to speak in the name of the American people, but very often I have found them speaking only to the narrowest of goals, goals that are not infrequently contrary to the public interest. The impact of this intense, large-scale, and narrow-gauged lobbying has been dramatic and unfortunate. It has seriously eroded the once well-deserved reputation of the United States Senate as the greatest deliberative body in the world. Instead of addressing the great issues of the day, setting national priorities, and formulating national policies, we have found ourselves more and more often haggling with the lobbyists over their real or imagined grievances with the regulatory agencies.

The extended 1982 Senate debate over the FTC "used-car rule" is a case in point. The FTC had proposed a rule to protect consumers from unfair warranty practices by used-car dealers'.[21] The immediate result was an awesome lobbying performance by the used-car dealers, and the veto of the rule by an overwhelmed Senate.[22]

I voted against that veto, partly because I felt that there had been enough abuses in the industry to justify the FTC rule, but also because I felt that the proper role of the Senate was being abused as an alterna-

tive to the courts and the FTC public-comment procedures.

One of my Republican colleagues, Senate Commerce Committee Chairman Robert Packwood of Oregon, stated the problem very well, in explaining why he had voted in favor of the used car regulation: "I had previously been a supporter of [the] legislative veto, but I changed my mind after the used-car fight because I realized what disparity there is between a group that feels they are adversely affected by an administrative decision versus the general public." [23]

I wish Senator Packwood had been listening when I and a handful of other Senators made that exact argument two years earlier. As a powerful force on the Commerce Committee he might have been able to block adoption of the FTC veto provision.

It is worth noting that while the Senate was spending three full legislative days in May of 1982 coping with lobbyists and second-guessing the FTC—while the nation was plunging into the worst recession in forty years—the Budget Resolution was awaiting action on the Senate floor. To my mind that represents a seriously misplaced Senate priority.

The legislative veto also represents a serious misuse of Senate resources and staffing. From 1980 through 1982 the agencies promulgated an average of approximately 7000 regulations each year, hundreds of them highly technical in nature. The agencies are staffed and equipped to assess such technical regulations. Congress is not, and I do not believe it should be. A Senate office already resembles a mini-corporation or a medium-sized law firm. Supporters of the legislative veto argue that we need the veto to ensure agency accountability. But the staffing requirements that would be necessary to review the number of regulations that many of my colleagues want reviewed would push Senate staffs beyond the bounds of manageability.

The *Chadha* decision, then, has done Congress a service. By doing away with the legislative veto, the Court may have helped clear the lobbyists off Capital Hill, and has stemmed the movement toward full-blown congressional review of agency regulations. Congress can now concentrate on its more important role—shaping national policy on issues that affect the public as a whole. It is almost possible to say that the Supreme Court has saved Congress from itself.

VI. "*CHADHA'S*" FOREIGN POLICY IMPACT

Chadha seems to me, in fact, to be a blessing in disguise, in every respect save one. *Chadha* leaves us, I believe, dangerously uncertain about the role of Congress, and especially the Senate, in formulating and implementing foreign policy. Therefore, I confess, the Court has raised for me and for many of my colleagues some very real concerns.

In a few instances affecting foreign policy—principally the Arms Export Control Act [24] and the War Powers Resolution [25]—the legislative veto was part of a historic compromise between Congress and the Executive over making foreign policy and making war. This is an area in which the Constitution itself deliberately divides the responsibility between the two branches, and it is here that I believe *Chadha* creates genuine cause for alarm.

It is alarming not so much because *Chadha* constitutes a jolt to the power of Congress, although that is more the case here than it is regarding agency rulemaking, but because of the dangers inherent to the field of foreign relations. The conduct of foreign policy requires consistency, coherence, and certainty. It requires a clear division of responsibility so that in times of crisis our leadership is not incapacitated by internal disputes. Invalidating the legislative vetoes in the War Powers Resolution and the Arms Export Control Act has resulted in a potentially dangerous destabilization of established power-sharing systems and could lead to the kind of uncertainty that we must avoid at all costs in foreign policy.

The Reagan Administration has taken a very conciliatory tone in discussing the implications of *Chadha*, not wanting to give Congress further cause for alarm. For example, Deputy Secretary of State Kenneth Dam told the Senate Committee on Foreign Relations that the *Chadha* decision presents an opportunity "to shape a new era of harmony between the branches of our government—an era of constructive and fruitful policy-making, of creativity and statesmanship." [26]

Mr. Dam's words do not put me entirely at ease. In situations involving the sale of arms to foreign nations and sending troops overseas, the division of power between the President and Congress is not clear. My fear is that disputes over the sharing of power could turn into crises in our foreign policy.

A. The Arms Export Control Act

Prior to the mid-1970's, the executive branch had broad authority to sell arms to foreign nations under the Foreign Assistance Act of 1961.[27] The Foreign Military Sales Act of 1968 [28] placed additional, limited restrictions on arms sales, but did not seriously inhibit the Executive's authority to enter into such sales. In fact, between 1969 and 1974 foreign military sales rose from 1.5 to 5.9 billion dollars, and concern in Congress rose proportionately. Some members of Congress questioned whether we had the constitutional authority to act.

The Senate Foreign Relations Committee held Congress as well as the President responsible for the troubling ambiguity surrounding arms sales:

"This program was not the product of a careful and deliberate policy arrived at through joint action by Congress and the Executive Branch; it developed through its own momentum . . . . Congress bears a measure of the responsibility as well, because of its failure to give more effective policy guidance and to exercise proper oversight on arms sales matters." [29]

When arms sales almost doubled in 1975, jumping to 9.5 billion dollars, Congress became fully aware of how significant these sales had become as an instrument of foreign policy, and how dangerous to our interests they could be if they were not handled wisely. Therefore, in 1976 Congress passed the Arms Export Control Act, which included a two-house legislative veto.[30] But that veto is now almost certainly unconstitutional under *Chadha*.

The Supreme Court's decision has shattered a careful and workable accommodation between Congress and the Executive, a development that, in my opinion, threatens our ability to fashion a foreign policy that is consistent, coherent, and safe. In spite of Deputy Secretary Dam's reassuring testimony, the differences of opinion on the issue of severability demonstrate how dangerously confused we are on this issue.

Mr. Dam, for example, tells us that the State Department believes that the veto provision in the Arms Export Control Act is severable from the remainder of the statute, thereby leaving intact the delegation of power to the President, but eliminating the veto that Congress included to restrain that power. The Senate Legal Counsel's office concurs with the State Department, arguing that the Act's requirement that the President report proposed arms sales in advance "provides the Congress with an opportunity to act legislatively in response to those arms sales which it opposes," and that since this system is "workable" it does not fall with the veto provision.[31]

On the other hand, Senator Sarbanes argued at the Foreign Relations Committee hearing that Congress would not have given the President authority to make arms sales if it could not have reserved to itself the power to reverse those sales. The Congressional Research Service agrees with Senator Sarbanes, finding that "the legislative history is replete with actions and statements that favor the conclusion that [arms sales] would not have been authorized but for the accompanying Congressional check in the form of a concurrent resolution of disapproval." [32]

It is unfortunate that we are forced by *Chadha* to talk in such extremes. Certainly Congress did not intend to give the President unrestricted authority, as demonstrated by the fact that it went to the trouble of passing the Act in 1976. On the other hand, Congress certainly does not want the authority for the President to make arms sales to fall with the veto provision. Congress has made very plain that it wants the President to make the initial decisions regarding arms sales subject only to congressional rejection.

This is not as contradictory as it may sound. Foreign policy initiatives must remain with the President; the 535 members of Congress obviously cannot negotiate the details of arms-sales agreements. But we must find the means for Congress to play its proper role of oversight of such agreements. Congress has demonstrated, even before the veto was overruled, that it will not exercise its power frivolously. Congress has never vetoed an arms sale, but that does not mean that Congress has not exercised influence over such sales.

The Administration knew that Congress *could* veto a sale, and that encouraged the Administration to work with Congress, giving early notification of proposed arms sales and taking the opinions of Congress into account. In 1976, for example, concurrent resolutions were introduced to block the sale of Hawk and Vulcan air-defense systems to Jordan. Although the sale went through, the possibility of a veto appeared to influence the Administration's decision to secure a commitment from Jordan that the Hawk missile system would be permanently installed at fixed sites as defensive weapons. Resolutions introduced in 1977 may have influenced the Administration's obtaining assurances from Iran on safeguarding the AWACS system. And in 1978 the Administration made concessions to congressional concerns regarding a package of aircraft sales to Egypt, Israel, and Saudi Arabia.

The danger is that the present Administration, or some future Administration, will not respond to congressional concerns, leading to confrontation between the branches. By risking heightened confrontation in arms sales, we risk having a foreign policy apparatus that does not speak with one voice, we risk alienating those to whom we sell arms, we risk our credibility, and we risk being unable to act decisively in times of crisis.

Therefore, we must re-establish a workable system of congressional oversight over arms sales, and I believe solutions are in

sight. One such solution is a bill that Senators Byrd, Pell, Sarbanes, and I introduced prior to the *Chadha* decision.[33] That bill was intended to augment the then-existing legislative veto in the Arms Export Control Act by requiring that all arms sales in excess of 200 million dollars be approved by joint resolution.[34]

In order to fill the gap created by the loss of the legislative veto, we are presently amending our bill to lower the threshold amount. We do not want to subject all arms sales to this requirement. Our desire is to divide arms sales into "major" and "minor" sales, or into "controversial" and "non-controversial" sales, and require enactment of a joint resolution of approval for the "major" or "controversial" ones and a joint resolution of disapproval for the "minor" or "non-controversial" ones. Since a joint resolution must be presented to the President for his signature, there is no *Chadha* problem.

Under a joint resolution of approval, of course, a sale cannot go through until it is approved by both houses and signed by the President. That can take up a lot of Senate and House time, but it is the only way for Congress to retain the same degree of control we had over arms sales before *Chadha*. For under a joint resolution of *disapproval*, Congress can get its way only if it has enough votes to override a Presidential veto. So instead of needing fifty-one Senators' votes to defeat an arms sale we would need sixty-seven, plus two-thirds of the House of Representatives. Given how difficult it is to get even fifty-one votes, as the sale of AWACS planes to Saudi Arabia demonstrated, it would be almost out of the realm of the possible to get the necessary two-thirds vote of both houses.

To get the President to take the threat of a veto seriously we have no choice but to adopt the joint resolution of approval on controversial sales. The difficulty is in defining "controversial," but I am confident that we will be able to settle on a dollar figure, combined with limitations regarding the nations involved, to arrive at that definition.

The confusion and disagreement generated by *Chadha* are substantial, and restoring a voice for Congress in arms sales will be difficult, but with a sufficiently determined Congress it can be managed. With regard to the War Powers Resolution, however, the problem is more difficult, more unmanageable, and potentially more dangerous.

B. The War Powers Resolution

Finally, I would like to discuss what is the most perplexing problem created by the *Chadha* decision—the demise of the legislative veto contained in the War Powers Resolution.[35] The War Powers Resolution was passed over President Nixon's veto in 1973 in response to the continuation of the Vietnam War without a declaration of war or the support of the American people. The Resolution contains four requirements or constraints on the President when he introduces American troops into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances.

First, the President is required to consult with Congress "in every possible instance" before introducing troops.[36] Second, he is required to make a formal report to Congress in any case where troops are introduced.[37] Third, the President is required to withdraw the troops after sixty days unless Congress has affirmatively authorized their continued presence (plus thirty days if necessary for purposes of withdrawal).[38] The fourth requirement is the legislative veto, under which the President must withdraw the troops even before the end of the sixty days if Congress so directs by concurrent resolution.[39]

The key questions in the wake of *Chadha* are whether the veto provision is constitutional, and if it is unconstitutional, whether it is severable. I believe it is clear that the veto is invalid under *Chadha*. Thus, the key question, as in all *Chadha* cases, is whether the invalid section is severable. If it is severable, then the entire statute falls with the veto. The consensus at the hearings seemed to be that the legislative veto provision is severable and that the other three operative sections remain intact.

The severability argument made by the Senate Legal Counsel, the Congressional Research Service, the State Department, and a number of witnesses at the hearings is that the *Chadha* test for severability [40] is met in that (1) Congress would have enacted the consultation, reporting, and automatic termination provisions even if it had not enacted the legislative veto, and (2) the consultation, reporting, and automatic termination provisions constitute a "workable" system.

That we still have a "workable" War Powers Resolution, then, seems to be the consensus, although I should add that there is a strong minority opinion that the entire Resolution falls with the veto provision. The problem is that although the reporting, consultation, and automatic termination provisions may be "workable," there is a sixty day gap in Congress' ability to involve itself in the President's deployment of troops around the world. That is a gap that Congress had intended to close when it passed the resolution.

I do not question that the three remaining provisions are valuable constraints upon the President. But Congress' intent, according to the language of the statute, was to ensure that the "collective judgement of both the Congress and the President will apply to the *introduction* of armed forces into hostilities."[41] Congress' intent was to assert its prerogative to become involved at *early* and critical stages in the policy process. Our intent was not to give the President unlimited authority to commit American troops around the globe for sixty days.

The primary danger here is not that Congress will be unable in specific circumstances to force the President to withdraw troops. I hope we never get to that point. The danger is that we have lost a *deterrent* to unilateral presidential action. We have lost one of the most effective means we have of encouraging, forcing if necessary, the President to consider the views of Congress and the American people in committing troops overseas.

One suggested option is to substitute a joint resolution of disapproval for the legislative veto. Indeed, an amendment providing for expedited congressional procedures on joint resolutions concerning troop commitments was added to the State Department authorization bill in October of 1982.[42] But a deterrent that requires the President's signature—as a resolution of disapproval does—is unlikely to deter a President very much. In order to prevail the President needs the support of only 34 out of 100 senators, or only 146 out of 435 representatives.

The uncertainties bequeathed to us by *Chadha* have been especially painful in the case of Lebanon, because the dilemma of our Marines at the Beirut airport elevated the case from the academic to the tragic. The turn of events in that bloodily divided nation, and the lack of clear focus to our own government's policies, transformed the Marines' original "peacekeeping" mission into a role perceived by the contending Lebanese factions as an active American intrusion into their hostilities.

Majorities in both houses of Congress, as well as a majority of the American people, recognized, long before the President was willing to admit it, that our Lebanese policy was a failure and that our Marines should be withdrawn to safety, not in eighteen months but immediately.

It was for this reason that I drew up a joint resolution to express the strong sense of Congress that the Marine presence no longer served any useful national purpose and that the troops should be withdrawn by the President at the earliest feasible moment. A similar resolution was under consideration in the House of Representatives. If such a resolution were adopted by Congress, it would not, of course, bind the President as a matter of law. But it would place upon him the full weight of congressional and public opinion, and the case of Lebanon demonstrates clearly that a President will find it difficult to resist such pressure. The Marines have been withdrawn.

The Lebanon example also demonstrates vividly, I believe, why it is so important for Congress to find the means to participate as a full partner in decisions to send American armed forces in harm's way. The Constitution divides war powers between the President, who is designated the Commander in chief,[43] and Congress, which is given the power to declare war and to maintain an army and navy.[44] The Constitution, at least in this area, is an invitation to the legislative and executive branches to do battle with each other. It is also a challenge to the common sense of our national leaders. The War Powers Resolution was an effort to codify that common sense in a way that would minimize our internal differences and maximize our unified response to external threats.

The Supreme Court has upset that arrangement for accommodating the conflict implicit in a Constitution that, on the one hand, rigorously separates the powers of government, while on the other hand it yokes the President and Congress irreversibly together in the formulation of foreign policy and the making of war. It is now up to Congress, the President, and the American people—with the advice and counsel of those learned in the law—to rediscover that balance that is so crucial to our security and our future as a Nation.

FOOTNOTES

* United States Senator (D. Del.); Ranking Minority Member, Senate Judiciary Committee; Member, Senate Foreign Relations, Budget, and Intelligence Committees; J.D., Syracuse University College of Law, 1968; A.B., University of Delaware, 1965.

[1] 103 S. Ct. 2764 (1983).

[2] *Id.* at 2784.

[3] *See* Process Gas Consumer Group v. Consumer Energy Council, 103 S. Ct. 3556 (1983).

[4] *See* United States Senate v. FTC, 103 S. Ct. 3556 (1983).

[5] *See* Sundquist, *Without the Legislative Veto: More Confrontation, Stalemate and Deadlock*, The Washington Post, June 26, 1983, at D8, col. 4.

[6] 103 S. Ct. at 2810–11 (White, J., dissenting).

[7] Sundquist, *supra* note 5, at D8.

[8] *Id.*

[9] *See* S.J. Res. 135, 98th Cong., 1st Sess. (1983).

[10] *See* H.J. Res. 313, 98th Cong., 1st Sess. (1983).

[11] 50 U.S.C. §§ 1541–1548 (1976 & Supp. V 1981).

[12] 15 U.S.C. § 2051(b)(1) (1982).

[13] 15 U.S.C. § 45(a)(1) (1982).

[14] 49 U.S.C. § 1 (1976 & Supp. V 1981).

[15] *See* Pub. L. No. 95-205, 91 Stat. 1460 (1977).
[16] Bumpers Amendment to S. 1080, 98th Cong., 1st Sess., 129 CONG. REC. S 17080 (daily ed. April 19, 1983).
[17] *Id.*
[18] *See* S. 1080, 98th Cong., 1st Sess., 129 CONG. REC. S17080 (daily ed. April 19, 1983).
[19] I introduced the Senate's first free-standing sunset bill in 1975, *See* S. 2067, 94th Cong., 1st Sess. (1975). I introduced the bill again in the next Congress, *See* S. 1244, 95th Cong., 1st Sess. (1977), and in 1978 a sunset measure was approved by the full Senate on a vote of 87-1. *See* 124 CONG. REC. 35531, (1978) (approving S. 2, 95th Cong., 1st Sess. (1977)). Unfortunately, a similar bill never got through the House.
[20] *Effects of the Supreme Court's Decision in* Immigration and Naturalization Service v. Chadha *on Legislative Veto: Hearings Before The Subcomm. on Administrative Practice and Procedure of the Senate Comm. on the Judiciary*, 98th Cong., 1st Sess. 161 (July 20, 1983) (statement of the American Bar Assoc.) [hereinafter cited as *Hearings on Effects of* Chadha].
[21] *See* 48 Fed. Reg. 36,096 (1983) (to be codified at 16 C.F.R. § 455).
[22] *See* 128 CONG. REC. S5401 (daily ed. May 18, 1982).
[23] Packwood, Cong. Q. W. Rep. June 25, 1983 p. 1264.
[24] 22 U.S.C. § 2776(b) (1982).
[25] 50 U.S.C. §§ 1541-1548 (1976 & Supp. V 1981).
[26] *Arms Export Control Act Amendments: Hearings on S. 1050 Before the Senate Comm. on Foreign Relations*, 98th Cong., 1st Sess. 22 (1983) [hereinafter cited as *Hearings on Arms Export Control Amendments*].
[27] Pub. L. No. 87-329, 75 Stat. 719 (1968) (codified as amended in scattered sections of 22 U.S.C. §§ 2151-2443 (1982)).
[28] Pub. L. No. 90-629, 82 Stat. 1320 (1970) (codified as amended in scattered sections of 22 U.S.C.)
[29] S. Rep. No. 605, 94th Cong., 2d Sess. 5 (1976).
[30] International Security Assistance & Arms Export Act of 1976, Pub. L. No. 94-329, § 211(a), 90 Stat. 729, 746 (codified as amended at 22 U.S.C. § 2776(b)(1) (1976)).
[31] *Hearings on Effects of* Chadha, *supra* note 20, at 60.
[32] *Hearings on Arms Export Control Amendments, supra* note 26, at 48 (statement of J. Celeda, Senior Specialist in American Public Law, American Law Div.).
[33] *See* S. 1050, 98th Cong., 1st Sess., 129 CONG. REC. S4608 (daily ed. April 14, 1983).
[34] *See id.* § 5, 129 CONG. REC. at S4608.
[35] *See* 50 U.S.C. §§ 1541-1548 (1976 & Supp. V 1981).
[36] *Id.* § 1542.
[37] *See id.*
[38] *See id.* § 1544.
[39] *See id.* § 1545.
[40] *See* 103 S. Ct. at 2774.
[41] 50 U.S.C. § 1541(a) (1976 & Supp. V 1981).
[42] *See* H.R. 2915, 98th Cong., 1st Sess. § 1013 (1983); *see also* H.R. CONF. REP. 563, 98th Cong., 1st Sess. (1983). H.R. 2915, as amended, was enacted as Pub. L. No. 98-164, 97 Stat. 1017, 1062 (1983).
[43] U.S. CONST. art. II, § 2.
[44] U.S. CONST. art. I, § 8, cl. 11.

Mr. FORD. I thank the Chair.

What we are doing here, even though we are putting on a legislative veto—and it is obvious I am opposed to it—is that we are hiding the legislative veto. We are putting it in this bill, and that bill. We are slipping it in. Why do you not come with the freestanding item, why do you not get it out in the open, let us do it for all agencies? Well, you are a little bit concerned that you might get in the appropriation's process. You are a little bit concerned that you might step on somebody's toes over in another place. So you are going to be very careful. Why not a freestanding piece of legislation? Let me make a point.

My distinguished friend from Michigan just said that if both Houses voted against the rule by resolution and sent that resolution to the President, and the President vetoed that resolution, that automatically triggered an amendment to the appropriations for that particular agency. The agency could then not use any money for that particular rule.

We are beginning to get cute again. Let us turn that around. Let us say we overwhelmingly approved a bill. Take the farm bill earlier this year which both Senators who are proposing this amendment proposed. We passed that, and we sent it to the President of the United States—an affirmative vote by Congress. The President vetoed that legislation.

If we had legislative veto on that bill, we could give the money regardless of what the President did because both Houses had acted affirmatively. We would give the money anyhow. So now we are saying that if we voted against the rule, and the President of the United States vetoed it, we could not override his veto, and we are going to cut the money out. We are tinkering again to get cute again.

I will bet you that neither Senator proposing this amendment looked at 10 percent of the rules that we passed in 1984. How many rules has the distinguished Senator from Iowa looked at that were promulgated in 1984? Would the Senator answer that question? The Senator will not do it because I bet the Senator cannot name one rule and the title of that rule. Yet, is the Senator here saying we want to have the legislative authority, to veto them. I doubt seriously that the Senator knows how many major rules were passed by our agencies last year. Yet, we are going to suppress and curtail these agencies, yet have not looked at any of the rules, and are abdicating the responsibility we took when we took our oath right there in the corner of this Chamber.

So, Mr. President, I suspect that there will be a few votes for this one. I hope we can beat this one. We are going too far. We worked hard this morning to change the other one. I was against that. But it was a better amendment than originally produced. I think the sponsor of that amendment agreed to that. We do not want to do anything to jeopardize the rules of the Senate without an up-or-down vote on the change in the rules. I think the distinguished Senator from Wisconsin did the right thing. I want to tell you the Democratic leader of this Senate scrutinized the legislation for the benefit of the Senate. If you want to come down here, let us debate it. I am ready. If the President of the United States vetos it and we cannot override the veto, what happens? In effect, we say that triggers stopping the money. Something tells me as we say down in my part of the country, "That ain't right. That ain't right." We are beginning to get cute again.

We worked out a legislative veto. We passed it substantially. I think it is our responsibility now to turn this one down and let the other one work its will. We have a sunset on that—5 years; 5 long years.

I will bet you cannot tell me the five rules that are put out by the Federal Trade Commission last year, yet you want to have legislative veto on it.

The point I am trying to make is we have the responsibility, as Senators to have oversight, but we do not. If we had oversight, we would not need legislative veto. You would be scared to death to change it by law. You would change the policy. That is what you would do instead of going back home and beating the chest and saying, "Oh, we suppressed them. We created the agency and we abdicated our authority after we created that agency."

I understand the frustration of the distinguished Senator from Michigan. He was trying to take care of a community and get some Federal help. As Governor, I was trying to take care of a State and get some Federal help. I understand the frustration when the Congress passes a piece of legislation, and then the rules and regulations drawn by the agency change the congressional intent. I understand how that happens.

But if you can pass it the first time, you can change it by passing it the second time. But once a bill is passed, once an agency is created, unless somebody fusses about it, we never look at it again.

That is wrong.

So if you want to abdicate more of your authority, just abdicate your authority, give it up, say "I am up here drawing my salary and I do not want to spend any time in oversight," then support this amendment. You trigger it. Even when a rule of disapproval is vetoed by the President of the United States and you cannot override the veto, you, in effect, trigger the elimination of the funds. I thought the law was the law.

We had a hard time back in the early 1970's and late 1960's. We finally got to court and won. That is the way it ought to be done, instead of going in the back door. If we are going to have a piece of legislation for legislative veto, let us consider it standing alone.

I hope after we vote on this my colleagues will have an opportunity to read the very fine paper written by our distinguished colleague from Delaware and maybe take a little harder look at the infirmities of the amendment passed earlier.

I yield the floor, Mr. President.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that Senator

SPECTER, of Pennsylvania, be added as a cosponsor.

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

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, this amendment will help us to exercise authority, will help us to implement congressional will. The premise of this amendment is that Congress has already acted and our will has been thwarted. This allows us to carry out the majority will of the Congress.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. FORD. Mr. President, the Senator may think that he is correct. But when the President signs a veto and it is not overridden by a two-thirds vote, the will of Congress is expressed, also. The Senator, I think, is a little careless in saying the will of Congress has been thwarted here by the veto of the President. That may be true. But our process is you have to have two-thirds to override the veto.

Mr. LEVIN. I was careful in saying the majority of the Congress.

Mr. KASTEN. Mr. President, I move to table the Grassley-Levin amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wisconsin. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Mississippi [Mr. COCHRAN], the Senator from Utah [Mr. GARN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Arizona [Mr. DECONCINI], and the Senator from Louisiana [Mr. JOHNSTON] are necessarily absent.

I further announce that the Senator from New Mexico (Mr. BINGAMAN) is absent on official business.

The PRESIDING OFFICER (Mr. GOLDWATER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 34, nays 56, as follows:

[Rollcall Vote No. 164 Leg.]

YEAS—34

Biden	Eagleton	Gorton
Byrd	Evans	Hart
Chafee	Ford	Hatfield
Danforth	Glenn	Hollings
Durenberger	Goldwater	Humphrey
Inouye	Mathias	Rockefeller
Kassebaum	Metzenbaum	Rudman
Kasten	Moynihan	Sarbanes
Kennedy	Packwood	Simon
Lautenberg	Pell	Stennis
Leahy	Proxmire	
Long	Quayle	

NAYS—56

Abdnor	Gore	Murkowski
Andrews	Gramm	Nickles
Baucus	Grassley	Nunn
Bentsen	Harkin	Pryor
Boren	Hatch	Riegle
Boschwitz	Hawkins	Roth
Bumpers	Hecht	Sasser
Burdick	Heflin	Simpson
Chiles	Helms	Specter
Cohen	Kerry	Stafford
Cranston	Laxalt	Stevens
D'Amato	Levin	Symms
Denton	Lugar	Thurmond
Dixon	Matsunaga	Trible
Dodd	Mattingly	Wallop
Dole	McClure	Warner
Domenici	McConnell	Wilson
East	Melcher	Zorinsky
Exon	Mitchell	

NOT VOTING—10

Armstrong	DeConcini	Pressler
Bingaman	Garn	Weicker
Bradley	Heinz	
Cochran	Johnston	

So the motion to lay on the table amendment No. 547 was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 547) was agreed to.

Mr. GRASSLEY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEVIN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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 third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read a third time.

Mr. KASTEN. 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 bill having been read the third time, the question is, Shall it 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. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Mississippi [Mr. COCHRAN], the Senator from Utah [Mr. GARN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Connecticut [Mr. WEICKER], are necessarily absent.

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from Arizona [Mr. DECONCINI], and the Senator from Louisiana [Mr. JOHNSTON], are necessarily absent.

I further announce that the Senator from New Mexico (Mr. BINGAMAN) is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 84, nays 5, as follows:

[Roll Call Vote No. 165 Leg.]

YEAS—84

Abdnor	Gore	Metzenbaum
Andrews	Gorton	Mitchell
Baucus	Grassley	Moynihan
Bentsen	Harkin	Murkowski
Biden	Hart	Nickles
Boren	Hatch	Nunn
Boschwitz	Hatfield	Packwood
Bumpers	Hawkins	Pell
Burdick	Hecht	Pryor
Byrd	Heflin	Quayle
Chiles	Hollings	Riegle
Cohen	Humphrey	Rockefeller
Cranston	Inouye	Roth
D'Amato	Kassebaum	Rudman
Danforth	Kasten	Sarbanes
Denton	Kennedy	Sasser
Dixon	Kerry	Simon
Dodd	Lautenberg	Simpson
Dole	Laxalt	Specter
Domenici	Leahy	Stafford
Durenberger	Levin	Stennis
Eagleton	Long	Stevens
East	Lugar	Thurmond
Evans	Mathias	Trible
Exon	Matsunaga	Wallop
Ford	Mattingly	Warner
Glenn	McConnell	Wilson
Goldwater	Melcher	Zorinsky

NAYS—5

Gramm	McClure	Symms
Helms	Proxmire	

NOT VOTING—11

Armstrong	Cochran	Johnston
Bingaman	DeConcini	Pressler
Bradley	Garn	Weicker
Chafee	Heinz	

So the bill (S. 1078), as amended, was passed, as follows:

S. 1078

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 Trade Commission Act Amendments of 1985".

UNFAIR METHODS OF COMPETITION

SEC. 2. Section 5 of the Federal Trade Commission Act (15 U.S.C. 45) is amended by adding at the end thereof the following:

"(n) The Commission shall not have any authority to find a method of competition to be an unfair method of competition under subsection (a)(1) if, in any action under the Sherman Act, such methods of competition would be held to constitute State action.".

AGRICULTURAL COOPERATIVES

SEC. 3. The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by redesignating section 24 and section 25 as section 26 and section 27, respectively, and by inserting after section 23 the following new section:

"SEC. 24. (a) For purposes of this section, the term 'Capper-Volstead Act' means the Act entitled 'An Act to authorize association of producers of agricultural products', approved February 18, 1922 (7 U.S.C. 291 et seq.).

"(b) The Commission shall not have any authority to conduct any study, investigation, or prosecution of any agricultural cooperative for any conduct which, because of the provisions of the Capper-Volstead Act, is not a violation of any of the antitrust Acts or this Act.

"(c)(1) Before issuing a complaint under section 5 against any agricultural cooperative on the basis that such cooperative has violated any of the antitrust Acts or has used an unfair method of competition in or affecting commerce, the Commission shall—

"(A) provide the Secretary of Agriculture with a copy of the proposed complaint not less than fifteen days before the complaint is issued; and

"(B) consult with the Secretary of Agriculture regarding the possible applicability of the Capper-Volstead Act to the conduct of the cooperative.

"(2) The Commission shall not issue any such complaint unless—

"(A) it has considered any comments regarding such complaint which have been submitted by the Secretary of Agriculture under this subsection; and

"(B) it has reason to believe that the Capper-Volstead Act does not provide an exemption for the conduct which is the basis of such complaint.

"(3) If the Commission makes a modification to any such complaint after it has provided the Secretary of Agriculture with a copy of the complaint pursuant to (1)(A) of this subsection, the Commission shall not, with respect to such modification, be required to comply with the provisions of paragraphs (1) and (2) of this subsection unless such modification substantially expands the original basis for the issuance of the complaint.

"(4) The Secretary of Agriculture shall designate those officials and employees of the Department of Agriculture who may have access to documents or information received from the Commission under this subsection. Officials and employees of the Department of Agriculture shall be subject to the same requirements and penalties regarding confidentiality of such documents and information and disclosure of the existence of an investigation or consideration of a complaint as apply to officials and employees of the Commission.

"(5) Unless specifically authorized in writing by the Commission (or by any official or employee of the Commission designated by the Commission), no official or employee of the Department of Agriculture may request information relating to such complaint from any proposed respondent or any third party before the issuance of such complaint.

"(6) After any such complaint is issued, the Secretary of Agriculture may file with the Commission a written statement regarding the applicability of the Capper-Volstead Act to the action or method which is the basis of such complaint. The Commission shall include such statement in the record of the proceeding regarding such complaint.

"(7) No decision of the Commission to consult with the Secretary of Agriculture in accordance with the provisions of this subsection shall be construed to imply that the Commission has made a determination that it has reason to believe that any agricultural cooperative has violated or is violating any of the antitrust Acts or has used an unfair method of competition in or affecting commerce.

"(8) The provisions of this subsection shall not create any new basis for direct or collateral challenge to any complaint issued by the Commission.

"(d) The Commission shall not have any authority to conduct any study or investigation of any agricultural marketing orders.".

COMPENSATION IN PROCEEDINGS

SEC. 4. (a) Section 18(h) of the Federal Trade Commission Act (15 U.S.C. 57a(h)) is repealed, and subsections (i), (j), and (k) of section 18 are redesignated as subsections (h), (i), and (j), respectively.

(b) Section 18(a)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)) is amended by striking "subsection (i)" and inserting in lieu thereof "subsection (h)".

KNOWING VIOLATIONS OF ORDERS

SEC. 5. (a) Section 5(m)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 45(m)(1)(B)) is amended by inserting ", other than a consent order," immediately after "order" the first time it appears therein.

(b) Section 5(m)(2) of the Federal Trade Commission Act (15 U.S.C. 45(m)(2)) is amended by adding at the end thereof the following: "Upon request of any party to such an action against such defendant, the court shall also review the determination of law made by the Commission in the proceeding under subsection (b) that the act or practice which was the subject of such proceeding constituted an unfair or deceptive act or practice in violation of subsection (a).".

PREVALENCE OF UNLAWFUL ACTS OR PRACTICES

SEC. 6. Section 18(b) of the Federal Trade Commission Act (15 U.S.C. 57a(b)) is amended by adding at the end thereof the following:

"(3) The Commission shall issue a notice of proposed rulemaking pursuant to paragraph (1)(A) only where it has reason to believe that the unfair or deceptive acts or practices which are the subject of the proposed rulemaking are prevalent. The Commission shall make a determination that unfair or deceptive acts or practices are prevalent under this paragraph only if it has issued cease and desist orders regarding such acts or practices, or any other information available to the Commission indicates a pattern of unfair or deceptive acts or practices.".

EFFECTIVE DATE OF ORDERS

SEC. 7. (a) Section 5(g)(2) of the Federal Trade Commission Act (15 U.S.C. 45(g)(2)) is amended to read as follows:

"(2) Upon the sixtieth day after such order is served, if a petition for review has been duly filed, except that any such order may be stayed, in whole or in part and subject to such conditions as may be appropriate, by—

"(A) the Commission;

"(B) an appropriate court of appeals of the United States, if (i) a petition for review of such order is pending in such court, and (ii) an application for such a stay was previously submitted to the Commission and the Commission, within the thirty-day period beginning on the date the application was received by the Commission, either denied the application or did not grant or deny the application; or

"(C) the Supreme Court, if an applicable petition for certiorari is pending; or".

(b) Section 5(g)((3) of the Federal Trade Commission Act (15 U.S.C. 45(g)(3)) is amended to read as follows:

"(3) For purposes of section 19(a)(2) and section 5(m)(1)(B), if a petition for review of the order of the Commission has been filed—

"(A) upon the expiration of the time allowed for filing a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals and no petition for certiorari has been duly filed;

"(B) upon the denial of a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals; or

"(C) upon the expiration of thirty days from the date of issuance of a mandate of the Supreme Court directing that the order of the Commission be affirmed or the petition for review be dismissed; or".

(c) Section 5(g)(4) of the Federal Trade Commission Act (15 U.S.C. 45(g)(4)) is amended to read as follows:

"(4) In the case of an order requiring a person, partnership, or corporation to divest itself of stock, other share capital, or assets, if a petition for review of such order of the Commission has been filed—

"(A) upon the expiration of the time allowed for filing a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals and no petition for certiorari has been duly filed;

"(B) upon the denial of a petition for certiorari, if the order of the Commission has been affirmed or the petition for review has been dismissed by the court of appeals; or

"(C) upon the expiration of thirty days from the date of issuance of a mandate of the Supreme Court directing the order of the Commission be affirmed or the petition for review be dismissed.".

CIVIL INVESTIGATIVE DEMANDS

SEC. 8. (a) Section 20(a) of the Federal Trade Commission Act (15 U.S.C. 57b-1(a)) is amended—

(1) in paragraph (2), by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "act or practice or method of competition declared unlawful by a law administered by the Commission";

(2) in paragraph (3), by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "acts or practices or methods of competition declared unlawful by a law administered by the Commission"; and

(3) in paragraph (7), by striking "unfair or deceptive act or practice in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "act or practice or method of competition declared unlawful by a law administered by the Commission".

(b) Section 20(b) of the Federal Trade Commission Act (15 U.S.C. 57b-1(b)) is amended by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "any act or practice or method of competition declared unlawful by a law administered by the Commission".

(c) Section 20(c)(1) of the Federal Trade Commission Act (15 U.S.C. 57b-1(c)) is amended by striking "unfair or deceptive acts or practices in or affecting commerce (within the meaning of section 5(a)(1))" and inserting in lieu thereof "any act or practice or method of competition declared unlawful by a law administered by the Commission".

DEFINITION OF UNFAIR ACTS OR PRACTICES

SEC. 9. Section 5 of the Federal Trade Commission Act (15 U.S.C. 45), as amended by section 2 of this Act, is further amended by adding at the end thereof the following:

"(o) The Commission shall have no authority under this section or section 18 to declare unlawful an act or practice on the grounds that such act or practice is unfair unless the act or practice causes or is likely to cause substantial injury to consumers which is not reasonably avoidable by consumers themselves and not outweighted by countervailing benefits to consumers or to competition.".

TRADEMARKS

SEC. 10. The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by inserting after section 24, as added by section 3 of this Act, the following new section:

"SEC. 25. The Commission shall not have any authority to take any action under section 14 of the Act entitled 'An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes' (15 U.S.C. 1064), commonly referred to as the Lanham Act, with respect to the cancellation of the registration of any mark on the ground that such mark has become the common descriptive name of an article or substance.".

CREDIT UNIONS

SEC. 11. (a) Sections 5(a)(2), 6(a) and 6(b) of the Federal Trade Commission Act (15 U.S.C. 45(a)(2), 46(a) and 46(b)) are amended by inserting immediately after "section 18(f)(3)," the following: "Federal credit unions decribed in section 18(f)(4),".

(b) The second proviso in section 6 of the Federal Trade Commission Act (15 U.S.C. 46) is amended—

(1) by inserting immediately after "section 18(f)(3)," the following: "Federal credit unions described in section 18(f)(4),"; and

(2) by inserting immediately after "in business as a savings and loan institution," the following: ", in business as a Federal credit union,".

(c)(1) The second sentence of section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended by inserting immediately after "paragraph (3))" the following: "and the National Credit Union Administration Board (with respect to Federal credit unions described in paragraph (4))".

(2) The last sentence of section 18(f)(1) of the Federal Trade Commission Act (15 U.S.C. 57a(f)(1)) is amended—

(A) by striking "either such" and inserting in lieu thereof "any such";

(B) by inserting "or Federal credit unions described in paragraph (4)," immediately after "paragraph (3)," each place it appears therein; and

(C) by inserting immediately after "with respect to banks" the following: ", savings and loan institutions or Federal credit unions".

(3) Section 18(f) of the Federal Trade Commission Act (15 U.S.C. 57a(f)) is amended by redesignating paragraphs (4), (5), and (6) as paragraphs (5), (6), and (7), respectively, and by inserting immediately after paragraph (3) the following:

"(4) Compliance with regulations prescribed under this subsection shall be enforced with respect to Federal credit unions under sections 120 and 206 of the Federal Credit Union Act (12 U.S.C. 1766 and 1786).".

COMMERCIAL ADVERTISING

SEC. 12. Section 18(h) of the Federal Trade Commission Act (15 U.S.C. 57a(h)), as so redesignated in section 4(a) of this Act, is amended by adding at the end thereof the following: "The Commission shall have no authority under this section to initiate any new rulemaking proceeding which is intended to or may result in the promulgation of any rule by the Commission which prohibits or otherwise regulates any commercial advertising on the basis of a determination by the Commission that such commercial advertising constitutes an unfair act or practice in or affecting commerce.".

REPORT

SEC. 13. (a) The Federal Trade Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Energy and Commerce of the House of Representatives the information specified in subsection (b) of this section every 6 months during each of the fiscal years 1986, 1987, and 1988. A report containing such information shall be submitted when the Commission submits its annual report to the Congress during each of such fiscal years, and such report may be included in the annual report. A separate report containing such information shall be submitted six months after the date of submission of any such annual report. Each such report shall contain such information for the period since the last submission under this section.

(b) Each such report shall list and describe, with respect to instances in which resale price maintenance has been suspected or alleged—

(1) each complaint made, orally or in writing, to the offices of the Commission;

(2) each preliminary investigation opened or closed at the Commission;

(3) each formal investigation opened or closed at the Commission;

(4) each recommendation for the issuance of a complaint forwarded by the staff to the Commission;

(5) each complaint issued by the Commission pursuant to section 5 of the Federal Trade Commission Act (15 U.S.C. 45);

(6) each opinion and order entered by the Commission;

(7) each consent agreement accepted provisionally or finally by the Commission;

(8) each request for modification of an outstanding Commission order filed with the Commission;

(9) each recommendation by staff pertaining to a request for modification of an outstanding Commission order; and

(10) each disposition by the Commission of a request for modification of an outstanding Commission order.

Such report shall include the sum total of matters in each category specified in paragraphs (1) through (10) of this subsection, and copies of all such consent agreements and complaints executed by the Commission. Where a matter has been closed or terminated, the report shall include a statement of the reasons for that disposition. The description required under this subsection shall be as complete as possible but shall not reveal the identity of persons or companies complained about or those subject to investigation that have not otherwise been made public.

AUTHORIZATION OF APPROPRIATIONS

SEC. 14. Section 26 of the Federal Trade Commission Act, as so redesignated by section 3 of this Act, is amended—

(1) by striking "and" after "1981,"; and

(2) by inserting immediately before the period at the end thereof the following: "; not to exceed $65,800,000 for the fiscal year ending September 30, 1986; not to exceed $66,800,000 for the fiscal year ending September 30, 1987; and not to exceed $67,800,000 for the fiscal year ending September 30, 1988, and such additional sums for the fiscal years ending September 30, 1987 and September 30, 1988, as may be necessary for increases in salary, pay, and other employee benefits as authorized by law".

BUILDING CONSOLIDATION

SEC. 15. Section 26 of the Federal Trade Commission Act, as so redesignated by section 3 of this Act and as amended by section 14 of this Act, is further amended by adding at the end thereof the following: "In addition, there is authorized to be appropriated during the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988, a total amount not to exceed $3,811,000, to carry out the consolidation into not more than three buildings of the Headquarters Offices of the Commission in Washington, District of Columbia.".

CONGRESSIONAL REVIEW ON RULES

SEC. 16. (a) The Federal Trade Commission Act (15 U.S.C. 41 et seq.) is amended by inserting after section 25, as added by section 10 of this Act, the following new section:

"(1) 'appropriate committee' means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

"(2) 'joint resolution' means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: 'That the Senate and the House of Representatives disapprove the rule entitled , transmitted to the Congress by the Federal Trade Commission on , 19 .', the blank spaces being filled with the appropriate title of the rule and the date of transmittal of the rule to the Congress, respectively; and

"(3) 'rule' means any rule promulgated by the Commission pursuant to this Act, other than any rule promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural rule.

"(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended rule, the Commission shall transmit a copy of such rule to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended rule under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

"(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended rule, the Secretary and the Clerk shall transmit a copy of such rule to the appropriate committees.

"(c)(1) Notwithstanding any other provision of law, no recommended rule may become effective until the expiration of a period of ninety days after the date on which such rule is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such rule may not become effective under this paragraph if within such ninety-day period a joint resolution with respect to such rule has become law.

"(2) For purposes of this subsection—

"(A) the term 'days' means only days of continuous session of Congress;

"(B) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

"(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

"(d) Notwithstanding any other provision of law, any rule subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a rule unless such rule has become effective in accordance with this section.

"(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

"(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the rule involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

"(g)(1) If a recommended rule of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended rule at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such rule may only become effective in accordance with this section. The Commission shall not be required to forward such rule to the Federal Register for publication, if such rule is identical to the rule transmitted during the previous session of Congress.

"(2) If a recommended rule of the Commission is disapproved under this section, the Commission may issue a recommended rule which relates to the same acts or practices as the disapproved rule. Such recommended rule—

"(A) shall be based upon—

"(i) the rulemaking record of the recommended rule disapproved by the Congress; or

"(ii) such rulemaking record and the record established in supplemental rulemaking proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing rulemaking record; and

"(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the rule.

"(3) After issuing a recommended rule under this subsection, the Commission shall transmit such rule to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such rule shall only become effective in accordance with this section.

"(h) The provisions of this subsection, subsection (a) (1) and (2), subsection (e), and subsections (i) through (1) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(i) Except as provided in subsection (1) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(j)(1)(A) Except as provided in subparagraph (B) of this paragraph if the committee to which a joint resolution has been referred does not report such resolution within thirty days of continuous session of Congress after the date of transmittal to the Congress of the recommended rule to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within thirty days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the Majority Leader supported by the Minority Leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same rule); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

"(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

"(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

"(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same rule from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same rule from the other House, the vote in the first House shall occur on the joint resolution of the other House.".

(b) Section 36 of the Consumer Product Safety Act (15 U.S.C. 2083) is amended to read as follows:

"CONGRESSIONAL REVIEW OF RULES

"SEC. 36. (a) For purposes of this section, the term—

"(1) 'appropriate committee' means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

"(2) 'joint resolution' means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: 'That the Senate and the House of Representatives disapprove the rule entitled , transmitted to the Congress by the Federal Trade Commission on , 19 .', the blank spaces being filled with the appropriate title of the rule and the date of transmittal of the rule to the Congress, respectively; and

"(3) 'rule' means any rule promulgated by the Commission pursuant to this Act, other than any rule promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural rule.

"(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended rule, the Commission shall transmit a copy of such rule to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended rule under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

"(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended rule, the Secretary and the Clerk shall transmit a copy of such rule to the appropriate committees.

"(c)(1) Notwithstanding any other provision of law, no recommended rule may become effective until the expiration of a period of ninety days after the date on which such rule is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such rule may not become effective under this paragraph if within such ninety-day period a joint res-

olution with respect to such rule has become law.

"(2) For purposes of this subsection—

"(A) the term 'days' means only days of continuous session of Congress;

"(B) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

"(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

"(d) Notwithstanding any other provision of law, any rule subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a rule unless such rule has become effective in accordance with this section.

"(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

"(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the rule involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subjected to judicial review of any kind.

"(g)(1) If a recommended rule of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended rule at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such rule may only become effective in accordance with this section. The Commission shall not be required to forward such rule to the Federal Register for publication, if such rule is identical to the rule transmitted during the previous session of Congress.

"(2) If a recommended rule of the Commission is disapproved under this section, the Commission may issue a recommended rule which relates to the same acts or practices as the disapproved rule. Such recommended rule—

"(A) shall be based upon—

"(i) the rulemaking record of the recommended rule disapproved by the Congress; or

"(ii) such rulemaking record and the record established in supplemental rulemaking proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing rulemaking record; and

"(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the rule.

"(3) After issuing a recommended rule under this subsection, the Commission shall transmit such rule to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such rule shall only become effective in accordance with this section.

"(h) The provisions of this subsection, subsection (a) (1) and (2), subsection (e), and subsections (i) through (l) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(i) Except as provided in subsection (l) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within thirty days of continuous session of Congress after the date of transmittal to the Congress of the recommended rule to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within thirty days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the Majority Leader supported by the Minority Leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same rule); and debate thereon shall be limited to no tmore than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

"(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) when a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rules of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

"(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same rule from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same rule from the other House, the vote in the first House shall occur on the joint resolution of the other House.".

(c) Section 17 of the Flammable Fabrics Act (15 U.S.C. 1204) is amended to read as follows:

"CONGRESSIONAL REVIEW OF RULES

"SEC. 17. (a) For purposes of this section, the term—

"(1) 'appropriate committee' means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

"(2) 'joint resolution' means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: 'That the Senate and the House of Representatives disapprove the regulation entitled , transmitted to the Congress by the Federal Trade Commission on , 19 .', the blank spaces being filled with the appropriate title of the regulation and the date of transmittal of the regulation to the Congress, respectively; and

"(3) 'regulation' means any regulation promulgated by the Commission pursuant to this Act, other than any regulation promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural regulation.

"(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended regulation, the Commission shall transmit a copy of such regulation to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are authorized to receive a recommended regulation under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended regulation, the Secretary and the Clerk shall transmit a copy of such regulation to the appropriate committees.

"(c)(1) Notwithstanding any other provision of law, no recommended regulation may become effective until the expiration of a period of ninety days after the date on which such regulation is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such regulation may not become effective under this paragraph if within such ninety-day period a joint resolution with respect to such regulation has become law.

"(2) For purposes of this subsection—

"(A) the term 'days' means only days of continuous session of Congress;

"(B) continuity of session is broken only an adjournment sine die at the end of a Congress; and

"(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

"(d) Notwithstanding any other provision of law, any regulation subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a regulation unless such regulation has become effective in accordance with this section.

"(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

"(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the regulation involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

"(g)(1) If a recommended regulation of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended regulation at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such regulation may only become effective in accordance with this section. The Commission shall not be required to forward such regulation to the Federal Register for publication, if such regulation is identical to the regulation transmitted during the previous session of Congress.

"(2) If a recommended regulation of the Commission is disapproved under this section, the Commission may issue a recommended regulation which relates to the same acts or practices as the disapproved regulation. Such recommended regulations—

"(A) shall be based upon—

"(i) the regulation-making record of the recommended regulation disapproved by the Congress; or

"(ii) such regulation-making record and the record established in supplemental regulation-making proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing regulation-making record; and

"(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the regulation.

"(3) After issuing a recommended regulation under this subsection, the Commission shall transmit such regulation to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such regulation shall only become effective in accordance with this section.

"(h) The provisions of this subsection, subsection (a) (1) and (2), subsection (e), and subsections (i) through (l) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(i) Except as provided in subsection (1) of this section, joint resolutions shall, upon introduction or receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within thirty days of continuous session of Congress after the date of transmittal to the Congress of the recommended regulation to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within thirty days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the Majority Leader supported by the Minority Leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same regulation); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

"(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or has been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

"(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

"(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same regulation from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of one House, that House receives a joint resolution with respect to the same regulation from the other House, the vote in the first House shall occur on the joint resolution of the other House.".

(d) Section 21 of the Federal Hazardous Substances Act (15 U.S.C. 1276) is amended to read as follows:

"CONGRESSIONAL REVIEW OF RULES

"SEC. 21. (a) For purposes of this section, the term—

"(1) 'appropriate committee' means either the Committee on Commerce, Science, and Transportation of the Senate or the Committee on Energy and Commerce of the House of Representatives, as the case may be;

"(2) 'joint resolution' means a joint resolution which does not contain a preamble and the matter after the resolving clause of which is as follows: 'That the Senate and the House of Representatives disapprove the regulation entitled , transmitted to the Congress by the Federal Trade Commission on , 19 .', the blank spaces being filled with the appropriate title of the regulation and the date of transmittal of the regulation to the Congress, respectively; and

"(3) 'regulation' means any regulation promulgated by the Commission pursuant to this Act, other than any regulation promulgated under section 18(a)(1)(A) of this Act and any interpretive or procedural regulation.

"(b)(1) Except as provided in subsection (g)(1) of this section, on the day the Commission forwards to the Federal Register for publication a recommended regulation, the Commission shall transmit a copy of such regulation to the Secretary of the Senate and the Clerk of the House of Representatives. The Secretary of the Senate and the Clerk of the House of Representatives are

authorized to receive a recommended regulation under this subsection whether the appropriate House is in session, stands in adjournment or is in recess.

"(2) On the day on which the Secretary of the Senate and the Clerk of the House of Representatives receive a recommended regulation, the Secretary and the Clerk shall transmit a copy of such regulation to the appropriate committees.

"(c)(1) Notwithstanding any other provision of law, no recommended regulation may become effective until the expiration of a period of ninety days after the date on which such regulation is received by the Secretary of the Senate and the Clerk of the House of Representatives, except that such regulation may not become effective under this paragraph if within such ninety-day period a joint resolution with respect to such regulation has become law.

"(2) For purposes of this subsection—

"(A) the term 'days' means only days of continuous session of Congress;

"(B) continuity of session is broken only by an adjournment sine die at the end of a Congress; and

"(C) the days on which either House is not in session because of an adjournment or recess to a day certain shall be excluded in the computation of days of continuous session of Congress for the ninety-day period referred to in this subsection if the adjournment is for more than five days.

"(d) Nothwithstanding any other provision of law, any regulation subject to this section shall be considered a recommendation of the Commission to the Congress and shall have no force and effect as a regulation unless such regulation has become effective in accordance with this section.

"(e) Whenever an appropriate committee reports a joint resolution pursuant to this section, the resolution shall be accompanied by a committee report specifying the reasons for the committee's action.

"(f) Congressional inaction on, or rejection of, any joint resolution shall not be deemed an expression of approval of the regulation involved. The compliance of the Commission with the requirements of this section, including any determination by the Commission under this section, shall not be subject to judicial review of any kind.

"(g)(1) If a recommended regulation of the Commission does not become effective because of an adjournment of Congress sine die before the expiration of the period specified in subsection (c)(1) of this section, the Commission may resubmit the recommended regulation at the beginning of the next regular session of Congress. The ninety-day period specified in the first sentence of section (c)(1) shall begin on the date of such resubmission, and such regulation may only become effective in accordance with this section. The Commission shall not be required to forward such regulation to the Federal Register for publication, if such regulation is identical to the regulation transmitted during the previous session of Congress.

"(2) If a recommended regulation of the Commission is disapproved under this section, the Commission may issue a recommended regulation which relates to the same acts or practices as the disapproved regulation. Such recommended regulation—

"(A) shall be based upon—

"(i) the regulation-making record of the recommended regulation disapproved by the Congress; or

"(ii) such regulation-making record and the record established in supplemental regulation-making proceedings conducted by the Commission, in accordance with section 553 of title 5, United States Code, in any case in which the Commission determines that it is necessary to supplement the existing regulation-making record; and

"(B) may reflect such changes as the Commission considers necessary or appropriate, including such changes as may be appropriate in light of congressional debate and consideration of the joint resolution with respect to the regulation.

"(3) After issuing a recommended regulation under this subsection, the Commission shall transmit such regulation to the Secretary of the Senate and the Clerk of the House of Representatives, in accordance with subsection (b)(1) of this section, and such regulation shall only become effective in accordance with this section.

"(h) The provisions of this subsection, subsection (a) (1) and (2), subsection (e), and subsections (i) through (l) of this section are enacted by Congress—

"(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of joint resolutions, and they supersede other rules only to the extend that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

"(i) Except as provided in subsection (1) of this section, joint resolutions shall, upon introduction of receipt from the other House of Congress, be immediately referred by the presiding officer of the Senate or the House of Representatives to the appropriate committee of the Senate or the House of Representatives, as the case may be.

"(j)(1)(A) Except as provided in subparagraph (B) of this paragraph, if the committee to which a joint resolution has been referred does not report such resolution within thirty days of continuous session of Congress after the date of transmittal to the Congress of the recommended regulation to which such joint resolution relates, it shall be in order to move to discharge the committee from further consideration of such resolution.

"(B) If the committee to which a joint resolution transmitted from the other House has been referred does not report such resolution within thirty days after the date of transmittal of such resolution from the other House, it shall be in order to move to discharge such committee from further consideration of such resolution.

"(2) Any motion to discharge under paragraph (1) of this subsection must be supported in the House in writing by one-fifth of the Members, duly chosen and sworn, and in the Senate by motion of the Majority Leader supported by the Minority Leader, and is highly privileged in the House and privileged in the Senate (except that it may not be made after a joint resolution has been reported with respect to the same regulation); and debate thereon shall be limited to not more than one hour, the time to be divided in the House of Representatives equally between those favoring and those opposing the motion to discharge and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees.

"(k)(1) Except as provided in paragraphs (2) and (3) of this subsection, consideration of a joint resolution shall be in accord with the rules of the Senate and of the House of Representatives, respectively.

"(2) When a committee has reported or had been discharged from further consideration of a joint resolution, or when the companion joint resolution from the other House has been placed on the calendar of the first House, it shall be in order, notwithstanding any rule of the Standing Rules of the Senate (except rule XXII) or any rule of the House of Representatives, at any time thereafter (even though a previous motion to the same effect has been disagreed to) to move to proceed to the immediate consideration of either such joint resolution. The motion is highly privileged in the House and privileged in the Senate and is not debatable.

"(3) Debate on a joint resolution shall be limited to not more than ten hours (except that when one House has debated the joint resolution of that House, the companion joint resolution of the other House shall not be debatable), which shall be divided in the House of Representatives equally between those favoring and those opposing the resolution and which shall be divided in the Senate equally between, and controlled by, the majority leader and the minority leader, or their designees. An amendment to, or motion to recommit, the joint resolution is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

"(l) If a joint resolution has been reported or discharged from the committee of the House to which it was referred, and that House receives a joint resolution with respect to the same regulation from the other House, the resolution of disapproval of the other House shall be placed on the appropriate calendar of the first House. If, prior to the disposition of a joint resolution of the one House, that House receives a joint resolution with respect to the same regulation from the other House, the vote in the first House shall occur on the joint resolution of the other House.".

(e) The amendments made by this section shall cease to have any force and effect on or after the date which is five years after the date of enactment of this Act.

ENFORCEMENT OF CONGRESSIONAL REVIEW OF RULES

SEC. 17. (a) This section is adopted as an exercise of the power of each House of Congress to determine the rules of its proceedings. The Congress specifically finds that the provisions of this subsection are essential to the Congress in exercising its constitutional responsibility to monitor and to review exercises by the Executive of delegated powers of a legislative character.

(b)(1) After the Senate and the House of Representatives adopt a joint resolution with respect to a rule pursuant to section 16 of this Act, it shall be in order in the Senate or the House of Representatives, notwithstanding any provision of the Standing Rules of the Senate (except Rule XXII) or the Rules of the House of Representatives, to consider an amendment described in subparagraph (2) to a bill or resolution making appropriations for the Federal Trade Commission on the Consumer Product Safety Commission.

(2) An amendment referred to in subparagraph (1) is an amendment which only contains provisions to prohibit the use of funds

appropriated in the bill or resolution described in such subparagraph for the issuing, promulgating, enforcing, or otherwise carrying out the rule with respect to which a joint resolution has been adopted pursuant to this section.

(c) Debate on an amendment described in paragraph (b)(2) shall be limited to not more than four hours, which shall be divided in the House of Representatives equally between those favoring and those opposing the amendment and which shall be divided in the Senate equally between, and controlled, by the majority leader and the minority leader or their designees. An amendment to, or motion to recommit, the amendment is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

REPORT ON PREDATORY PRICING PRACTICES

"SEC. 18. (a) The Federal Trade Commission shall submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Energy and Commerce of the House of Representatives the information specified in subsection (b) of this section every six months during each of the fiscal years 1986 and 1987. A report containing such information shall be submitted when the Commission submits its annual report to the Congress during each of such fiscal years, and such report may be included in the annual report. A separate report containing such information shall be submitted six months after the date of submission of any such annual report. Each such report shall contain such information for the period since the last submission under this section.

(b) Each such report shall list and describe, with respect to instances in which predatory pricing practices have been suspected or alleged—

(1) each complaint made, orally or in writing, to the offices of the Commission;

(2) each preliminary investigation opened or closed at the Commission;

(3) each formal investigation opened or closed at the Commission;

(4) each recommendation for the issuance of a complaint forwarded by the staff to the Commission;

(5) each complaint issued by the Commission;

(6) each opinion and order entered by the Commission;

(7) each consent agreement accepted provisionally or finally by the Commission;

(8) each request for modification of an outstanding Commission order filed with the Commission;

(9) each recommendation by staff pertaining to a request for modification of an outstanding Commission order; and

(10) each disposition by the Commission of a request for modification of an outstanding Commission order.

Such report shall include copies of all such consent agreements and complaints executed by the Commission referred to in such report. Where a matter has been closed or terminated, the report shall include a statement of the reasons for that disposition. The descriptions required under this subsection shall be as complete as possible but shall not reveal the identity of persons or companies complained about or those subject to investigation that have not otherwise been made public. The report shall include any evaluation by the Commission of the potential impacts of predatory pricing upon businesses (including small businesses).

EFFECTIVE DATE

SEC. 19. (a) Except as provided in subsections (b), (c), and (d) of this section, the provisions of this Act shall take effect on the date of enactment of this Act.

(b) The amendments made by sections 2, 7, and 9 of this Act shall apply only with respect to cease and desist orders issued under section 5 of the Federal Trade Commission Act (15 U.S.C. 45), or to rules promulgated under section 18 of the Federal Trade Commission Act (15 U.S.C. 57a), after the date of enactment of this Act. These amendments shall not be construed to affect in any manner a cease and desist order which was issued, or a rule which was promulgated, before the date of enactment of this Act. These amendments shall not be construed to affect in any manner a cease-and-desist order issued after the date of enactment of this Act, if such other was issued pursuant to remand from a court of appeals or the Supreme Court of an order issued by the Commission before the date of enactment of this Act.

(c) The provisions of section 24(c) of the Federal Trade Commission Act, as added by section 3 of this Act, shall apply only to complaints issued by the Federal Trade Commission under section 5 of the Federal Trade Commission Act (15 U.S.C. 45) on or after the date of enactment of this Act.

(d) The amendments made by sections 6 and 12 of this Act shall apply only to rulemaking proceedings initiated after the date of enactment of this Act. These amendments shall not be construed to affect in any manner a rulemaking proceeding which was initiated before the date of enactment of this Act.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DANFORTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KASTEN. Mr. President, I just want to make a couple of very quick points. No. 1, it has been 5 years since we last voted on a FTC authorization bill. That bill expired 3 years ago. I think the fact that we now have been able to reauthorize the Federal Trade Commission is an important accomplishment on behalf of a great many Senators who participated.

I particularly wish to thank the Senator from Kentucky, Mr. FORD, the ranking member of the subcommittee, along with the Senator from Missouri, Mr. DANFORTH, and the Senator from Oregon, Mr. PACKWOOD, all of whom have had very important contributions to this legislation.

I also wish to thank the Senator from New Hampshire, Mr. RUDMAN, for his work on the professions issue and also the Senator from West Virginia, Mr. BYRD, along with the Senator from Iowa, Mr. GRASSLEY, and the Senator from Michigan, Mr. LEVIN, for their work in terms of working out the legislative veto provisions.

I also wish to comment briefly, although he is on his way to the Office of Management and Budget, that a number of the items that are included in this legislation were developed with the help of the Chairman of the Federal Trade Commission, Mr. Jim Miller. I wish to thank him for the fine work that he has done at the Federal Trade Commission and the work that all of his staff have done in working with us as we have developed this legislation.

It has taken a lot of people a lot of good work and I wish to thank all of them and commend them for their good work.

One of the industries that FTC regulation has affected the most, over the years, is advertising. And, as many here today know, in the past the FTC's regulation of advertising has been contentious, to say the least.

But, Mr. President, times have changed and I would, at this point, like to submit a letter for the RECORD from the Nation's three largest advertising associations. The letter says in part:

It is our understanding that the FTC reauthorization bill will be considered today. We believe this is one of the most important pieces of legislation to come before the Congress this year.

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

JULY 25, 1985.

Hon. ROBERT W. KASTEN, JR.,
Senate Committee on Commerce, Science, and Transportation, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR KASTEN: It is our understanding that the FTC Reauthorization Bill will be considered today. We believe this is one of the most important pieces of legislation to come before the Congress this year. The FTC has not been reauthorized since 1982. We strongly support the advertising provisions in the Senate Commerce Committee bill and urge the Congress to quickly expedite passage of this legislation.

All best wishes.

Sincerely,

DANIEL L. JAFFE,
Senior Vice President, American Advertising Federation.
BRADLEY H. ROBERTS,
Executive Vice President, American Association of Advertising Agencies.
SAMUEL THURM,
Senior Vice President, Association of National Advertisers.

Mr. FORD. Mr. President, let me associate myself with the remarks of the distinguished Senator from Wisconsin. I know how hard it is to take an FTC piece of legislation and travel down a rocky road.

Today is a significant day, I think, because, as the Senator said, it has been 5 years since we have had an opportunity to pass an FTC authorization bill. I am very pleased and I compliment the distinguished Senator for his diligence and for his hard work.

Mr. President, we had many Senators that helped and worked hard and labored to find a common ground so we could pass this legislation. I want to make one point, if I may, that in

our haste here sometimes to get a vote and get out, we do not look too deeply into a piece of legislation. I compliment the Democratic leader, the distinguished Senator from West Virginia, because he made us look at that legislation very hard and he was a protector of the Senate rules. I am very proud and pleased that he made us stop a moment and look at this legislation and to modify it so that we would not be jeopardizing our authority and giving away the authority that this Chamber seems to be eroding year after year.

Mr. President, I believe that we are fortunate to have the kind of chairmanship on the Commerce Committee that allows us to work freely and to work in unison. I believe the morale and attitude of the staff and Senators on the Commerce Committee is very high. I compliment the distinguished Senator from Missouri [Mr. DANFORTH] for his leadership as it relates to the full Commerce Committee. I look forward to that same type of cooperation and work in the future. I extend my thanks also to the ranking minority member of the Commerce Committee, Senator HOLLINGS, and to the Commerce Committee staff, Ralph Everett.

Mr. DANFORTH. Mr. President, oftentimes when a bill has been passed on the floor of the Senate, compliments are offered, and sometimes it is almost a matter of course, it seems, that we compliment each other.

But I think that this is very special occasion. We have passed an FTC authorization bill for the first time since 1980. I am told that before the 1980 authorization, it was at least 5 years since we passed the previous authorization bill. Passing an FTC authorization bill is one of the more difficult things that we undertake to do in the Senate and because it is so difficult, it is very seldom accomplished. The reason that it is difficult is that the FTC authorization bill traditionally draws to itself a host of controversial issues. Those controversial issues include not only the legislative veto, which was a matter of contention here on the floor of the Senate, but also the question of regulation of the professions by the FTC, jurisdiction over advertising and other matters. It takes a special kind of perseverance and a special kind of statesman to be able to work through those issues and to bring together diverse groups of people. The consumer groups watch this legislation. The professional associations watch this legislation with great care. It is very difficult to work out the differing positions on an FTC bill.

Senator KASTEN has worked on this for about 4 or 5 years, I think, in various manifestations of an FTC bill and his perseverance paid off. He has shown enormous skill, enormous diligence, and enormous patience in getting this bill through the Senate. And throughout this effort the Senator had the help of Senator FORD, who is the ranking member of the subcommittee, and was the chairman of the Consumer Subcommittee when I was the ranking minority member when the last bill was passed in 1980. I saw Senator FORD at work during that bill day in and day out, working through some of these extremely thorny issues to pass a bill.

So this is a testimony to his efforts as well as those of Senator KASTEN. I might say that Senator FORD has been one of the more active and constructive members of the Commerce Committee during my chairmanship. I have appreciated his cooperation.

Mr. President, we have accomplished something which I think is not unique but certainly rare. We have passed an FTC bill.

Finally, I think a word of appreciation should go to the staff people who have worked on this so hard. David Zorensky, who is the counsel of the subcommittee who is getting married tomorrow I might say; Chuck Harwood, Kevin Curtin, Amy Bondurant of the minority staff, all of whom have been up to their ears on the question of the FTC authorization bill and their efforts finally paid off.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I want to thank the managers of the bill, the distinguished Senator from Wisconsin, Senator KASTEN; the distinguished Senator from Kentucky, Senator FORD; and the chairman of the Committee, Senator DANFORTH; in addition to Senator HOLLINGS, and others.

It has been 5 years since we have had an FTC authorization bill. So I am pleased that it was done, and done in less than 1 day. I hope this encourages us to push on some similiarly stubborn items, and while we may not succeed on all, we can hopefully succeed on others.

Mr. BYRD. Mr. President, I wish to congratulate the floor managers, Senator KASTEN and Senator FORD for their fine work on this legislation. They gave many long hours of work before the FTC authorization bill, S. 1078, was ready to be brought to the floor. They and their staffs are to be complimented on the throughness of their preparation and their command of the subject matter.

The willingness of Senators KASTEN, LEVIN, and GRASSLEY to entertain suggestions as to how to improve their legislative veto amendment helped us resolve that issue.

I want to particularly thank Senator FORD for his concern for the Senate as an institution. He understands the importance which the Senate rules play in keeping the Senate the deliberative body that we all strive to preserve.

I wish to compliment Senators LEVIN and GRASSLEY for their efforts. Their arguments were detailed and persuasive, and they added a great deal to the discussion of the subject of the legislative veto.

THE CALENDAR

Mr. DOLE. Mr. President, I would like to inquire of the distinguished minority leader as to whether he is in a position to pass the following items: Calendar No. 165, Senate Resolution 148.

Mr. BYRD. Yes. Mr. President, that item has been cleared on this side of the aisle.

Mr. DOLE. Calendar No. 240, Senate Concurrent Resolution 172.

Mr. BYRD. Mr. President, that has been cleared on this side of the aisle.

Mr. DOLE. Calendar No. 245, Senate Joint Resolution 168.

Mr. BYRD. Mr. President, that has been cleared on this side of the aisle.

Mr. DOLE. Calendar No. 246, Senate Resolution 189.

Mr. BYRD. Mr. President, that item has been cleared on this side.

Mr. DOLE. Calendar No. 247, House Joint Resolution 164.

Mr. BYRD. Mr. President, that item has been cleared.

Mr. DOLE. Mr. President, I ask unanimous consent that the calendar items just identified be considered en bloc and passed en bloc, and that all amendments and preambles be considered and agreed to en bloc.

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

FIFTIETH ANNIVERSARY OF THE RURAL ELECTRIFICATION ADMINISTRATION

The Senate proceeded to consider the resolution (S. Res. 148) commemorating the 50th anniversary of the Rural Electrification Administration.

Mr. ZORINSKY. Mr. President, I am pleased that we are about to approve this resolution commemorating the 50th anniversary of the rural electrification movement.

The resolution has 50 sponsors, including a majority of the members of the Senate Committee on Agriculture, Nutrition, and Forestry.

The Rural Electrification Administration programs are vitally important. Without the credit assistance provided under the REA programs, many sparsely populated areas would still be without dependable electric and telephone service.

However, the job of REA is not finished. Without viable REA programs, for many rural utilities there would be no investment for the future and utility rates would be increased to prohibi-

tively high levels. In addition, without viable REA programs, high quality affordable electric and telephone service would once again become a luxury not available to our rural citizens.

For those reasons, it is important that the Senate be placed on record as strongly supporting the REA programs. Senate Resolution 148 accomplishes that objective.

I urge the adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S. RES. 148

Whereas, on May 11, 1935, the Rural Electrification Administration was established, thereby providing jobs and Federal financing to assist rural Americans in bringing electricity to their farms and homes;

Whereas, in 1935, only 11 per centum of rural America had available electric power, with efforts to bring electric power into rural areas from established utility systems being generally unsuccessful;

Whereas rural residents, unwilling to continue living under the laborious and burdensome conditions brought about by the lack of electric power, formed rural electric cooperatives that—with assistance provided through loans from the Rural Electrification Administration—constructed power lines to their farms and homes and to business located in rural communities;

Whereas, in the decades following 1935, rural electrification brought about immeasurable benefits to rural Americans in increased productivity, jobs, comfort, health, and safety, and rural electric systems gained in strength and stature and made significant contributions to the economic development of the areas they serve; and

Whereas rural electric systems now constitute a strong, reliable industry, which continues to build on a half-century of accomplishment while adapting to the changing needs of rural America: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Rural Electrification Administration is to be commended for its contributions to the progress made by the Nation during the past fifty years in achieving the electrification of rural America.

SEC. 2. It is further the sense of the Senate that all individuals who helped in achieving the electrification of rural America are to be commended for their dedication, vision, and untiring support of this successful effort.

SEC. 3. The Secretary of the Senate shall transmit copies of this resolution to the Secretary of Agriculture and the Administrator of the Rural Electrification Administration.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

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

The motion to lay on the table was agreed to.

TENTH ANNIVERSARY OF APOLLO-SOYUZ RENDEZVOUS IN SPACE

The concurrent resolution (H. Con. Res. 172) to celebrate the 10th anniversary of the Apollo-Soyuz rendezvous in space, was considered, and agreed to.

The preamble was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the concurrent resolution was passed.

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

The motion to lay on the table was agreed to.

NATIONAL NEIGHBORHOOD CRIME WATCH DAY

The joint resolution (S.J. Res. 168) designating August 13, 1985, as "National Neighborhood Crime Watch Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 168

Whereas neighborhood crime is of continuing concern to the American people;

Whereas the fight against neighborhood crime requires people to work together in cooperation with law enforcement officials;

Whereas neighborhood crime watch organizations are effective at promoting awareness about, and the participation of volunteers in, crime prevention activities at the local level; and

Whereas citizens across America will soon take part in a "National Night Out", a unique crime prevention event which will demonstrate the importance and effectiveness of community participation in crime prevention efforts by having people spend the period from 8 to 9 o'clock postmeridian on August 13, 1985, with their neighbors in front of their homes: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 13, 1985, is designated as "National Neighborhood Crime Watch Day" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

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

The motion to lay on the table was agreed to.

HEALTH CARE EXPO '85 WEEK

The resolution (S. Res. 189) to designate the week of August 18 to 24, 1985, as "Health Care Expo '85 Week," was considered, and agreed to.

The preamble was agreed to.

The resolution, and the preamble, are as follows:

S. RES. 189

Whereas Health Care Expo '85, a unique care concept designed to explore critical issues in the practice and business of medicine; and to promote mutual understanding among professionals, paraprofessionals and the general public, is holding its first exposition in the Washington Convention Center during the week of August 18 to 24; and

Whereas it is recognized that public understanding and appreciation of the opportunities and problems of current health care concepts, both public and private, is essential to a proper functioning of our health care system: Now, therefore, be it

Resolved, That to further these aims and goals the week of August 18 to 24, 1985 is designated "Health Care Expo '85 Week".

Mr. DOLE. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

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

The motion to lay on the table was agreed to.

FREEDOM OF THE PRESS DAY

The joint resolution (H.J. Res. 164) to designate August 4, 1985, as "Freedom of the Press Day," was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

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

The motion to lay on the table was agreed to.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. Mr. President, will the majority leader yield for just a moment? I would like to correct the record.

Mr. DOLE. I yield.

The PRESIDING OFFICER. The Senator from Nebraska.

THE AGRICULTURE BILL

Mr. EXON. Mr. President, I would like to ask a few questions and maybe straighten out the record. This concerns a statement I think I heard from the majority leader with regard to the effort to bring the agriculture bill to the floor is being held up by the other side of the aisle. I assume he means the Democratic side. I am not a member of the Agriculture Committee, though I have been in close contact with members of that committee. I am not sure that is an accurate statement with regard to what is holding up bringing an agricultural bill to the floor.

I suspect if there were any Democrats on the Agriculture Committee on the floor, they would take exception to that. Whether they would or not, I do. I think there are grave problems in agriculture today that are known to

Senator DOLE, to this Senator, and all other Senators who represent agricultural States. There are some things going on in the Agriculture Committee that are going to have a great deal to do with whether or not we are going to have a workable farm bill that can be fit within the budget.

One of the matters that has me puzzled right now that I would like to pursue with the majority leader for a few moments, if I might, is what I brought up on the floor the other day. That is with regard to the budget.

I was quite pleased to see in the paper this morning that under the leadership of the majority leader and the distinguished chairman of the Budget Committee that what I felt was a reasonable proposal was made to try and break the stalemate with regard to the budget. But when I looked at the detailed figures on that this morning, I found out once again that that portion of the agricultural budget, which was far, far short of meeting the needs of agriculture, that was passed by one vote on the floor of the U.S. Senate, still remains deadlocked about halfway between the large cuts made by the U.S. Senate in its budget action, a total of $15 billion below baseline, compared with $10 billion below baseline in the House of Representatives; that that proposal yesterday that the Senate made did raise that up by about $2.5 billion, or basically splitting the difference between the House and Senate budget figures.

That is something that this Senator has been struggling for ever since May when I recognized, and pointed out at the time, that the budget cuts made in agriculture in no way could fund a farm program that most of us know is vitally necessary.

There has been a change of heart. I do not know on which side. There has been a change of heart on all sides regarding the needs of agriculture and the deplorable, desperate depression that is gripping the farmbelt today.

I think it is best said that there are members on the Budget Ccmmittee, both Democrats and Republicans, who recognize that we have not been taking a realistic look at this problem.

Once again, the budget figure that he endorsed yesterday—I guess he endorsed it—in the proposal made by the Budget Committee to the House Budget Committee is way, way short, in my opinion, and I suspect in his opinion, of even the latest increase in the budget figures that the Senator from Kansas has recommended as part of the latest compromise offer on the budget in the conference with the House of Representatives. I would like some clarification of that to maybe take back to the members of the Budget Committee and also to the members of the Agriculture Committee, who I think are somewhat amazed by what seems to be a contradiction of figures that are being used today in trying to work out not only a budget compromise but a reasonable farm package that we can pass on the floor of the Senate.

Mr. DOLE. If the Senator will yield, there are at least three or four different sets of figures floating around. OMB has not updated their figures since January; they are not particularly relevant. The USDA has figures, too. In fact, we had a meeting scheduled today, a bipartisan group, to meet with OMB and the Secretary to discuss the very thing the Senator from Nebraska has very properly raised. But I think we are looking on the revised baseline at somewhere between $35 and $40 billion in CCC cost over the next 3 years, which is about double the amount we spent in the 4 Carter years.

On this base, it would be about the same as we spent per year in the first year of the Reagan administration. So there is a recognition that is not going to come cheaply. It is going to be very expensive.

The thing that we are struggling with now in the committee is how we can protect farm income, which the Senator from Nebraska has been making every effort to do and has been successful, how we can do that and still stay within the budget.

The Senator from Nebraska is on the Budget Committee and he knows these figures are very elusive. We may say $40 billion but it may end up to be $60 billion in the next 3 years. I know we are going to be back looking for additional funds in some cases, in farm credit and other areas.

Mr. EXON. There is no question, then, but that it is going to be far, far above the figure passed by the U.S. Senate in our action on the budget in May.

Mr. DOLE. I think it depends on the baseline, yes. I think the baseline has been reestimated since then.

Mr. EXON. Can we forget the baseline and talk dollars and cents?

We get on to these vague figures about baseline. What I am trying to make clear for the U.S. Senate is the fact that, under all of these proposals that are now being seriously considered by a majority—by a majority of the Agriculture Committee—we are going to be, dollars and cents-wise, billions and billions of dollars more than what the Senate approved in its May budget action. Is that correct?

Mr. DOLE. Let me indicate that until we know precisely what is in the measure reported out by the committee, I am not prepared to answer the question. We are going to debate the agriculture bill. I would like to get it up today, if not today, next week, if we can figure out something that is satisfactory to the chairman of the committee and the junior Senator from Nebraska [Mr. ZORINSKY].

We have a meeting going on right now that will have some impact on that, so, as much as I would like to debate the farm bill today, I hope I might be excused to close up the Senate.

Mr. EXON. One last question and statement, Mr. President. I understood the majority leader to say or at least indicate that delay on bringing the farm bill to the floor was primarily the responsibility of the people on this side of the aisle.

Mr. DOLE. That is correct.

Mr. EXON. Does the leader still hold to that position after our discussion, or is it not broad enough that Republicans can take at least a little bit of the responsbility?

Mr. DOLE. Mr. President, let me indicate that I tried to limit that statement to the past few days. There was a period of time when it was coming from this side, about 3 weeks ago. I indicated that to the distinguished minority leader. So, yes, it has been on both sides.

We are getting down to the crunch now, and it is rather difficult, when you are about to make a judgment at 11:29, as we were today, to have to say, "Well, time has expired and we cannot meet any longer." This is a rather important bill, and not only to farmers; we are working on the food stamp section. I hope that we can work together to get a bill out on the floor.

It is probably unlikely that it is going to pass between now and the time we leave here next week, but I think a lot of good, healthy debate on each side—not partisan debate but farm debate—would be helpful.

I will take all the blame until they report the bill out. If they do not report it out, I am not going to take any.

Mr. EXON. Mr. President, let me say I am not trying to fix blame. I am struggling very hard to try to get out a workable farm bill. I am simply saying that blaming one side or the other on this is not going to be particularly important or, in my opinion, productive. Indeed, I do not know whether it is true or not—I see my friend, the chairman of the Agriculture Committee, on the floor.

It was reported in the newspapers the other day that even when a majority of the committee, Democrats and Republicans alike, voted out a certain particular plan with regard to agricultural prices, the chairman of the Agriculture Committee indicated that if that becomes part of the bill, he might even be in a position of having, for the first time as chairman of the Agricultue Committee, to oppose the bill on the floor of the U.S. Senate. I do not know whether the Senator from North Carolina is correct or incorrect in his

position, but that certainly indicates that there are some divisions in the committee not necessarily along party lines.

I do not think this is a party responsibility; I think it is a chance for the two parties, Democrats and Republicans alike, to understand the situation and come back to the floor of the U.S. Senate with a plan that can begin to work rural America out of the economic difficulties that it is in today, and they are extremely serious.

Mr. HELMS. Mr. President.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I thank the Chair.

Mr. President, I do not want to get into the discussion between the distinguished majority leader and my good friend from Nebraska [Mr. EXON] but the newspaper quoted me essentially correctly. I did say that I hoped I would not be put in the position of being the first chairman of the Senate Agriculture Committee in history to vote against a farm bill, but I will vote against it if the budget-busting tendencies continue. This bill, as it now stands, is so far out of whack that I believe that no responsible Senator can vote for it.

Somewhere along the line, if we are allowed to meet, we are going to adjust, we are going to reduce. We have marched up the hill and if necessary we will march back down. I have full confidence about that.

But, no, I do not apologize to the Senator—he has not asked me to—for saying that this Senator, regardless of his being chairman of the Senate Committee on Agriculture, is not going to vote for an outrageously, exorbitantly expensive piece of legislation, whether it be a farm bill or anything else.

The No. 1 business of this Congress, in my judgment, is to get the budgetary situation under control. I will say this to the Senator: That the best farm bill we could write in this Congress would not involve any commodity or any other program. It would be moving toward a balanced budget. That is the best thing we can do for the American farmer, because then we could get him back into the export business and we could get down the cost of production and that sort of thing.

I was quoted essentially correct. I do not think I am going to be put in a position of voting against the farm bill but, if it becomes necessary, I shall do it.

Mr. President, I thank the Senator, and I suggest the absence of a quorum.

Mr. EXON. Mr. President, the reason I rose on the floor of the Senate was that I heard the majority leader say that the deliberations of the Agriculture Committee were being held up by those on the other side of the aisle. I guess the ensuing dialog has indicated that there are some concerns on both sides of the aisle, and I think it has been adequately described by my friend and colleague from North Carolina. I simply feel we must continue those deliberations in that body, but if a bill comes out of the Senate Agriculture Committee that is in line with the budget that was passed on the floor of the Senate, I think all should know now there are those of us who stand ready to make sure that such a bill does not pass. What I am saying is that an agriculture bill that does not recognize the needs of agriculture is a bill which should not pass.

Now, we can argue about what that level should be, but I would hope we could get a bill out so that we could bring it up for debate over here and amend it, if necessary, to the place where it gives the family-sized farmers of America a chance to survive.

I will not get into discussion at this time, as I am tempted, about the plan which is being sold that we can sell our way out of farm difficulties by lowering prices. Suffice it to say that is something that sounds awful good but is not very realistic, given the present situation with the overvaluation of the dollar and the high subsidies that foreign governments are using for their producers today but I will save that debate for another day.

Mr. HELMS. Mr. President, I suppose we are now in the position of the six blind men from Hindustan who each tried to describe an elephant. The Senator is describing his point of view, I am decribing mine, and simultaneously we are inferentially at least describing our respective concerns for the farmer. Everybody is concerned for the farmer. It is not a Republican monopoly, it is not a Democratic monopoly, it is not a House monopoly, nor a Senate monopoly. Everybody is concerned about the farmer. But the point is, I say to my dear friend from Nebraska, that the farmers' right to survive, which the Senator described as being potentially denied by legislation, has not been created by the lack of legislation. The problem has been too much Government which has pulled us down from selling our farm products in the world market.

Now, I would take the Senator back to the early 1970's, which were the halcyon years for the farmers of America. That is when we had the lowest Government intervention into the farmer's productivity and we had the highest exports. We were really into the world markets. And then we somehow fashioned the notion that it was possible to improve upon the free market system, and that is when it hit the fan, I say to the Senator. The more Government prohibits by excessive cost of Government or whatever, the more Government intervenes, I say to the Senator, the worse off the farmer. If you could give me a legislative scenario where Federal spending is reduced, the interest rates are reduced, I say to the Senator that the American farmer can out-produce any farmer in the world. He can do that.

But he is not going to do it under the inhibiting pressures of a $2 trillion national debt with enormously outrageous, bloated, Federal spending and a refusal by Congress to cut that spending. We are not going to get anywhere, and I say again that the best farm bill we could write would be a fiscally responsible budget, and that is what is being held up and that is playing over into the farm bill. And, yes, there are some political machinations; there always are, no matter who is chairman, no matter which party controls Congress.

I say to the Senator that we had better get this entire Federal house in order before we talk about a farm bill that is going to be meaningful, because it is not going to be meaningful as long as the farmer cannot sell his goods in the marketplace. As long as we have a preponderant voice in Government, executive as well as legislative, saying, "Come on, farmers, produce for the Government," I say to those who have that sort of inferential idea, "You are wrong."

Let us fix it so that these farmers can produce efficiently and effectively and provide them markets where they can be competitive. Then you will see American agriculture take off again.

Mr. EXON. Mr. President, history has shown that the more Senators talk, the more other Senators talk. Therefore, I must not close this debate without giving my views on some of the things that my distinguished friend from North Carolina has said.

I agree with him completely on the need to straighten out the deficit, the need to get the fiscal order of this country back in the box, so to speak. I think he knows of my actions in this regard, including the recent effort to give the President the line-item veto, because I guess I probably have had as much experience with balanced budgets as anyone serving in the U.S. Senate.

However, the folly of all this is, what are we going to do in the meantime for the American farmer who is strapped, not because of actions he has taken but because of the actions of the Federal Government in a whole series of areas?

What I am saying, Mr. President, is that comparing the 1970's, which were some of the golden years so far as agriculture is concerned, how we are going to work our way out of the present situation is not facing reality. The sooner we recognize that, the better off we will be with regard to writing an adequate, sound farm program.

How often have we heard, "Get the Government out of agriculture and everything will be all right"?

I agree with my friend from North Carolina that our family-sized agriculture is the best and the most efficient producer in the world. But I cite, for example, something that cannot be refuted, and that is that until the 1970's, we did not begin to base our health of agriculture on the shipment of the products of agriculture overseas. That was one of the great things that happened to agriculture in the 1970's. It was brought about primarily by a failure of other nations, including the Soviet Union, to produce food to feed their masses. That all has turned around rather dramatically in the last 8 to 10 years.

In 1970, the world was crying for protein; it was crying for grain. Today the opposite is true. The whole world is awash in grain.

If we follow the foolhardy policy that some people say is the answer—that is, to reduce and allow prices to fall to the lowest common denominator—it is going to be disaster for rural America; and when rural America is in disaster, that will roll through the whole economy.

I am amazed at some of the irrational thinking that I hear with regard to agricultural policy today: Get all Government out of agriculture. Well, I wish Government could get out of agriculture. But the first thing we will have to do is to get foreign governments out of agriculture before we can get out of agriculture.

For example: China today is an exporter of corn. How many years ago was it that we were worrying about the Chinese starving to death? That is just one point that we should understand—that there is no easy way out.

If we go along with such policies as advanced by this administration, which recommended earlier this year that we allow the loan price of corn, for example, to go down to $2.12 a bushel—and they conceded and admitted that as part of their plan—we would literally bankrupt up to 50 percent of our food producers today.

People say, "Why would that be bad?" That would be bad because once the large corporations take over, as they certainly would under those circumstances, and they have the wherewithal and the investment to ride over some tough times, you will see dramatically increasing food prices in the future.

Mr. President, on top of everything else that our farmers have been saddled with is the high value of the dollar—the high value of the dollar, more than any other single factor, including interest rates, which is a tremendous distress on agriculture today. But even more important than that, so far as the world market is concerned, is the high value of the dollar coupled, as I said a few moments ago, with the high subsidization by foreign governments, particularly the Common Market and the Japanese, and our propping up the agriculture competition we have in Central America and South America today, with loans backed and financed by American taxpayers.

All these things are causing the family farmers and ranchers of Nebraska to go bust today.

There are those of us who are going to stand on the floor of the Senate and tell that story over and over and over again until our colleagues understand it, until the administration understands it, and until we can write a farm program that is bent on solving today's problems, not those in 1970 or those that are likely to be with us in the 1990's.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

MESSAGES FROM THE HOUSE

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 9:36 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolutions:

H.R. 2378. An act to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes;

S.J. Res. 57. Joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "Lupus Awareness Week"; and

S.J. Res. 86. Joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week".

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore [Mr. THURMOND].

At 11:10 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following joint resolutions, in which it requests the concurrence of the Senate:

H.J. Res. 76. Joint resolution to designate October 26, 1985, as 'Mule Appreciation Day"; and

H.J. Res. 305. Joint resolution to recognize both Peace Corps volunteers and the Peace Corps on the agency's twenty-fifth anniversary, 1985-86.

MEASURES REFERRED

The following joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 76. Joint resolution to designate October 26, 1985, as "Mule Appreciation Day"; to the Committee on the Judiciary.

H.J. Res. 305. Joint resolution to recognize both Peace Corps volunteers and the Peace Corps on the agency's 25th anniversary, 1985-86; to the Committee on the Judiciary.

ENROLLED JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, July 26, 1985, she had presented to the President of the United States the following enrolled joint resolutions:

S.J. Res. 57. Joint resolution to designate the week of October 20, 1985, through October 26, 1985, as "Lupus Awareness Week"; and

S.J. Res. 86. Joint resolution to designate the week of July 25, 1985, through July 31, 1985, as "National Disability in Entertainment Week".

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ANDREWS, from the Select Committee on Indian Affairs, with amendments:

S. 1398. A bill to amend title XI of the Education Amendments of 1978, relating to Indian education programs (Rept. No. 98-116).

By Mr. ANDREWS, from the Select Committee on Indian Affairs, without amendment:

S. Res. 204. An original resolution authorizing supplemental expenditures by the Select Committee on Indian Affairs (Rept. No. 99-114).

By Mr. ANDREWS, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1349. A bill to provide for the use and distribution of funds awarded in Docket 363 to the Mdewakanton and Mahpekute Eastern or Mississippi Sioux before the United States Court of Claims and Claims Court (Rept. No. 99-115).

By Mr. HATCH, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 1210. A bill to amend the Public Health Service Act to authorize the Secretary of Health and Human Services to establish a registry of teaching hospitals, and for other purposes (Rept. No. 99-117).

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. NUNN (for himself, Mr. HOLLINGS, Mr. CHILES, and Mr. MATTINGLY):

S. 1506. A bill to amend the act establishing the Martin Luther King, Jr., National Historic Site; to the Committee on Energy and Natural Resources.

By Mr. BOREN (for himself and Mr. BENTSEN):

S. 1507. A bill to increase the tariff on petroleum used for motor fuel; to the Committee on Finance.

By Mr. SPECTER:

S. 1508. A bill to amend title 18, United States Code, to authorize the death penalty for first degree terrorist murder and for other purposes; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. COHEN):

S. 1509. A bill to amend chapter 30 of title 38, United States Code, to provide for educational assistance under the All-Volunteer Force Educational Assistance Program for pursuit of a program of education by correspondence; to the Committee on Veterans' Affairs.

By Mr. ANDREWS:

S. 1510. A bill to eliminate restrictions on the taxing power of the States to impose, collect, and administer State and local sales and use taxes on sales in interstate commerce; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 1511. A bill to require Romania to comply with the Consular Convention and Protocol of July 5, 1972 as a condition of continued preferential trade treatment; to the Committee on Finance.

By Mr. MATSUNAGA (for himself and Mr. GARN):

S.J. Res. 177. Joint resolution relating to an International Space Year in 1992; to the Committee on Foreign Relations.

By Mr. D'AMATO:

S.J. Res. 178. Joint resolution to designate the week of April 13, 1986, through April 19, 1986, as "Hemochromatosis Awareness Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. NUNN (for himself, Mr. HOLLINGS, Mr. CHILES, and Mr. MATTINGLY):

S. 1506. A bill to amend the act establishing the Martin Luther King, Jr., National Historic Site; to the Committee on Energy and Natural Resources.

(The remarks of Mr. NUNN and the text of the legislation appear earlier in today's RECORD.)

By Mr. BOREN (for himself and Mr. BENTSEN):

S. 1507. A bill to increase the tariff on petroleum used for motor fuel; to the Committee on Finance.

INCREASED PETROLEUM TARIFFS

● Mr. BOREN. Mr. President, today I'm introducing legislation, the Energy Independence Act of 1985, that would place a very necessary import fee on foreign crude oil and refined petroleum products. My bill would place a $5 per barrel fee on crude oil and a $10 per barrel fee on refined products. Home heating oil will be exempted from the tariff under my proposal as well as feedstocks and crude oil used in the manufacturing of goods destined for imports. My bill would raise as much as $15 billion per year for the Treasury. Never has the case for an oil import fee been stronger. Congress and the President should unite and put it in place as soon as possible.

There are a host of clear and convincing reasons to support it.

First, it could help resolve the current political deadlock over the budget. We cannot afford to let the budget process collapse. Tossing in the towel on the battle against the deficit would cast a cloud over the Nation's economic future. The money raised by the import fee would help reduce the deficit and provide more room for budget negotiators to resolve other controversial issues which now divide them.

Second, an import fee would put a safety net under the price of domestic oil and would protect the financial system against the shock of any sudden fall of oil prices. The value of oil reserves in the ground is used as security for billions of dollars in loans held by American banks. Some analysts have predicted that oil prices could plunge sharply to $20 per barrel or even lower. While this is unlikely, if it happened it would threaten the stability of the banking and financial system in oil-producing regions of the country and would send shock waves into money centers like New York and Chicago as well. We cannot afford to subject our economy to such risks.

Those who argue that an oil import fee could slow economic growth fail to take into account the disruption of the economy which could occur without it. They also fail to assess what a sudden drop in oil prices would do to employment and income in the domestic oil industry. One private study indicated that if oil fell to $20 per barrel, domestic drilling would be cut in half and hundreds of thousands of jobs would be lost.

Third, my proposal is fair tax policy and will promote energy independence. Domestic oil producers pay the windfall profits tax and State severence taxes. Foreign producers do not. Why should our tax policy continue to encourage the creation of jobs for exploration and refining in other nations instead of here at home. Already the portion of the oil which we obtain from overseas has begun to increase again. It is clearly in the interest of national security for us to lessen our dependence on these foreign sources.

The import fee must be placed on refined as well as on crude oil to prevent the other producing nations from simply switching their U.S. sales from crude oil to refined products. Our refineries are already in trouble. More than 100 U.S. refineries have folded in recent years and our refining capacity is already below 14 million barrels per day needed to meet emergency national security requirements.

Fourth, an import fee will promote energy conservation. If oil prices continue to fall toward artificially low levels, wasteful use of energy will once more be encouraged. My bill before the Senate would promote conservation while protecting consumers against unreasonable prices. The fee would begin to phase out as crude oil prices reached $25 per barrel and would end entirely at the $30 level.

Fifth, the proposal can be implemented in a manner which will maintain regional fairness and will preserve our own competitiveness in trade. The legislation I am introducing provides rebates on the fee for home heating oil in order to protect those in New England and the Northeast who depend upon this fuel. It also provides a rebate to American manufacturers who use imported crude oil in the process of making products for export. This would ensure that American businesses like the chemical industry would not be placed at a competitive disadvantage in the cost of their products for export to other markets.

In short, the import fee would help reduce deficits, protect against destructive shocks to the financial system, and promote conservation of energy independence.

Recently, one of my fellow Senators said to me, "The import fee makes so much sense that Congress probably won't pass it." I hope that he was wrong. We can't afford the luxury of continuing to discard good ideas.

Mr. President, I am pleased that Senator LLOYD BENTSEN, of Texas has joined me in sponsoring this bill, and 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. 1507

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

SECTION 1. INCREASE IN TARIFFS ON PETROLEUM.

(a) Item 475.05 of the Tariff Schedules of the United States is amended—

(1) by striking out "0.125¢ per gal." and inserting in lieu thereof "5.25¢ plus the applicable offset amount per Bbl.", and

(2) by striking out "0.5¢ per gal." and inserting in lieu thereof "21¢ plus the applicable offset amount per Bbl.".

(b) Item 475.10 of such Schedules is amended—

(1) by striking out "0.25¢ per gal." and inserting in lieu thereof "10.5¢ plus the applicable offset amount per Bbl.", and

(2) by striking out "0.5¢ per gal." and inserting in lieu thereof "21¢ plus the applicable offset amount per Bbl.".

(c) Item 475.25 of such Schedules is amended—

(1) by striking out "1.25¢ per gal." and inserting in lieu thereof "52.5¢ plus the applicable offset amount per Bbl.", and

(2) by striking out "2.5¢ per gal." and inserting in lieu thereof "1.05¢ plus the applicable offset amount per Bbl.".

(d) Items 475.30, 475.35, and 475.65 of such Schedules are each amended—

(1) by striking out "0.25¢ per gal." and inserting in lieu thereof "10.5¢ plus the applicable offset amount per Bbl.", and

(2) by striking out "0.5¢ per gal." and inserting in lieu thereof "21¢ plus the applicable offset amount per Bbl.".

(e) The headnotes to part 10 of schedule 4 of such Schedules are amended by adding at the end thereof the following new headnotes:

"(5)(a) For purposes of items 475.05 and 475.10, the term applicable offset amount means, with respect to any article described in any of such items, the excess, if any, of—

"(i) the base price of such article, over

"(ii) the average world price of such article for the calendar quarter that began 6 months before the beginning of the calendar quarter in which such article is entered,

"(iii) with the applicable offset amount not to exceed $5 per Bbl.

(5)(b) For purposes of items 475.25, 475.30, 475.35, and 475.65 the term applicable offset amount means, with respect to any article described in any of such items, the excess, if any, of—

"(i) the base price of such article, over

"(ii) the average world price of such article for the calendar quarter that began 6 months before the beginning of the calendar quarter in which such article is entered,

(iii) with the applicable offset amount not to exceed $10 per Bbl.

(5)(c) For purposes of subdivisions (a) and (b), the term base amount means—

"(i) with respect to any article described in item 475.05, $30.00,

"(ii) with respect to any article described in item 475.10, $30.00,

"(iii) with respect to any article described in item 475.25, $35.00,

"(iv) with respect to any article described in item 475.30, $35.00,

"(v) with respect to any article described in item 475.35, $35.00,

"(vi) with respect to any article described in item 475.65, $35.00.

(5)(d)(i) The Secretary of Energy—

(A) shall, on the basis of the best information available to the Secretary of Energy, determine the average world price of each article described in any of the items listed in subdivisions (a) and (b) for the calendar quarter beginning April 1, 1985, and for each succeeding calendar quarter, and

(B) shall publish such prices in the Federal Register by no later than the date that is 60 days after the close of such calendar quarter.

"(ii) The Secretary of the Treasury shall publish in the Federal Register the applicable offset amount for each article described in any of the items listed in subdivision (a) for each calendar quarter by no later than the date that is 15 days before the beginning of such calendar quarter.

"(6)(a) The Secretary of the Treasury shall refund the applicable offset amount of the duty paid with respect to each barrel of any article described in item 475.05, 475.10, 475.25, 475.30, 475.35, 475.65, upon proof that—

"(i) such article was used—

"(A) as heating fuel, or

"(B) in the production of heating fuel, or

"(ii) such article—

"(A) is necessary and inherent to the manufacturing process for products destined for export.

"(b) Allowance of a refund under this headnote shall be subject to compliance with such rules and regulations as the Secretary of the Treasury may prescribe, which may include, but not be limited to—

"(i) fixing of a time limit which claims for refund under any of the provisions of this headnote shall be filed and completed, and

"(ii) the designation of the person to whom any refund shall be made."

(f) The amendments made by this section shall apply to articles entered, or withdrawn from warehouse, for consumption after the date that is 30 days after the date of enactment of this Act.

SEC. 2. USE OF REVENUES FROM INCREASED TARIFFS ON PETROLEUM.

(a)(1) All revenues received into the general fund of the Treasury of the United States that are attributable to the amendments made by section 1 shall be allocated, for accounting purposes, into a special account to be known as the Petroleum Tariff Account.

(2) The Secretary of the Treasury is authorized and directed to pay out of the Petroleum Tariff Account any refunds which are allowed under headnote 6 of part 10 of schedule 4 of the Tariff Schedules of the United States.

(b) It is the sense of the Congress that any funds in the Petroleum Tariff Account that are not needed to make the payments required under subsection (a)(2) should be used to reduce the deficit in the budget of the Federal Government.●

By Mr. SPECTER:

S. 1508. A bill to amend title 18, United States Code, to authorize the death penalty for first-degree terrorist murder, and for other purposes; to the Committee on the Judiciary.

TERRORIST DEATH PENALTY ACT

Mr. SPECTER. Mr. President, I am today introducing legislation to provide that terrorists who murder U.S. citizens during a hostage-taking would be subject to the death penalty.

This bill incorporates the carefully drafted death penalty procedures and standards which were adopted by the full Senate in February 1984, in S. 1765—no House version of the bill passed. The consensus at that time was that the procedures and standards in S. 1765—and now set forth in my bill—fully satisfied the constitutional requirements prescribed by the U.S. Supreme Court in its consideration of the death penalty.

I strongly believe that international terrorists who take an American hostage and then murder that person deserve the death penalty. Too often in the recent past, our approach to terrorism has been soft. In the wake of each new terrorist act, we engage in national handwringing and tough talk, but take little or no serious action. Terrorists are criminals, and should be dealt with as criminals. The same concepts of likely apprehension and swift, certain, and severe punishment that underlie our criminal justice system can and should have effective application to international criminals as well.

Punishment and deterrence can work in the international field, however, only if we enact the necessary legislation. Current law provides for the death penalty where a death results from the seizure of an aircraft (49 U.S.C. sec. 1472(i)). It is not clear that the murderers of Navy diver Robert Stethem in the recent TWA hijacking would be subject to that provision, however, because the killing occurred after the hijackers had gained control over TWA flight 847, not as a direct result of the hijacking. The statute under which the TWA hijackers clearly can be prosecuted in 18 U.S.C. 1203, which prohibits hostage taking. The hostage taking statute, however, does not provide for the death penalty.

The legislation I introduce today would close this statutory gap by amending the existing hostage-taking statute to permit application of the death penalty upon a conviction for first degree murder. While it of course cannot have retroactive application to the murderers of Robert Stethem, it would serve as a deterrent to—or a well-deserved punishment for—any similar atrocities in the future.

I recently met with the Byron family of Harrisburg, PA, who were passengers on TWA flight 847. I discussed with Leo and Carolyn Byron and their 13-year-old daughter, Pamela, their horrible experiences. They described the brutal beating of Robert Stethem and the abuse they themselves suffered at the hands of the terrorist hijackers.

If we learn nothing else from our painful experiences in Lebanon, we should learn that the one thing terrorists respond to is power. We know we must act swiftly and strongly in response to threats to U.S. nationals. Inclusion of the death penalty in the existing statutes relating to murder of U.S. nationals by terrorists is, in my view, essential if we are to make a strong, effective, and complete response to such acts of violence.

Earlier in this Congress, I introduced S. 1373 and S. 1429, modified versions of S. 3018, which I first introduced in the 98th Congress. S. 1373 and S. 1429 would expand U.S. law by making it a crime for anyone in any country to assault or kill any U.S. national as part of an act of international terrorism. It is my hope that those bills will generate serious discussion about how best to combat international terrorism. I would favor amendment of those earlier bills so that they also would provide for the death penalty in the event of egregious terrorist murders of U.S. citizens. I did not provide for the death penalty in S. 1373 or S. 1429 in order to expedite the passage of these bills. When these bills are considered on the floor, I intend to add the death penalty provision, but if the death penalty provision cannot be passed or if it is file bracketed then we should at least enact the subcommittee provisions of S. 1373 and S. 1429.

I emphasize, however, that the bill I introduce today in no way changes the elements of a violation of the existing statute relating to hostage taking.

Rather, it simply makes the death penalty available for violations of that statute, just as Congress already has provided for the availability of the death penalty in the hijacking statute (42 U.S.C. sec. 1472(i)).

I ask unanimous consent that the bill be printed in the RECORD.

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

S. 1508

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 "Terrorist Death Penalty Act of 1985."

SEC. 2. (a) Part I of title 18, United States Code, is amended by inserting after chapter 113 the following:

CHAPTER 113A—DEATH PENALTY FOR TERRORIST MURDER

"Sec.
"2321A. Death Penalty for Terrorist Murder.

"Section 2321A. Death Penalty for terrorist murder.

"(a) SENTENCE OF DEATH.—A defendant who has been found guilty of first degree murder under section 1203(a), shall be sentenced to death if, after consideration of the factors set forth in paragraph (1) of this subsection in the course of a hearing held pursuant to this subsection, it is determined that imposition of a sentence of death is justified.

"(1) FACTORS TO BE CONSIDERED IN DETERMINING WHETHER A SENTENCE OF DEATH IS JUSTIFIED

"(A) MITIGATING FACTORS.—In determining whether a sentence of death is justified for any offense, the jury, or if there is no jury, the court, shall consider each of the following mitigating factors and determine which, if any, exist:

"(i) the defendant was less than eighteen years of age at the time of the offense;

"(ii) the defendant's mental capacity was significantly impaired, although the impairment was not such as to constitute a defense to prosecution;

"(iii) the defendant was under unusual and substantial duress, although not such duress as would constitute a defense to prosecution; and

"(iv) the defendant was an accomplice whose participation in the offense was relatively minor.

The jury, or if there is no jury, the court, may consider whether any other mitigating factor exists.

"(B) AGGRAVATING FACTORS.—In determining whether a sentence of death is justified, the jury, or if there is no jury, the court, shall consider each of the following aggravating factors and determine which, if any, exist:

"(i) the defendant has previously been convicted of another offense for which either a sentence of life imprisonment or death was authorized by statute; or

"(ii) in the commission of the offense the defendant knowingly created a grave risk of death to another person.

The jury, or if there is no jury, the court, may consider whether any other aggravating factor exists.

"(2) SPECIAL HEARING TO DETERMINE WHETHER A SENTENCE OF DEATH IS JUSTIFIED

"(A) NOTICE BY THE GOVERNMENT.—If the attorney for the Government believes that the circumstances of the offense are such that a sentence of death is justified under this section, he shall, a reasonable time before the trial, or before acceptance by the court of a plea of guilty, or at such time thereafter as the court may permit upon a showing of good cause, sign and file with the court, and serve on the defendant, a notice—

"(i) stating that the government believes that the circumstances of the offense are such that, if the defendant is convicted, a sentence of death is justified under this chapter; and

"(ii) setting forth the aggravating factor or factors that the government, if the defendant is convicted, proposes to prove as justifying a sentence of death.

The court may permit the attorney for the government to amend the notice upon a showing of good cause.

"(B) HEARING BEFORE A COURT OR JURY.—If the attorney for the government has filed a notice as required under subsection (a) and the defendant is found guilty, the judge who presided at the trial or before whom the guilty plea was entered, or another judge if that judge is unavailable, shall conduct a separate sentencing hearing to determine the punishment to be imposed. Prior to such a hearing, no presentence report shall be prepared by the United States Probation Service, notwithstanding the provisions of Rule 32(e) of the Federal Rules of Criminal Procedure. The hearing shall be conducted—

"(i) before the jury that determined the defendant's guilt;

"(ii) before a jury impaneled for the purpose of the hearing if—

the defendant was convicted upon a plea of guilty;

the defendant was convicted after a trial before the court sitting without a jury;

the jury that determined the defendant's guilt was discharged for good cause; or

after initial imposition of a sentence under this section, reconsideration of the sentence under this section is necessary; or

"(iii) before the court alone, upon the motion of the defendant and with the approval of the attorney for the government.

A jury impaneled pursuant to paragraph (ii) shall consist of twelve members, unless, at any time before the conclusion of the hearing, the parties stipulate, with the approval of the court, that it shall consist of a lesser number.

"(C) PROOF OF MITIGATING AND AGGRAVATING FACTORS. At the hearing, information may be presented as to any matter relevant to the sentence, including any mitigating or aggravating factor permitted or required to be considered. Information presented may include the trial transcript and exhibits if the hearing is held before a jury or judge not present during the trial. Any other information relevant to a mitigating or aggravating factor may be presented by either the attorney for the government or the defendant, regardless of its admissibility under the rules governing admission of evidence at criminal trials, except that information may be excluded if its probative value is substantially outweighed by the danger of creating unfair prejudice, confusing the issues, or misleading the jury. The attorney for the government and the defendant shall be permitted to rebut any information received at the hearing, and shall be given fair opportunity to present argument as to the adequacy of the information to establish the existence of any aggravating or mitigating factor, and as to the appropriateness in the case of imposing a sentence of death. The attorney for the government shall open the argument. The defendant shall be permitted to reply. The attorney for the government shall then be permitted to reply in rebuttal. The burden of establishing the existence of any aggravating factor is on the government, and is not satisfied unless the existence of such a factor is established beyond a reasonable doubt. The burden of establishing the existence of any mitigating factor is on the defendant, and is not satisfied unless the existence of such a factor is established by a preponderance of the information.

"(D) RETURN OF SPECIAL FINDINGS. The jury, or if there is no jury, the court, shall consider all the information received during the hearing. It shall return a special finding as to each mitigating and aggravating factor, concerning which information is presented at the hearing. The jury must find the existence of a mitigating or aggravating factor by a unanimous vote, although it is unnecessary that there be a unanimous vote on any specific mitigating or aggravating factor is a majority of the jury finds the existence of such a specific factor.

"(E) RETURN OF A FINDING CONCERNING A SENTENCE OF DEATH.—If an aggravating factor is found to exist; the jury, or if there is no jury, the court, shall then consider whether all the aggravating factors found to exist sufficiently outweigh all the mitigating factors found to exist to justify a sentence of death, or, in the absence of a mitigating factor, whether the aggravating factors alone are sufficient to justify a sentence of death. Based upon this consideration, the jury by unanimous vote, or if there is no jury, the court, shall return a finding as to whether a sentence of death is justified.

"(F) SPECIAL PRECAUTION TO ASSURE AGAINST DISCRIMINATION.—In a hearing held before a jury, the court, prior to the return of a finding under subsection (E), shall instruct the jury that, in considering whether a sentence of death is justified, it shall not consider the race, color, national origin, creed, or sex of the defendant. The jury upon return of a finding under subsection (E) shall also return to the court a certificate, signed by each juror, that consideration of the race, color, national origin, creed, or sex of the defendant was not involved in reaching the juror's individual decision.

"(3) IMPOSITION OF A SENTENCE OF DEATH

"Upon a finding that a sentence of death is justified, the court shall sentence the defendant to death. Upon a finding that a sentence of death is not justified, the court shall impose any sentence other than death that is authorized by law, if the maximum term of imprisonment for the offense is life imprisonment the court may impose a sentence of life imprisonment without parole.

"(4) REVIEW OF A SENTENCE OF DEATH

"(A) APPEAL.—In a case in which a sentence of death is imposed, the sentence shall be subject to review by the court of appeals upon appeal by the defendant. Notice of appeal must be filed within the time specified for the filing of a notice of appeal. An appeal under this section may be consolidated with an appeal of the judgment of conviction and shall have priority over all other cases.

"(B) REVIEW.—The court of appeals shall review the entire record in the case, including—

"(i) The evidence submitted during the trial;

"(ii) the information submitted during the sentencing hearing.

"(iii) the procedures employed in the sentencing hearing; and

"(iv) the special findings returned.

"(C) DECISION AND DISPOSITION.—

"(i) If the court of appeals determines that the sentence of death was not imposed under the influence of passion, prejudice, or any other arbitrary factor; and the information supports the special finding of the existence of an aggravating factor required to be considered, it shall affirm the sentence.

"(ii) In any other case, the court of appeals shall remand the case for reconsideration.

"(iii) The court of appeals shall state in writing the reasons for its disposition of an appeal of a sentence of death under this section.

"(5) IMPLEMENTATION OF A SENTENCE OF DEATH

"A person who has been sentenced to death pursuant to the provisions of this chapter shall be committed to the custody of the Attorney General until exhaustion of the procedures for appeal of the judgment of conviction and for review of the sentence. When the sentence is to be implemented, the Attorney General shall release the person sentenced to death to the custody of a United States marshal, who shall supervise implementation of the sentence in the manner prescribed by the law of the State in which the sentence is imposed. If the law of such State does not provide for implementation of a sentence of death, the court shall designate another State, the law of which does so provide, and the sentence shall be implemented in the latter State in the manner prescribed by such law. A sentence of death shall not be carried out upon a woman while she is pregnant.

"(6) USE OF STATE FACILITIES

"A United States marshal charged with supervising the implementation of a sentence of death may use appropriate State or local facilities for the purpose, may use the services of an appropriate State or local official or of a person such an official employs for the purpose, and shall pay the costs thereof in an amount approved by the Attorney General.

(b) The table of chapters for part I of title 18, United States Code, is amended by inserting after the item for Chapter 113, the following:

CHAPTER 113A—DEATH PENALTY FOR TERRORIST MURDER

"113A—Death Penalty for Terrorist Murder.....2321A"

(c) Section 1203(a) of title 18, United States Code, is amended as follows: at the end of the paragraph strike "." and add ", except that, if death results, any such person who is found guilty of first degree murder shall be sentenced as provided in section 2321A of this title."

By Mr. CRANSTON (for himself and Mr. COHEN):

S. 1509. A bill to amend chapter 30 of title 38, United States Code, to provide for educational assistance under the All-Volunteer Force Educational Assistance Program for pursuit of a program of education by correspondence; to the Committee on Veterans' Affairs.

NEW "GI BILL" BENEFITS FOR HOME STUDY COURSE

Mr. CRANSTON. Mr. President, I am today introducing, together with Senator COHEN, S. 1509, a bill which would amend chapter 30 of title 38, United States Code, to permit benefits under the All-Volunteer Force Educational Assistance Program to be used for pursuit of a program of education by correspondence. The bill would also expand the scope of the responsibilities of the VA's Advisory Committee on Education to include advising the Administrator of Veterans' Affairs with respect to the conduct of the All-Volunteer Force Educational Assistance Program.

As members may recall, the new chapter 30 program, popularly known as the new GI bill, was enacted just last year by virtue of amendments made by title VII of the Department of Defense Authorization Act, 1985—Public Law 98-525. The new program is designed to assist the Armed Forces in recruiting and retaining high quality men and women and became effective with respect to individuals entering the Armed Forces on or after July 1, 1985.

The measure we are introducing today would permit individuals who earn educational assistance benefits under the new GI bill to use those benefits for programs of education pursued through home study—formerly referred to as correspondence courses. Benefits under both the current chapter 34, Vietnam-era GI bill, and the current chapter 32, VEAP, programs may be used for pursuit of home study by veterans. Under chapters 32 and 34, educational assistance is for home study paid at the rate of 55 percent of the cost of the program and the individual's entitlement to benefits is charged at a rate corresponding to the benefits that are paid.

Mr. President, I have long felt that individuals training under veterans' educational assistance programs should have the widest possible array of choices available to them. Although I recognize that there may have been some abuses in the seventies of the home-study authority in the past under the chapter 34 program, it is a fact that this type of training may be the only available program for some individuals—such as those who live in geographically remote areas, those whose work or family responsibilities preclude regular classroom attendance, or those who are on active duty. I firmly believe that the opportunity to pursue a program of education through home-study programs should be made available for these and other individuals.

Many institutions offering home-study courses have devoted tremendous amounts of time and effort into developing quality programs of education and training. The courses offered through this mode of study cover a vast range of subjects—from the study of telephone installation and repair to language courses to computer programming. The opportunities for learning for new careers that are available to individuals through home-study programs are virtually limitless.

Last year, Mr. President, when the Senate considered legislation to establish a new GI bill, there were a number of proposals pending before the Senate, including the measure, S. 1747, that Senators ARMSTRONG, COHEN, HOLLINGS, and MATSUNAGA, and I coauthored. That measure, which was presented to the Senate as an amendment to the Department of Defense Authorization Act, 1985, but which was defeated on procedural grounds by a vote of 47 to 45, would have permitted benefits earned under a new GI bill to be used for pursuit of a program of education through home study.

Finally, Mr. President, the other provision in the measure we are introducing today would add to the responsibilities of the advisory committee on education, established under section 1972 of title 38, the responsibility for advising the administrator on issues related to the administration of the new chapter 30 GI bill program. The advisory committee serves, as the administrator's advisor on other programs of educational assistance administered by the VA, and I believe it is only appropriate that this new program be included within the committee's responsibilities.

Mr. President, I urge my colleagues to join with me in this initiative.

Mr. President, I ask unanimous consent that the text of S. 1509 be printed in the RECORD.

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1434(a) of title 38, United States Code, is amended by striking out "1780(a)(5), 1780(b), 1786, 1787, and 1792" and inserting in lieu thereof "and 1787"; and

(b) Section 1792 of such title is amended—

(1) in subsection (a), by inserting "30" after "chapter"; and

(2) in subsection (b), by inserting "30" after "chapters".

By Mr. ANDREWS:

S. 1510. A bill to eliminate restrictions on the taxing power of the States to impose, collect, and administer State and local sales and use taxes on sales in interstate commerce; to the Committee on Finance.

TAXING POWER OF THE STATES WITH RESPECT TO SALES IN INTERSTATE COMMERCE

Mr. ANDREWS. Mr. President, today I am introducing legislation which would eliminate restrictions on the power of the states to collect taxes on interstate mail order sales. My purpose in introducing this legislation is twofold. First, we must provide a more uniform system of taxation to pro-

mote competitive equality for all business enterprises. Second, it is the responsibility of the Congress to provide State governments with a method of collecting all revenues to which they are entitled, especially at a time when the economic base of our States and municipalities is shrinking. My legislation addresses both of these concerns by establishing a tax link between mail order companies and the States where mail order sales are solicited.

In 1967, the Supreme Court's Bellas Hess decision found that one State could not tax a mail order sale by a company located in another State. Quite simply, the Court ruled that without congressional guidance, out-of-State taxation of mail order sales violated the free conduct of interstate commerce. It was left to Congress to decide whether out-of-State mail order vendors receive sufficient benefits from the destination State to justify a tax link. Congress is clearly within its authority to decide that exploitation of the marketplace establishes this tax relationship.

The Congress has not yet acted to provide the States with the authority to tax mail order sales. But the phenomenal growth of such sales in recent years accentuates the unfairness of their unique "tax-free" status. The mail order market has grown from millions of dollars of sales in the early 1960's to $60 billion in 1984.

There is no doubt that the increase in mail order sales has diverted sales from our Nation's small business retailers, who contribute service, convenience, property taxes, and charitable contributions to their communities. For the long-term survival of America's retail trade sector, we must put mail order sales on the same State and local tax basis as any other business. We must keep small business and our local communities healthy by extending the taxing prerogative of the States to mail order sales.

By Mr. D'AMATO:

S.J. Res. 178. Joint resolution to designate the week of April 13, 1986, through April 19, 1986, as "Hemochromatosis Awareness Week"; to the Committee on the Judiciary.

HEMOCHROMATOSIS AWARENESS WEEK

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation to acknowledge one of the most common, but unknown, genetic diseases of our time—hemochromatosis.

Hereditary hemochromatosis is a disorder caused by an abnormal H gene. An individual who receives two abnormal H genes, one from each parent, accumulates too much iron in the system. This overaccumulation affects the liver, heart, pancreas, and joints. Without proper diagnosis, hemochromatosis can lead to an early death.

Although it was once thought that hemochromatosis affected only a small portion of the population, it is now estimated that between 600,000 and 1,500,000 individuals are inflicted with the disease. Furthermore, it is believed that well over 20 million individuals are genetic carriers of the disease.

A disease that affects so many individuals must be recognized and understood. A Hemochromatosis Awareness Week will help to acknowledge and educate individuals about this widespread disease.

Organizations like the Hemochromatosis Research Foundation and Iron-overload Disease Association have attempted to bring hemochromatosis into the public eye. With our support, these and related organizations will be able to further the awareness of, and research into, this disease.

Most widespread diseases are well known and fairly well understood by the public. However, like any area, some diseases fall through the cracks. The general public of this country is not informed about hemachromatosis. I think I am probably right in saying that most individuals have not even heard of the disease, let alone are able to identify symptoms or causes. A disease that afflicts as many individuals as does hemochromatosis needs to be understood and addressed by the public at large. With the help of the Congress, I would like to give hemochromatosis the attention it deserves.

Mr. President, I ask unanimous consent that the text of this legislation 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. 178

Whereas hereditary hemochromatosis is an inherited blood disorder which results in excessive iron absorption;

Whereas hereditary hemochromatosis was, until the mid-1970's, considered rare and estimated to affect only 20,000 Americans;

Whereas it is now estimated, with the application of newer genetic knowledge, to affect 600,000 to 1,500,000 Americans, and to be one of the most common genetic disorders;

Whereas the early symptoms of hereditary hemochromatosis are nonspecific and delay diagnosis, and the complications of its advanced stages, incuding liver cirrhosis, diabetes, heart problems, and arthritis, often lead to misdiagnosis;

Whereas it is possible to diagnose hereditary hemochromatosis before symptoms occur through routine blood screening;

Whereas early diagnosis and treatment can prevent or reverse most of the medical complications associated with the disorder, and can prevent hemochromatosis-related deaths;

Whereas the Hemochromatosis Research Foundation, Inc., its constituent chapters, and other voluntary health organizations have been established throughout the United States to serve and support victims of hemochromatosis and their families, encourage funding for research, and increase public awareness; and

Whereas the public and the Federal Government are not sufficiently aware of the incidence of hereditary hemochromatosis: 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 April 13, 1986, through April 19, 1986, is designated as "Hemochromatosis Awareness Week" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this week with appropriate ceremonies, and activities.

ADDITIONAL COSPONSORS

S. 274

At the request of Mr. DENTON, the names of the Senator from Oklahoma [Mr. BOREN] and the Senator from New Hampshire [Mr. HUMPHREY] were added as cosponsors of S. 274, a bill to provide for the national security by allowing access to certain Federal criminal history records.

S. 528

At the request of Mr. RUDMAN, the names of the Senator from Alaska [Mr. MURKOWSKI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from South Dakota [Mr. PRESSLER], the Senator from North Dakota [Mr. ANDREWS], the Senator from Iowa [Mr. GRASSLEY], the Senator from Montana [Mr. BAUCUS], the Senator from Massachusetts [Mr. KERRY], the Senator from Montana [Mr. MELCHER], the Senator from Iowa [Mr. HARKIN], the Senator from Vermont [Mr. LEAHY], the Senator from Arkansas [Mr. PRYOR], the Senator from Connecticut [Mr. DODD], the Senator from Ohio [Mr. METZENBAUM], the Senator from Arkansas [Mr. BUMPERS], the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], the Senator from Colorado [Mr. HART], the Senator from Ohio [Mr. GLENN], the Senator from South Carolina [Mr. HOLLINGS], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 528, a bill to establish a Bipartisan Commission on Congressional Campaign Financing, to improve the manner in which congressional campaigns are financed.

S. 724

At the request of Mrs. HAWKINS, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 724, a bill to provide that certain of the Social Security Trust Funds be excluded from the Federal budget process for fiscal years beginning on or after October 1, 1986, and to clarify that specifications and directions with respect to such Trust Funds may not be included in any concurrent resolution on the budget adopted with respect to fiscal years beginning after such date.

S. 876

At the request of Mr. MURKOWSKI, the names of the Senator from Delaware [Mr. ROTH], the Senator from New Mexico [Mr. BINGAMAN], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 876, a bill to amend title 38, United States Code, to establish, extend, and improve certain Veterans' Administration health care programs.

S. 1048

At the request of Mr. DENTON, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 1048, a bill to amend title 18 of the United States Code and the Adoption Reform Act.

S. 1140

At the request of Mr. METZENBAUM, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 1140, a bill to amend the antitrust laws in order to preserve and promote wholesale and retail competition in the retail gasoline market and to protect the motoring safety of the American public.

S. 1325

At the request of Mr. GLENN, the name of the Senator from Wisconsin [Mr. PROXMIRE] was added as a cosponsor of S. 1325, a bill to amend titles XVIII and XIX of the Social Security Act to require second opinions with respect to certain surgical procedures as a condition of payment under the Medicare and Medicaid programs.

S. 1380

At the request of Mr. GLENN, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 1380, a bill to reform certain regulatory procedures governing the export of banned and severely restricted substances.

S. 1440

At the request of Mr. STEVENS, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 1440, a bill to restrict smoking to designated areas in all U.S. Government buildings.

S. 1486

At the request of Mr. DOLE, the name of the Senator from Florida [Mrs. HAWKINS] was added as a cosponsor of S. 1486, a bill to amend the Equal Credit Opportunity Act.

SENATE JOINT RESOLUTION 68

At the request of Mr. DODD, the names of the Senator from Massachusetts [Mr. KENNEDY] and the Senator from Virginia [Mr. WARNER] were added as cosponsors of Senate Joint Resolution 68, a joint resolution to designate November 21, 1985, as "William Beaumont Day."

SENATE JOINT RESOLUTION 156

At the request of Mr. MURKOWSKI, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of Senate Joint Resolution 156, a joint resolution authorizing a memorial to be erected in the District of Columbia or its environs.

SENATE JOINT RESOLUTION 158

At the request of Mr. MURKOWSKI, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of Senate Joint Resolution 158, a joint resolution designating October 1985 as "National Community College Month."

SENATE JOINT RESOLUTION 166

At the request of Mr. MOYNIHAN, the names of the Senator from Tennessee [Mr. SASSER] and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of Senate Joint Resolution 166, a joint resolution to appeal for the release of Dr. Yury Orlov and other Helsinki Final Act monitors.

SENATE JOINT RESOLUTION 168

At the request of Mr. TRIBLE, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of Senate Joint Resolution 168, a joint resolution designating August 13, 1985, as "National Neighborhood Crime Watch Day".

SENATE JOINT RESOLUTION 173

At the request of Mr. EAST. the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of Senate Joint Resolution 173, a joint resolution to designate the Month of September 1985 as "National Sewing Month".

SENATE CONCURRENT RESOLUTION 56

At the request of Mr. RUDMAN, the name of the Senator from Washington, [Mr. GORTON] was added as a cosponsor of Senate Concurrent Resolution 56, a concurrent resolution expressing the sense of the Congress that the antitrust enforcement guidelines entitled "Vertical Restraints Guidelines", published by the Department of Justice on January 23, 1985, do not have the force of law, do not accurately state current antitrust law, and should not be considered by the courts of the United States as binding or persuasive.

AMENDMENT NO. 542

At the request of Mr. KASTEN, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of Amendment No. 542 proposed to S. 1078, a bill to amend the Federal Trade Commission Act to provide authorizations of appropriations, and for other purposes.

AMENDMENT NO. 545

At the request of Mr. GORTON, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of Amendment No. 545 intended to be proposed to S. 1300, a bill to provide for antitrust law violators to be subject to individual responsibility for treble the amount of damages attributable to their violations, and to assure fairness in the allocation and award of antitrust damages.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. ANDREWS:

S. Res. 204. An original resolution authorizing supplemental expenditures by the Select Committee on Indian Affairs; from the Select Committee on Indian Affairs; to the Committee on Rules and Administration.

SENATE RESOLUTION 204—ORIGINAL RESOLUTION AUTHORIZING SUPPLEMENTAL EXPENDITURES BY THE SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. ANDREWS, from the Select Committee on Indian Affairs, reported the following original resolution; which was referred to the Committee on Rules and Administration.

S. RES. 204

Resolved, That section 21 of Senate Resolution 85, 99th Congress, agreed to February 28, 1985, as amended, is amended by striking out "$764,032" and inserting in lieu thereof "$834,032".

AMENDMENTS SUBMITTED

FEDERAL TRADE COMMISSION AUTHORIZATION ACT

GRASSLEY (AND OTHERS) AMENDMENT NO. 547

Mr. GRASSLEY (for himself, Mr. LEVIN, Mr. DOLE, Mr. THURMOND, Mr. SIMPSON, Mr. LAXALT, Mr. BOREN, Mr. HATCH, Mr. DECONCINI, Mr. DENTON, Mr. NICKLES, Mr. ZORINSKY, Mr. ANDREWS, Mr. SPECTER, and Mr. BOSCHWITZ) proposed an amendment to the bill (S. 1078) to amend the Federal Trade Commission Act to provide authorization of appropriations, and for other purposes; as follows:

On page 16, between lines 2 and 3, insert the following new section:

ENFORCEMENT OF CONGRESSIONAL REVIEW OF RULES

SEC. 17. (a) This section is adopted as an exercise of the power of each House of Congress to determine the rules of its proceedings. The Congress specifically finds that the provisions of this subsection are essential to the Congress in exercising its constitutional responsibility to monitor and to review exercises by the Executive of delegated powers of a legislative character.

(b)(1) After the Senate and the House of Representatives adopt a joint resolution with respect to a rule pursuant to Section 16 of this Act, it shall be in order in the Senate or the House of Representatives, notwithstanding any provision of the Standing Rules of the Senate (except Rule XXII) or the Rules of the House of Representatives, to consider an amendment described in subparagraph (2) to a bill or resolution making appropriations for the Federal Trade Com-

mission or the Consumer Product Safety Commission.

(2) An amendment referred to in subparagraph (1) is an amendment which only contains provisions to prohibit the use of funds appropriated in the bill or resolution described in such subparagraph for the issuing, promulgating, enforcing, or otherwise carrying out the rule with respect to which a joint resolution has been adopted pursuant to this section.

(c) Debate on an amendment described in paragraph (b)(2) shall be limited to not more than four hours, which shall be divided in the House of Representatives equally between those favoring and those opposing the amendment and which shall be divided in the Senate equally between, and controlled, by the majority leader and the minority leader or their designees. An amendment to, or motion to recommit, the amendment is not in order. Any other motions shall be decided without debate, except that no motion to proceed to the consideration of any other matter shall be in order.

ADDITIONAL STATEMENTS

THE DANGER OF SMOKING TO HEALTH

● Mr. STEVENS. Mr. President, the office of the U.S. Surgeon General has played a leading role in the dissemination of information about the health risks associated with smoking. For years, every package of cigarettes manufactured in this country has carried a warning issued by the Surgeon General—over the years, this warning has evolved into a simple statement of fact: The Surgeon General has determined that cigarette smoking is hazardous to your health.

Over the last several years, the Surgeon General's annual reports have focused on tobacco related diseases such as cancer, coronary heart disease, and chronic obstructive lung diseases. As stated by Dr. C. Everett Koop, the current Surgeon General, in his preface to the 1984 report:

> Cigarette smoking is the chief, single, avoidable cause of death in our society and the most important public health issue of our time.

In 1972 the Surgeon General's annual report on the health consequences of smoking included a chapter on the issue of passive smoking—the involuntary exposure of nonsmokers to tobacco smoke. The issue has been one of great concern to the Surgeon General's office since that time. Although the research on this phenomenon is not yet complete, the emerging evidence points to the existence of significant health risks associated with exposure to secondhand tobacco smoke. Unfortunately, the health warning carried on cigarette packages is not applicable to the passive smoke problem—it is the nonsmoker, not the smoker, who is at risk here. So despite the information about the effects of exposure to tobacco smoke included in the Surgeon General's reports, several summaries of which I ask unanimous consent be reprinted here, there is no obvious vehicle—like a pack of cigarettes—for informing the public of the potential health risks of passive smoke. Therefore, it is even more important that we take action to reduce the nonsmoking public's exposure to this hazardous substance. I hope that enactment of my bill, S. 1440, the Nonsmokers Rights Act of 1985, will prove the first of many efforts to address this problem.

SMOKING AND HEALTH—A REPORT OF THE SURGEON GENERAL—1979

SUMMARY

1. Tobacco smoke can be a significant source of atmospheric pollution in enclosed areas. Occasionally, under conditions of heavy smoking and poor ventilation, the maximum limit for an 8-hour work exposure to carbon monoxide (50 ppm) may be exceeded. The upper limit for CO in ambient air (9 ppm) may be exceeded even in cases where ventilation is adequate. For an individual located close to a cigarette that is being smoked by someone else, the pollution exposure may be greater than would be expected from atmospheric measurements.

2. Carbon monoxide, at levels occasionally found in cigarette smoke-filled environments, has been shown to produce slight deterioration in some tests of psychomotor performance, especially attentiveness and cognitive function. It is unclear whether these levels impair complex psychomotor activities such as driving a car. The effects produced by CO may become important when added to factors such as fatigue and alcohol which are known to have an effect on the ability to operate a motor vehicle.

3. Unrestricted smoking on buses and planes is reported to be annoying to the majority of nonsmoking passengers, even under conditions of adequate ventilation.

4. Children of parents who smoke are more likely to have bronchiitis and pneumonia during the first year of life, and this may be due to their being exposed to cigarette smoke in the atmosphere.

5. Levels of carbon monoxide which can be reached in cigarette smoke-filled environments have been shown to decrease the exercise duration required to induce angina pectoris in patients with coronary artery disease. These levels of CO also have been shown to reduce the exercise time until onset of dyspnea in patients with hypoxic chronic lung disease.

THE HEALTH CONSEQUENCES OF SMOKING: CHRONIC OBSTRUCTIVE LUNG DISEASE—A REPORT OF THE SURGEON GENERAL—1984

SUMMARY AND CONCLUSIONS

1. Cigarette smoke can make a significant, measurable contribution to the level of indoor air pollution at levels of smoking and ventilation that are common in the indoor environment.

2. Nonsmokers who report exposure to environmental tobacco smoke have higher levels of urinary cotinine, a metabolite of nicotine, than those who do not report such exposure.

3. Cigarette smoke in the air can produce an increase in both subjective and objective measures of eye irritation. Further, some studies suggest that high levels of involuntary smoke exposure might produce small changes in pulmonary function in normal subjects.

4. The children of smoking parents have an increased prevalence of reported respiratory symptoms, and have an increased frequency of bronchitis and pneumonia early in life.

5. The children of smoking parents appear to have measurable but small differences in tests of pulmonary function when compared with children of nonsmoking parents. The significance of this finding to the future development of lung disease is unknown.

6. Two studies have reported differences in measures of lung function in older populations between subjects chronically exposed to involuntary smoking and those who were not. This difference was not found in a younger and possibly less exposed population.

7. The limited existing data yield conflicting results concerning the relationship between passive smoke exposure and pulmonary function changes in patients with asthma.●

NATIONAL POW/MIA DAY

● Mr. DODD. Mr. President, last Friday, July 19, was "National POW/MIA Recognition Day." On that day each year, we honor the more than 90,000 Americans now living who survived the prisoner of war camps of World War II, Korea, and Vietnam.

We owe these men, as we owe all veterans, a debt of gratitude we cannot repay. Those of us who enjoy the freedom and prosperity of the United States must never forget the sacrifices that make our happiness possible.

There is something special about this day of remembrance and recognition. There remain some 2,464 unresolved cases of Americans in Southeast Asia. Of that total, some 1,186 are known to have been killed, but their remains have not been returned. Another 1,278 Americans simply disappeared in Southeast Asia. We do not know what happened to them.

This issue has attracted considerable attention in recent years. It has been the subject of movies and books. Virtually every month some new speculation arises about living Americans being held against their will in Southeast Asia, and the moral imperative to rescue them.

I do not disagree with the administration's current approach, that so long as there remains a reasonable doubt that all Americans unaccounted for in Southeast Asia are dead, we must not rule out the possibility that some are alive.

But we do need to retain a sense of perspective about this issue. It is of the highest moral importance so we must maintain the highest standards of prudence and commitment.

There were tens of thousands of Americans unaccounted for, and presumed dead, at the end of both World Wars. There were many more at the end of the Korean war. Most of these cases remain officially unresolved. In the chaos of war, it would be a miracle if the specifics of each casualty were fully known and fully recorded.

So we cannot expect the impossible. There can be no doubt that most of the 1,278 Americans whose deaths are not certain are nonetheless dead. The mountains and the jungles, the rice fields and the rivers of Southeast Asia have erased the evidence. We may never know what happened to most of them. Probably the most we can hope for—it may not be enough—is to get the Vietnamese and Laotians to tell us all that they know or can find out.

There continue to be persistent reports that Americans remain held against their will in Southeast Asia. There have been nearly 500 firsthand reports of live sightings. Over 200 of these have not been disproved. Despite the unremitting efforts of the National League of Families of American Prisoners and Missing in Southeast Asia, by veterans' groups, by Members of Congress and by the Departments of State and Defense and the Intelligence agencies, we simply do not now know if there remain American POW's in Southeast Asia.

But there is something that we do know: the Governments of Vietnam and Laos have not been telling us all that they know about these cases. What some see as evidence of current cooperation on identifying and returning remains, is also evidence of a failure to cooperate in the past.

So we must maintain our efforts. We must continue the discussions and negotiations that have returned remains to the United States. We must proceed with the technical discussions between the Joint Casualty Resolution Center and the Vietnamese Office for Missing Personnel, and with the Lao Foreign Ministry. We must continue to gain access to crash sites.

And we must make it plain to the Vietnamese, and to the Laotians, that in the eyes of the American people and the burden of proof lies on their governments. There can be no improved relations between ourselves and our erstwhile adversaries in Southeast Asia until all cases of Americans now listed as unaccounted for are resolved, to the greatest extent humanly possible.

We owe these men, and their families no less for their service.●

THE SANDINISTAS AND SOCIAL REFORM

● Mr. GRASSLEY. Mr. President, one of the more hotly contested issues in the discussion of this Nation's policy toward the Sandinista regime in Nicaragua has been over the question of who is to blame for the conflict that exists between the United States and the Sandinistas. Many opponents of U.S. policy contend that most, if not all, of the blame lies with the United States. They argue that the hostility of the Reagan administration has forced the Sandinistas to embark on a military buildup on a scale unprecedented in Central America and to develop ties with Cuba and other Soviet bloc countries.

Norman Luxenburg, who is a professor of Russian at the University of Iowa and has written several books about Eastern Europe, published an article in the Iowa City Press-Citizen late last year that discusses this argument. While I do not believe that Mr. Luxenburg's essay will lay the issue to rest, I do think it makes a valuable contribution to the discussion. I therefore ask that the article be printed in its entirety at this point in the RECORD.

The article follows:

[From the Iowa City Press-Citizen, Nov. 21, 1984]

IT'S HARD TO BELIEVE SANDINISTAS MERELY WANT SOCIAL REFORMS

(By Norman Luxenburg)

There has been an active attempt to present the Sandinistas as the innocent victims of a hostile U.S. administration that suffers from a paranoid fear of Marxism.

This unfounded fear, according to the propagaters of this viewpoint, causes the United States to see aggressive Communists instead of social reformers—to create enemies among people who only wish to bring about much-needed socio-economic changes and wish to be our friends. They have been maintaining, as has Daniel Ortega, the Nicaraguan leader and "winner of" the recent Nicaraguan "elections," that the Sandinistas' creation of a large military force in Nicaragua is merely a response to hostile action by this government and the "Contra" activities. This is not the case.

The Sandinistas took over on July 20, 1979. Just 10 days later, the *New York Times* article on Nicaragua begins. "The Sandinista guerillas are embarked on the creation of a large 'popular army' to consolidate their dominant position in the Nicaraguan revolution and assure a major leadership role for their best known commander, Tomas Borge Martinez."

Thus, the development of a large army was not the result of the Reagan administration's policies, but had been going on right from the beginning of the regime. Tomas Borge, the commander, was a well-known Marxist, and to have him in command of the armed forces was not at all reassuring to those who could remember the patterns by which the Soviets used control of the armed forces and the ministries of interior (police) to create "peoples' democracies" in East-Central Europe.

Alongside the article on Nicaragua, the *Times*, on July 30, 1979, ran a large picture of Fidel Castro and Daniel Ortega publicly embracing at the huge July 26 rally in Havana, only six days after the Sandinista takeover!

Less than a week after the Sandinista takeover, Ortega and a Sandinista delegation were in Havana for friendship demonstrations with Fidel. Within several more days, they were creating a large popular army. Their Sandinista anthem had, and still has, the following pathos-laden lines, lines guaranteed to win them support among Marxists and anti-U.S. radicals: "Luchamos contra el Yanqui, El enemigo de la humanidad . . ." (Let's fight against the Yankee, the enemy of humanity).

What had the Carter administration been doing? It had announced support of the Sandinistas. Before the Sandinista takeover, it had been calling for Somoza to step aside and had refused to sell him military equipment. The United States was sending aid to the Sandinistas. In October 1979, then Vice President Mondale, speaking in Panama, announced the United States would continue to support the Sandinistas. Indeed, within the first 18 months of the Sandinista takeover, the United States sent more aid to the Sandinistas than it had supplied to Nicaragua in the preceding 40 years!

It should be remembered that in 1979 there had been serious political problems between the United States and the Soviet Union for almost 35 years, and a Cold War that on several occasions threatened to become hot. It should also be remembered that the introduction of Soviet nuclear missile launchers into Cuba in the 1960s touched off the most serious international scare in modern world history. It should also be remembered that anyone with an ounce of common sense would have realized that the United States would be quite worried about another Cuba coming into its backyard.

Thus, any new government of Nicaragua genuinely wishing good relations with the United States, should not have gone out of its way to arouse suspicions about its connections with the Soviet bloc, connections which would arouse U.S. concern.

Nonetheless, on March 19, 1980, at a time the United States was sending considerable aid to the Sandinistas, it was announced that a delegation of Sandinista leaders had signed a series of accords with the Soviets. These accords foresaw the opening of an air link and the furthering of engineering, agricultural and transportation development.

On April 22, 1980, eight months before Ronald Reagan took office, the last remaining non-Sandinista member of Nicaragua's ruling junta resigned, charging the junta with violating pledges of democracy.

As far as the United States was concerned, the Sandinistas had reneged on their promises to have a pluralistic society and free elections. They had cozied up to our enemies. They were creating a large armed force, a force being equipped with East-bloc weapons and aided by hundreds of Cuban advisers.

Although no Nicaraguan force in itself could be a military threat to the United States, this Sandinista army was far in excess of anything normally needed in Central America and could very easily become a major force for destabilization in that area where relatively small but determined units could overthrow governments.

At any rate, the Sandinistas have clearly not been content to simply devote their efforts to internal reform. And it was this that caused a change in U.S. policy from support to opposition.●

TURKISH INVASION OF CYPRUS

● Mr. BIDEN. Mr. President, 11 years ago, on July 20, 1974, Turkey invaded the island Republic of Cyprus. On two previous occasions since the Republic's founding in 1960, Turkey had prepared for an invasion. But the invasion and takeover of 1974 was an unexpected move, coming on the heels of internal troubles in the Republic's government.

Eleven years later, we know well the effect that this invasion had on world affairs. The NATO alliance was thrust into turmoil, with two allies in a key geopolitical hotspot on the verge of conflict. The Soviet Union felt the heat immediately, and put seven airborne divisions on full alert. The United States dispatched our top ranking area specialists and diplomats in a failed attempt at shuttle diplomacy between Athens and Ankara. Great Britain, the former colonial power on the island, came to the rescue of surviving members of the Cypriot Government. And the United Nations convened a special session on the crisis in Cyprus, making the first of its many pleas for a return to the pre-1974 system of government.

Eleven years later, the people of Cyprus, more than 80 percent of them Greek Cypriots, still suffer the after effects of that invasion. It has been 11 years since 40,000 Turkish troops invaded and divided Cyprus; 11 years since 200,000 Greek Cypriots were driven from their homes; 11 years since 10,000 people died in the invasion; 11 years since 2,000 Greek Cypriots "disappeared," unaccounted for, but believed to be still alive.

Today, the 2,000 "disappeared" remain unaccounted for; 20,000 Turkish troops remain on the island, guarding 40 percent of the land mass; 200,000 people continue their lives away from their ancestral homes and villages, frustrated in their attempt to preserve a way of life and a distinct culture. The Turkish invaders have imported 50,000 "settlers," coined their own money, established their own schools, and generally attempted to wipe out all traces of the burgeoning Cypriot culture from their stolen land. They have a formal government, established only hours after President signed a foreign aid bill that sent nearly $1 billion to Turkey, and recognized by no one except Turkey herself.

In the U.S. Senate, I have worked over these past 11 years with many of my colleagues—Senators PELL, SARBANES, PRESSLER, and many others—to isolate Turkey for its arrogant invasion and takeover. And though we have had some success at passing measures that send strong signals to the Turkish Government—the 7 to 10 aid ratio is now a fixture of the foreign aid bill—we have had no success in extinguishing that illegal presence on the island of Cyprus and its consequent affront to the people on that island and their relatives in other countries.

On this occasion, an important time of the year for Cyprus and all those who care about it, I stand here to say that we must not relent in our effort to return that beautiful island to the control of the people who built it, and nurtured its way of life.

At stake is the strength of NATO's southern flank—the tensions between Greece and Turkey undermine NATO.

At stake are very basic issues of international law and morality—a series of U.N. resolutions have underlined the point.

At stake is a small country's right to govern itself—free from outside pressure, and internal occupation.

And at stake, as we in the Senate consider foreign aid and military assistance levels, is my belief that American aid should serve American interests, values and principles—none of which are served by the illegal occupation of the tiny island of Cyprus.

It is 11 years since that illegal occupation began, Mr. President. But in our minds and in our actions in this body, we should remember it as if it were yesterday.●

ELEANOR SIEGL, DIRECTOR OF THE LITTLE SCHOOL

● Mr. EVANS. Mr. President, Eleanor Siegl, founder and director of the innovative Little School in my home State of Washington, was honored recently at the school's 25th anniversary. I was among the many who attended the event to pay homage to her years of devotion and considerable contribution to the education of young people. The following remarks, so much in the spirit of Mrs. Siegl and the Little School's refreshing approach to learning, were made by Robert Fulghum, an educator and Unitarian minister. They appeared in Bellevue, WA's Journal-American newspaper on June 9, 1985. The sentiments expressed are simple yet profound. I hope all my colleagues read them carefully. I ask that Mr. Fulghum's remarks be printed in the RECORD.

The remarks follow:

REMARKS OF ROBERT FULGHUM

Socrates insisted that the unexamined life is not worth living and there's wisdom in that to be sure. But the examined life isn't always a picnic either.

In such times I fall back on what I've come to think of as a Kindergarten State of Mind. Most of what I really need to know about how to live, and what to do, and how to be, I learned in kindergarten. Wisdom was not at the top of the graduate school mountain but there in the sandpile at nursery school.

These are the things I learned:

Share everything.

Play fair.

Don't hit people.

Put things back where you found them.

Clean up your own mess.

Don't take things that aren't yours.

Say you're sorry when you hurt somebody.

Wash your hands before you eat.

Flush.

Warm cookies and cold milk are good for you.

Live a balanced life. Learn some and think some and draw and paint and sing and dance and play and work every day some.

Take a nap every afternoon.

When you go out into the world, watch out for traffic, hold hands and stick together.

Be aware of wonder. Remember the little seed in the plastic cup. The roots go down and the plant goes up and nobody really knows how or why, but we are all like that.

Goldfish and hamsters and white mice and even the little seed in the plastic cup—they all die.

So do we.

And then remember the book Dick and Jane and the first word you learned, the biggest word of all: Look.

Everything you need to know is in there somewhere.

The Golden Rule and love and basic sanitation.

Ecology and politics and equality and sane living.

Take any one of those items and extrapolate them into sophisticated adult terms and apply them to your family life or your work or your government or your world and they hold true and clear and firm.

Think what a better world it would be if we all—the whole world—had cookies and milk about 3 o'clock every afternoon and then lay down with our blankies for a nap.

Or if the United States of America had as a basic policy to always put things back where it found them and cleaned up its own mess.

And it is still true, no matter how old you are, when you go out into the world it is best to hold hands and stick together.

Look, look.

See Dick, see Jane.

Look, look.

See you, see me, see us, see the world, see the universe, see life, see death, oh ook and see!●

EDDIE McCARTHY RETIRES

● Mr. BAUCUS. Mr. President, I would like to take this time to announce the retirement of one of Anaconda, MT's most beloved public servants. On June 28, postal carrier Eddie McCarthy, a very dear friend of mine, turned in his mailbag after 41 years of service and over 100,000 miles logged on his route.

But Eddie's relationship with the people of Anaconda and many other Montanans extends beyond his job as a public servant. Eddie's warm friendliness has always managed to brighten everyone's day, even on the coldest and snowiest Montana winter morning.

A resident of Leprechaun Village in Anaconda, Eddie is known fondly as the city's Irish postal carrier. Every year on St. Patrick's Day, Eddie and his wife Bea open the doors of their home to everyone—not only to those of Irish descent but also to those who feel the spirit of Irish celebration. For several years I have donned my brogue and participated in this gathering, and I am always touched by the generous hospitality of the McCarthys.

I would like to join many others in thanking Eddie for his lifetime service to Anaconda as a dedicated postal carrier and magnanimous host.

I ask to have printed in the RECORD a recent Anaconda Reader article recognizing Eddie McCarthy.

The article follows:

[From the Anaconda Leader, June 26, 1985]

POSTAL CARRIER LOGS 100,000 MILES BEFORE RETIREMENT

(By Walter Mundstock)

The badge on his hat is No. 17, for St. Patrick's Day, March 17, and a huge leather shamrock decorates his mailbag. Ask anyone from Anaconda and they will tell you that is their friendly Irish postal carrier, Eddie McCarthy.

After 41-years and more than 100,000 miles of walking as a Anaconda postal carrier, Eddie, 56, will be retiring Friday. He will make his last delivery at 1800 Tammany around 3 p.m.

Eddie's Irish friendliness is for real. As he walks his postal route he always has a big wave or cheerful greeting for friends.

"I really enjoyed the people and working at the post-office," Eddie observes. "Very seldom did I get up in the morning that I didn't feel like going down there."

"I enjoyed the youngest kid to the oldest person in town," he added.

Eddie got to know virtually all of Anaconda and everyone that lived here during his years with the post office. For 35-years he worked as swing man, taking different routes for vacationing employees, or those who were sick. It was only during the last six years that he had a regular route on the west side of town.

"To me, probably the best part, was to visit and see a lot of the whole city," Eddie notes.

He switched to the west route because he lived in the area and could be home with his family for lunch.

"My body is here, but my heart is all over town," he said.

The length of the routes varied little over the years. Each is about 10 miles long and the mail sack weighs around 35 to 40 pounds.

The postal motto of delivering mail in all kinds of weather is certainly true, Eddie says. He recalls that the only day that deliveries were cancelled was when Mount St. Helens erupted.

Eddie started with the post office while he was still in high school. Eddie would go to work on his bicycle at 6 a.m. to take the special delivery mail out before school started.

"Some of those mornings were very cold," he recalls.

One winter, when there was a lot of snow, Eddie remembers following the plow up Third St. and walking from there to the houses in either direction because the snow was so deep.

Eddie would go back to the post office after school ended each day and pick up the mail for the "Victory Homes" that were located where Teresa Ann Terrace is now situated.

When the United States became involved in the Korean Conflict, Eddie quite naturally ended up as an Army mail clerk.

It didn't take Eddie long after his service hitch to go back to the post office. He was discharged on Dec. 17, 1952 and two days later he was back at work with the post office.

Eddie has acquired several memories over his year as a mail carrier.

"Back around 1945 there was a lady on Pennsylvania that had a big yard and raised chickens," Eddie says. "She had a box of chicks come COD for about $2 to $3. I took them over there and she told me that she had already paid for them, but to bring them in while I checked on that. She had me bring them out to the kitchen and she took the top off. There were chickens all over the kitchen. I had to go back and tell the post office that I didn't collect."

Eddie also recalls a Chinese laundry that he used to deliver to that fascinated him. "I had both eyes wide open watching them," he says.

When Eddie delivered mail to the Italian community on West Commercial, he says that he often got invited in to warm up when the winters were cold.

For an older couple on Alder St., when mail was delivered twice a day, Eddie used to pick up their pill box in the morning, take it to the drug store, have their prescriptions filled and then drop it off on the second delivery.

Another time, Eddie was delivering mail by a ball park when a youngster got run over by a car. He ran over, reached under the car and pulled the youngster out.

And he recalls working with the first woman to carry mail in the United States, Ann McDonald, back in 1944.

What didn't he like about the job? "Nothing," Eddie says.

Eddie has been active within organizations in the community including the Ancient Order of Hibernians, Knights of Columbus, Veterans of Foreign Wars, Elks and the American Legion.

Bea, Eddie's wife, a first grade teacher at the former Washington School, has taught in the Anaconda School system for the past 17 years. The couple was married in 1959.

Eddie and Bea have lived at 1906 Odgen, better known as Leprechaun Village, for 25 years. For the past 20 years, on the Sunday before St. Patrick's Day, they have thrown open the doors and hosted the entire community, friends from around the state, the Governor, U.S. Senators and Representatives at a pre-St. Patrick's Day open house. Hundreds attend each one of the events.

Eddie says he plans to "just take it easy" during his retirement, but then he quickly adds, "There is a lot to do around the house and yard."

"I guess it's time to retire Badge 17 and 'hang up the sack," Eddie wistfully notes.●

CONGRESS SHOULD PASS A BUDGET RESOLUTION BEFORE THE AUGUST BREAK

● Mr. QUAYLE. Mr. President, I rise as a member of the Senate Budget Committee to express my growing concern that Congress still has not completed action on a budget resolution for fiscal year 1986.

Before I go any further, let me quickly compliment the efforts of the Senate Budget Committee conferees, led by Chairman PETE DOMENICI and U.S. Senator LAWTON CHILES. They have worked steadfastly to produce a compromise budget plan with their House counterparts, and the Senate conferees deserve the wholehearted support of all the Members of this body.

Still, we are now a week away from the scheduled start of the August recess, and the budget conference remains deadlocked.

Mr. President, I firmly believe that just as children who are delinquent in their studies are routinely obliged to stay after school, Congress should stay in Washington as long as it takes to pass a 1986 budget that cuts runaway spending before taking off on the month-long recess it is scheduled to begin at the end of next week.

We cannot afford any further delays in winning final passage of a budget that sets spending and revenue ceilings for the fiscal year that begins October 1, any more than we can afford to postpone action to rein in runaway deficits. Under the Congressional Budget Act of 1974, both Houses of Congress are supposed to agree on a first concurrent budget resolution by May 15 each year. Yet more than 2 months have passed since that deadline, and the conferees representing the House and Senate Budget Committees are still at loggerheads. The potential perils of a stalemate on the 1986 budget are so grave—and the benefits of stemming the flow of red ink are so obvious—that the American people should immediately send their representatives in Washington a resounding message: "Stop playing chicken with the American economy, and pass a budget for 1986 before you return home for your August recess."

Experts have estimated that spending cuts of the magnitude of $50 billion in 1986 could serve to bring interest rates down by 2 percentage points. More affordable loans would help almost every sector of our economy and virtually every individual, including homeowners, small businessmen and farmers. What is more, lower interest rates would yield more favorable terms for our foreign trade, and this would enable all Hoosiers—particularly our steelworkers and farmers—to compete better in the world economy.

Mr. President, Congress must not simply tackle the deficit. We must do the right thing the right way. We must reduce the deficit by cutting spending. The House of Representatives in particular should review the figures and act on the inescapable conclusion to be drawn from them: An outlandish growth in domestic spending is to blame for our current crisis. In 1960, Federal outlays were a reasonable 18.5 percent of the gross national product, and Federal revenues equaled 18 percent of GNP. For the current fiscal year ending September 30, because Federal outlays will be a whopping 24.6 percent of GNP, while Federal revenues will total a more acceptable 19.1 percent of GNP, the deficit will be an outrageous $213 billion.

We must recognize that the country faces a fiscal problem of potentially catastrophic consequences as long as Federal spending continues to outpace revenues by such huge amounts. We must get on with the job of closing

that gap by cutting spending—and we should agree to do so now.

Congress should adopt a budget resolution for fiscal year 1986 that will reduce the Federal budget by $50 billion. That will mean cutting the Federal deficit from its current level, over 5 percent of GNP, to about 4 percent. What is more, Congress should act now to make further inroads on the deficit in the following 2 years so that it is reduced to 3 percent of GNP in fiscal year 1987 and 2 percent of GNP in fiscal year 1988.

Mr. President, to keep our economy creating the jobs and opportunities needed to benefit all Americans, Congress must exercise substantial fiscal discipline in the upcoming 3 fiscal years. It cannot and will not muster that discipline if it does not approve a budget resolution for 1986. To promote the sustained economic growth all Americans want, the House and Senate must get off the collision course that institutional pride has put them on and pass once and for all a 1986 budget.●

NOTICE OF DETERMINATIONS BY THE SELECT COMMITTEE ON ETHICS

● Mr. RUDMAN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD this notice of a Senate employee who proposes to participate in a program, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The Select Committee has received a request for a determination under rule 35, which would permit Mr. Daniel Finn, a member of the staff of the Select Committee on Intelligence, to participate in a program in Taipei, Taiwan, sponsored by Tunghai University, from August 3–10, 1985.

The committee has determined that participation by Mr. Finn in the program in Taipei, Taiwan, at the expense of Tunghai University, to discuss United States-Taiwan relations, is in the interest of the Senate and the United States.

The Select Committee has received a request or a determination under rule 35 which would permit Mr. Peter Prowitt of the staff of Senator MAX BAUCUS to participate in a program in Taipei, Taiwan, sponsored by Soochow University from August 2–10, 1985.

The committee has determined that participation by Mr. Prowitt in the program in Taiwan, at the expense of Soochow University, to discuss United States-Taiwan relations is in the interest of the Senate and the United States.

The Select Committee has received a request for a determination under rule 35 which would permit Ms. Marcia Aronoff, of the staff of Senator BILL BRADLEY, to participate in a program in Taipei, Taiwan from August 2–10, 1985, sponsored by Soochow University.

The committee has determined that participation by Ms. Aronoff in the program in Taipei, Taiwan, at the expense of Soochow University, to discuss United States-Taiwan relations is in the interest of the Senate and the United States.●

MEMORIAL TO MARTIN LUTHER KING, JR.

● Mr. MATHIAS. Mr. President, I am pleased to join my colleague from Maryland, Mr. SARBANES, as cosponsor of S. 961, a bill to authorize the Alpha Phi Alpha fraternity to establish a memorial to Martin Luther King, Jr., in the District of Columbia.

During the 98th Congress, I had the honor to introducing a bill to authorize a national holiday in honor of Dr. King. It was an opportunity for us, as a nation, to honor and pay tribute to Dr. King and the contributions he made to our country. As we know, the legislation making Dr. King's birthday a national holiday did pass the Congress and was signed by the President in 1983. In less than 6 months, on January 20, 1986, we shall celebrate Dr. King's birthday and his contributions to our country with a national holiday in his honor.

S. 961 presents us with yet another opportunity on a more personal level—to assist the Alpha Phi Alpha fraternity, an organization that Dr. King joined in June 1952, in its effort to honor one of its own. The Alpha Phi Alpha fraternity, founded at Cornell University in 1906, is the oldest predominately black Greek-letter fraternity in the United States. Over the years, Alpha Phi Alpha has been able to count among its members men who have distinguished themselves in many fields of endeavor, including the law, religion, and medicine. Moreover, they have contributed significantly to all their countrymen by establishing a tradition of service and a high standard of excellence. Clearly, the achievements of Dr. King are in keeping with that tradition, and it is appropriate that we assist the Alpha Phi Alpha fraternity in honoring him.

Many fine memorials to Dr. King have been established throughout the country. Early next year, in conjunction with the first observance of the national holiday, the Congress will honor Dr. King with a memorial of its own when a bust of Dr. King will be placed here in the U.S. Capitol. While the bust will be an important addition to the Nation's capital, a memorial on Federal land in this city, always accessible to the public, is an appropriate symbol of the Nation's recognition of Dr. King. It would serve as a reminder of the spirit of brotherhood and on nonviolence, the spirit of reconciliation and of national unity, so often articulated and demonstrated by Dr. King. That is the memorial that the Alpha Phi Alpha fraternity seeks to establish in Washington and that this bill authorizes.●

EXECUTIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate now go into executive session to consider the following nominations on the Executive Calendar:

Calendar Order Nos. 322, 323, 324, 325, and 326 under the Air Force; under the Army, Calendar Order Nos. 327, 328, 329, and 330; Calendar Order No. 331, under the Navy; Calendar Order No. 333, S. Bruce Smart, Jr.; and all nominations placed on the Secretary's desk.

Mr. BYRD. Mr. President, reserving the right to object.

Mr. President, all of the nominations enumerated by the distinguished majority leader have been cleared on this side, with the exception of the nominations as set forth in the seventh paragraph on page 6, Nominations Placed On The Secretary's Desk, "Navy Nominations beginning Charles Llewellyn Adams," that line has not been cleared on this side. All others that have been named by the majority leader have been cleared.

Mr. DOLE. Mr. President, with that exception, I ask unanimous consent that the nominations just identified be considered in bloc and confirmed en bloc.

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

The nominations confirmed en bloc are as follows:

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. Leonard H. Perroots, xxx-xx-... [redacted]FR, 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. Spence M. Armstrong, xxx-xx-... [redacted]FR, 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. John A. Shaud, xxx-xx-xxxx FR, 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. Robert D. Springer, xxx-x... FR, U.S. Air Force.

The following officer for appointment in the U.S. Air Force to the grade of brigadier general, under the provisions of section 624 and 8067, title 10 of the United States Code:

Col. Carmelita Schimmenti, xxx-xx-... FR, Regular Air Force, Nurse Corps.

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. James A. Williams, xxx-xx-xxxx, age 52, U.S. Army.

The following-named officers, under the provisions of title 10, United States Code, section 3037, for appointment as the judge advocate general and assistant judge advocate general, respectively, U.S. Army, in the grade of major general:

To be the judge advocate general

Maj. Gen. Hugh R. Overholt, xxx-xx-xxxx, U.S. Army.

To be the assistant judge advocate general and major general

Brig. Gen. William K. Suter, xxx-xx-xxxx, 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:

To be general

Gen. John W. Vessey, Jr., xxx-xx-xxxx age 62, U.S. Army.

The following-named Army Judge Advocate General Corps 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:

To be permanent brigadier general

Col Dulaney L. O'Roark, Jr., xxx-xx-xxxx Judge Advocate General Corps, U.S. Army.

IN THE 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. Harry C. Schrader, Jr., xxx-xx-... 1110, U.S. Navy.

DEPARTMENT OF COMMERCE

S. Bruce Smart, Jr., of Connecticut, to be Under Secretary of Commerce for International Trade, vice Lionel H. Olmer, resigned.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS, NAVY

Air Force nominations beginning Lawrence B. Anderson, and ending Jean C. Atchison, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 9, 1985.

Air Force nominations beginning Maj. John H. Boles, and ending Maj. Ardith A. Corsaw, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

Air Force nominations beginning Roger D. Mathews, and ending Ralph H. Swerdlow, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

Army nominations beginning Francis E. Algermissen, and ending Michael M. Zizza, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 9, 1985.

Army nominations beginning Henry Robinson, and ending Lawrence R. Whitehurst, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

Marine Corps nominations beginning Philip C. Knapik, and ending Eric B. Yonkee, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

Navy nominations beginning William S. Adsit, and ending John W. Hays, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 10, 1985.

Navy nominations beginning David William Billharz, and ending Madeline Anne Tracy, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

Navy nominations beginning Harvey C. Aaron, and ending Mary P.K. Zangrilli, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

Mr. DOLE. 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. DOLE. Mr. President, I ask unanimous consent that the President be immediately notified that the Senate has given its consent to these nominations.

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

LEGISLATIVE SESSION

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate resume legislative session.

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

Mr. DOLE. Mr. President, I wish to thank the distinguished minority leader for helping me to expedite matters this afternoon. Again, I do not want to leave the impression that the minority leader has been anything but helpful in our Agriculture Committee deliberations. I know Members have strong feelings for different reasons on the rate of progress. But I want the record to clearly reflect that it has been through the efforts of the distinguished minority leader that we have had opportunities to meet when we thought we would not have those opportunities. I want the record to be clear on that.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

THE DEFICIT REDUCTION PACKAGE

Mr. DOLE. Mr. President, I would also indicate that, again, without making a speech, but just to send a signal to the Speaker of the House of Representatives, the distinguished Congressman from Massachusetts, TIP O'NEILL, that we would very much like to sit down and visit with him about the deficit reduction package. We believe there are seeds for a compromise in that package.

I hope that at the earliest opportunity, either the four congressional leaders could get together, or, at the Speaker's option, any one or more of us, to visit with him concerning this package so that we might then be prepared to indicate to the President that there is some real interest in putting the package together.

ORDER FOR RECORD TO REMAIN OPEN UNTIL 5 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the record remain open until the hour of 5 p.m. today, Friday, July 26, 1985, for the introduction of bills and resolutions, submission of statements, and for the committees to file reports.

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

ORDERS FOR MONDAY, JULY 29, 1985

RECESS UNTIL 12 NOON

Mr. DOLE. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stand in recess until 12 noon on Monday, July 29, 1985.

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

RECOGNITION OF CERTAIN SENATORS

Mr. DOLE. Mr. President, I further ask unanimous consent that following the recognition of the two leaders under the standing order, there be a special orders in favor of the following Senators for not to exceed 15 minutes: Senators DOLE, SYMMS, PROXMIRE, and MURKOWSKI.

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

ROUTINE MORNING BUSINESS

Mr. DOLE. Mr. President, following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business, not to extend beyond 1:30 p.m., with statements limited therein to 5 minutes each.

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

PROGRAM

Mr. DOLE. Mr. President, following morning business, it is my present intention to turn to S. 410, Conservation

Services Reform Act, and I understand there is going to be an amendment dealing with CAFE standards by Senators METZENBAUM and EVANS and that the distinguished Senator from Kentucky, Senator FORD, is very strongly in opposition to that amendment as are a number of Senators on this side.

So there will be no time agreement on that legislation. There may be a motion to table at some appropriate time, but I would guess that we would not be voting until—in fact I can assure Senators—around 4 p.m. on Monday. So that might help accommodate Members on each side who have other plans.

RECESS UNTIL MONDAY, JULY 29, 1985

Mr. DOLE. Mr. President, there being no further business to come before the Senate, I move that the Senate stand in recess until 12 noon on Monday, July 29, 1985.

The motion was agreed to; and, at 2:32 p.m., the Senate recessed until Monday, July 29, 1985, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate July 26, 1985:

DEPARTMENT OF COMMERCE

Donald James Quigg, of Virginia, to be commissioner of Patents and Trademarks, vice Gerald J. Mossinghoff, resigned.

NATIONAL ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

The following-named persons to be members of the National Advisory Council on Women's Educational Programs for terms expiring May 8, 1988:

Betty Ann Gault Cordoba, of California, reappointment.

Irene Renee Robinson, of the District of Columbia, reappointment.

Judy F. Rolfe, of Montana, reappointment.

FARM CREDIT ADMINISTRATION

Larry L. DeVuyst, of Michigan, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1991, vice Jewell Haaland, term expired.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 26, 1985:

DEPARTMENT OF COMMERCE

S. Bruce Smart, Jr., of Connecticut, to be Under Secretary of Commerce for International Trade.

The above nomination was approved subject to the nominee's 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. Leonard H. Perroots, xxx-xx-... xxx-...FR, 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. Spence M. Armstrong, xxx-xx-x... xxx-...FR, 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. John A. Shaud, xxx-xx-xxxx FR, 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. Robert D. Springer, xx...FR, U.S. Air Force.

The following officer for appointment in the U.S. Air Force to the grade of brigadier general, under the provisions of sections 624 and 8067, title 10 of the United States Code:

Col. Carmelita Schimmenti, xxx-xx... FR, Regular Air Force, Nurse Corps.

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. James A. Williams, xxx-xx-xxxx (Age 52), U.S. Army.

The following-named officers, under the provisions of title 10, United States Code, section 3037, for appointment as the judge advocate general and assistant judge advocate general, respectively, U.S. Army, in the grade of major general:

To be the judge advocate general

Maj. Gen. Hugh R. Overholt, xxx-xx-xxxx U.S. Army.

To be assistant judge advocate general and major general

Brig. Gen. William K. Suter, xxx-xx-xxxx U.S. Army.

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

To be general

Gen. John W. Vessey, Jr., xxx-xx-xxxx (Age 62), U.S. Army.

The following-named Army Judge Advocate General Corps 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:

To be permanent brigadier general

Col. Dulaney L. O'Roark, Jr., xxx-xx-xxxx Judge Advocate General Corps, U.S. Army.

IN THE 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. Harry C. Schrader, Jr., xxx-xx... /1110, U.S. Navy.

IN THE AIR FORCE

Air Force nominations beginning Lawrence B. Anderson, and ending Jean C. Atchison, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 9, 1985.

Air Force nominations beginning Maj. John H. Boles, and ending Maj. Ardith A. Corsaw, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

Air Force nominations beginning Roger D. Mathews, and ending Ralph H. Swerdlow, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

IN THE ARMY

Army nominations beginning Francis E. Algermissen, and ending Michael M. Zizza, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 9, 1985.

Army nominations beginning Henry Robinson, and ending Lawrence R. Whitehurst, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

IN THE MARINE CORPS

Marine Corps nominations beginning Philip C. Knapik, and ending Eric B. Yonkee, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

IN THE NAVY

Navy nominations beginning William S. Adsit, and ending John W. Hays, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 10, 1985.

Navy nominations beginning David William Billharz, and ending Madeline Anne Tracy, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

Navy nominations beginning Harvey C. Aaron, and ending Mary P.K. Zangrilli, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of July 22, 1985.

HOUSE OF REPRESENTATIVES—*Friday, July 26, 1985*

The House met at 10 a.m.

Dr. Joseph Richards, retired Methodist minister, Waterville, OH, offered the following prayer:

Let us pray: Almighty God, our Father, who has set a restlessness in our hearts and made us all seekers after that which we can never fully find, forbid us to be satisfied with the life we make here. Set our eyes on far-off goals and when tasks seem too heavy or problems too difficult, may we give thanks that such situations compel us to turn to Thee for counsel and guidance and strength.

And now, how can we adequately express our thanks, our appreciation for our beloved country and its leaders and for that warm inspiring, never-failing love of family and friends? Perhaps by quickening our steps upon errands of mercy and rejoicing our hearts in the doing of fine and lovely deeds and at all times and in all places making the words of our mouths and the meditations of our hearts acceptable in Thy sight, O Lord, our strength and our redeemer. Amen.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Sparrow, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1030. An act to authorize appropriations for the Public Buildings Service of the General Services Administration for fiscal year 1986; and

S. 1077. An act to amend the Consumer Product Safety Act (15 U.S.C. 2051 et seq.) to provide authorization of appropriations, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 1460) "An act to express the opposition of the United States to the system of apartheid in South Africa, and for other purposes," disagreed to by the House, agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LUGAR, Mr. HELMS, Mr. MATHIAS, Mrs. KASSEBAUM, Mr. GARN, Mr. HEINZ, Mr. PELL, Mr. SARBANES, Mr. CRANSTON, and Mr. PROXMIRE to be the conferees on the part of the Senate.

For section 15 of the Senate amendment, Mr. KENNEDY to be a conferee in lieu of Mr. CRANSTON.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Other than the Chair recognizing the gentleman from Oklahoma [Mr. JONES], for 1 minute to acknowledge the prayer of the visiting chaplain, the other 1-minute speeches will be suspended and postponed until a later time today.

THE JOURNAL

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

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

Mr. MILLER of California. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

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

Mr. MILLER of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 266, nays 101, answered "present" 2, not voting 64, as follows:

[Roll No. 262]

YEAS—266

Ackerman	Campbell	Feighan
Addabbo	Carper	Fish
Alexander	Carr	Flippo
Anderson	Clinger	Florio
Andrews	Coats	Foglietta
Annunzio	Coleman (TX)	Ford (TN)
Archer	Collins	Fowler
Atkins	Conyers	Frank
Barnard	Cooper	Franklin
Barnes	Courter	Frost
Bartlett	Coyne	Fuqua
Bateman	Crockett	Gallo
Bates	Daniel	Garcia
Beilenson	Darden	Gaydos
Bennett	Davis	Gephardt
Bereuter	Dellums	Gibbons
Bevill	Derrick	Gilman
Biaggi	Dicks	Glickman
Boggs	DioGuardi	Gonzalez
Boland	Donnelly	Gordon
Boner (TN)	Dorgan (ND)	Gradison
Bonior (MI)	Dornan (CA)	Green
Bonker	Dowdy	Gregg
Borski	Downey	Grotberg
Boucher	Duncan	Guarini
Boulter	Dwyer	Hall (OH)
Breaux	Dyson	Hall, Ralph
Brooks	Eckart (OH)	Hamilton
Broomfield	Edgar	Hammerschmidt
Brown (CA)	Edwards (CA)	Hansen
Broyhill	English	Hartnett
Bruce	Erdreich	Hayes
Burton (CA)	Evans (IL)	Hertel
Bustamante	Fascell	Holt
Byron	Fawell	Hopkins
Callahan	Fazio	Horton
Howard	Mineta	Schumer
Hoyer	Moakley	Sharp
Hubbard	Mollohan	Shelby
Hughes	Montgomery	Sisisky
Hutto	Moody	Skelton
Hyde	Moore	Slattery
Jeffords	Moorhead	Smith (FL)
Jenkins	Morrison (CT)	Smith (IA)
Johnson	Mrazek	Smith (NE)
Jones (OK)	Murphy	Smith (NJ)
Jones (TN)	Murtha	Smith, Robert
Kanjorski	Myers	Snyder
Kaptur	Natcher	Solarz
Kastenmeier	Neal	Spratt
Kennelly	Nelson	Staggers
Kildee	Nichols	Stallings
Kleczka	Nowak	Stokes
Kolter	Oakar	Stratton
Kostmayer	Oberstar	Studds
LaFalce	Obey	Sweeney
Lantos	Olin	Swift
Leath (TX)	Ortiz	Synar
Lehman (CA)	Owens	Tallon
Lehman (FL)	Packard	Tauzin
Lent	Panetta	Thomas (GA)
Levin (MI)	Pashayan	Torres
Levine (CA)	Pease	Torricelli
Lightfoot	Pepper	Towns
Lipinski	Perkins	Traficant
Long	Petri	Udall
Lowry (WA)	Pickle	Valentine
Lujan	Price	Vento
Luken	Pursell	Visclosky
Lundine	Quillen	Volkmer
Lungren	Rahall	Walgren
MacKay	Rangel	Watkins
Manton	Ray	Waxman
Markey	Regula	Weaver
Martin (NY)	Reid	Weiss
Martinez	Richardson	Wheat
Matsui	Robinson	Whitley
Mavroules	Rodino	Whitten
McCain	Rose	Williams
McCloskey	Roukema	Wise
McCollum	Rowland (CT)	Wolpe
McDade	Rowland (GA)	Wortley
McHugh	Roybal	Wright
McKinney	Russo	Wyden
Mica	Sabo	Wylie
Michel	Savage	Yates
Mikulski	Saxton	Yatron
Miller (CA)	Scheuer	Young (MO)
Miller (WA)	Schneider	

NAYS—101

Armey	Gingrich	Molinari
Badham	Goodling	Monson
Barton	Gunderson	Nielson
Bentley	Hendon	Oxley
Bilirakis	Henry	Parris
Bliley	Hiler	Penny
Boehlert	Ireland	Porter
Brown (CO)	Jacobs	Ridge
Burton (IN)	Kasich	Ritter
Chandler	Kindness	Roberts
Cheney	Kolbe	Rogers
Cobey	Lagomarsino	Schaefer
Coble	Latta	Schroeder
Coleman (MO)	Leach (IA)	Schulze
Combest	Lewis (FL)	Sensenbrenner
Conte	Livingston	Shaw
Coughlin	Lloyd	Shumway
Crane	Lott	Shuster
Daub	Lowery (CA)	Sikorski
DeWine	Mack	Skeen
Dickinson	Madigan	Slaughter
Dreier	Marlenee	Smith (NH)
Durbin	Martin (IL)	Smith, Denny
Eckert (NY)	McCandless	Snowe
Emerson	McEwen	Solomon
Evans (IA)	McGrath	Spence
Fiedler	McKernan	Stangeland
Fields	McMillan	Stenholm
Frenzel	Miller (OH)	Strang
Gekas	Mitchell	Stump

Sundquist	Vander Jagt	Young (AK)
Swindall	Walker	Young (FL)
Tauke	Weber	Zschau
Taylor	Wolf	

ANSWERED "PRESENT"—2

Dymally	Ford (MI)

NOT VOTING—64

Akaka	Early	Morrison (WA)
Anthony	Edwards (OK)	O'Brien
Applegate	Foley	Rinaldo
Aspin	Gejdenson	Roe
AuCoin	Gray (IL)	Roemer
Bedell	Gray (PA)	Rostenkowski
Berman	Hatcher	Roth
Bosco	Hawkins	Rudd
Boxer	Hefner	Schuette
Bryant	Heftel	Seiberling
Carney	Hillis	Siljander
Chappell	Huckaby	St Germain
Chappie	Hunter	Stark
Clay	Jones (NC)	Thomas (CA)
Coelho	Kemp	Traxler
Craig	Kramer	Vucanovich
Dannemeyer	Leland	Whitehurst
Daschle	Lewis (CA)	Whittaker
de la Garza	Loeffler	Wilson
DeLay	Mazzoli	Wirth
Dingell	McCurdy	
Dixon	Meyers	

□ 1020

So the Journal was approved.

The result of the vote was announced as above recorded.

DR. JOSEPH C. RICHARDS

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

Mr. JONES of Oklahoma. Mr. Speaker, the House has been honored today with the opening prayer by Dr. Joseph C. Richards, a distinguished clergyman, radio and television pastor, lecturer and professor of theology, and lifelong resident of Waterville, OH.

Today is Dr. Richards' 80th birthday, and I might add it is also the birthday of his granddaughter, Miranda, who is 14 today and with him today. Miranda, her brother, Zachary, their father, Tony Hope, their mother, who is Dr. Richards' daughter, Judy Richards Hope, whom many of you know as a distinguished attorney here in Washington, a member of the President's Crime Commission and former domestic policy advisor to President Ford, all of Dr. Richards' family is here today to join him in this opening prayer.

Now, Dr. Richards is not new to this Chamber. Forty years ago, when Sam Rayburn was Speaker and Dr. Smith was the House Chaplain, Dr. Richards gave the opening prayer. Thirty-five years before that, in 1910, when Joe Cannon was Speaker, Dr. Richards' father, Joseph Richards, offered an opening prayer to this body.

Now, our world has changed a great deal since Dr. Richards first addressed this House. Today millions of Americans saw Dr. Richards deliver his address, his opening prayer, on television, a medium that was just in its infancy in 1945. But Dr. Richards' prayer for guidance and understanding has not changed. Today more than ever we need divine direction in doing what is right both in our professional and personal lives. I know that my colleagues join me in thanking Dr. Richards for honoring us today with his presence.

We wish him and Miranda many happy returns on their day, and we hope that he will honor us again in the future and not wait another 40 years.

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

Mr. JONES of Oklahoma. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, I want to thank my good friend, the gentleman from Oklahoma [Mr. JONES], for allowing me to pay tribute to Dr. Richards.

Let me just say the gentleman omitted one very important thing, that Dr. Richards has roots in the Fifth Congressional District of Ohio, at Defiance, OH. We have known Dr. Richards and his family for many, many years, and we are delighted to pay tribute to him today.

Mr. JONES of Oklahoma. I thank the gentleman.

DELETION OF NAME OF MEMBER AS COSPONSOR OF H.R. 2817 AND ADDING NAME AS COSPONSOR OF H.R. 2743

Mr. ECKART of Ohio. Mr. Speaker, I ask unanimous consent that the name of the gentleman from New York [Mr. MRAZEK] be deleted as a cosponsor of H.R. 2817 and added as a cosponsor of H.R. 2743.

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

There was no objection.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 3036, TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1986

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 236 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 236

Resolved, That during the consideration of the bill (H.R. 3036) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1986, and for other purposes, all points of order against the following provisions in the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived: beginning on page 5, line 11 through page 6, line 19; beginning on page 7, lines 11 through 15; beginning on page 20, lines 8 through 12; beginning on page 21, line 18 through page 22, line 4; beginning on page 23, line 3 through page 25, line 14; beginning on page 29, line 24 through page 30, line 6; and beginning on page 54, lines 8 through 17. In any case where this resolution waives points of order against only a portion of a paragraph, a point of order against any other provision in such paragraph may be made only against such provision and not against the entire paragraph. It shall be in order to consider an amendment printed in the Congressional Record of July 25, 1985, by, and if offered by, Representative Frost of Texas and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI and clause 7 of rule XVI are hereby waived.

□ 1030

The SPEAKER. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR], for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 236 waives points of order against a number of provisions of H.R. 3026, the Treasury, Postal Service and General Government appropriations bill for fiscal year 1986. The rule does not provide for the bill's consideration since general appropriation bills are privileged under the rules of the House. Provisions relating to time for general debate are also excluded from the rule. Customarily, general debate is limited by a unanimous-consent request by the chairman of the Appropriations Subcommittee prior to consideration of the bill.

Mr. Speaker, despite the fact that the House and Senate have not yet agreed to a budget resolution for fiscal year 1986, no Budget Act waiver is necessary for the consideration of this appropriation bill. As Members are aware, this past Wednesday the House adopted House Resolution 231, under which the House-passed budget resolution is deemed to have been adopted for purposes of the enforcement provisions of the Budget Act. This allows the House to proceed to the consideration of appropriations and other spending legislation without the necessity of a waiver of section 303(a) of the Budget Act. This and other legislation is subject to all other constraints of the Budget Act.

Mr. Speaker, House Resolution 236 waives clause 2 of rule XXI, which prohibits unauthorized appropriations and legislative provisions in general appropriations bills, against specified provisions in the bill. The provisions in H.R. 3036 which are granted a waiver of clause 2 include the appropriation of funds for the U.S. Customs Service, for which an authorization is currently being considered by the Committee on Ways and Means and the Bureau of the Mint, for which an authorization passed the House on May 7 of this

year. Also, Mr. Speaker, a waiver of clause 2 is needed for the appropriations for the Federal Election Commission, this authorization has already been reported by the House Administration Committee. The waivers are necessary for some provisions because, while authorizing legislation for the programs involved are under consideration of the legislative process, it has not yet been enacted.

Also, Mr. Speaker, House Resolution 236 provides that in instances where this resolution waives points of order against only a portion of a paragraph, a point of order against any other provision in such paragraph may be made only against such provision and not against the entire paragraph.

Mr. Speaker, House Resolution 236 also makes in order an amendment printed in the CONGRESSIONAL RECORD of July 25, 1985, to be offered by the gentleman from Texas [Mr. FROST]. The rule waives clause 2 of rule XXI which as I stated earlier prohibits unauthorized appropriations and legislative provisions in general appropriation bills. The rule also, waives clause 7 of rule XVI the germaneness rule, against the Frost amendment.

Mr. Speaker, H.R. 3036 appropriates $13.3 billion for fiscal year 1986 for the Department of the Treasury, the Postal Service, the Executive Office of the President and various independent agencies. H.R. 3036 consist of four titles. Title I would appropriate $5.523 billion for the Department of the Treasury, title II appropriates $961.12 million for the U.S. Postal Service. Title III appropriates $97.647 million for the Executive Office of the President and title IV appropriates $6.680 billion for various independent agencies. The major independent agencies are the General Service Administration; Office of Personnel and Management, civil service retirement and disability fund, and the Federal Election Commission.

Mr. Speaker, this is an important measure providing funding for a wide variety of programs and agencies. The rule provides only those waivers that are necessary for the expeditious consideration of this bill I urge my colleagues to adopt House Resolution 236.

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

Mr. Speaker, House Resolution 236 waives certain points of order against consideration of the Treasury, Post Office and Civil Service, and general Government appropriation bills for 1986. The purpose of the rule, which I support, is to allow for timely consideration of H.R. 3036. It therefore waives points of order that would otherwise lie against several provisions of the bill for failure to comply with clause 2 of rule XXI.

The bill includes appropriations for a number of agency activities for the authorizing legislation that has not yet been enacted. In addition, the bill includes various provisions that are legislative in nature. Mr. Speaker, the specific provisions which are protected from points of order are specified by page and line number in this rule, and I shall not take time to cover them in great detail since the gentleman from Massachusetts has already done so.

I do want to point out that the waivers provided for in this rule are the waivers that were requested by the chairman of the Committee on Appropriations, the gentleman from Mississippi [Mr. WHITTEN], as well as the chairman and ranking member of the Subcommittee on Treasury Appropriations, the gentleman from California [Mr. ROYBAL], and the gentleman from New Mexico, the ranking Republican, [Mr. SKEEN].

Mr. Speaker, the waiver provided in this section, section 616 of the bill, which is found in the very last page of the bill, probably should not have been included in the rule. This section of the bill places restrictions on the use of funds by the Executive Office of the President regarding the distribution of the White House news summary. Ordinarily, I would oppose such a waiver, for provisions of this nature. Because the offending provision will be subject to a motion to strike, however, I can see no reason to delay consideration of the bill because of this waiver.

Given the highly political nature of the provision in the bill, I think we can anticipate that a motion will be offered and probably will prevail. Because several provisions of the bill that might be subject to a point of order are not protected by a waiver, the rule also provides that a point of order against an unprotected provision will not go against any other provision of a paragraph which is protected by a waiver.

Mr. Speaker, this provision of the bill is designed to permit points of order for individual sentences of a paragraph. In those cases where other sentences of the same paragraph are protected from a point of order.

The final noteworthy item in this rule is that it makes in order an amendment printed in the RECORD of July 25 by the gentleman from Texas [Mr. FROST] and it provides a waiver of clause 2, rule XXI, clause 7, rule XXVI, against the Frost amendment. The amendment places a restriction on the release of funds to the Postal Service and the revenue foregone appropriations contained in the bill requiring the Postal Service to enter into a contract for American-designed technology for automation of mail processing. The amendment is clearly legislative in nature, and it is probably not germane to the bill, and the rule waives these points of order. This was probably an unwise thing to do, Mr. Speaker.

The distinguished chairman of the Post Office and Civil Service Committee, Mr. FORD of Michigan, has expressed to me his opposition to this amendment, and as the ranking member of the Post Office and Civil Service Committee, I join him in his opposition to this amendment.

Mr. Speaker, the Treasury Department appropriations bill contains necessary funds for the activities of the Treasury Department and the Postal Service. Most of these offices being within the Executive Office of the President and various independent agencies.

□ 1040

Although the administration has some concern over the funding levels in this bill, the gentleman from New Mexico [Mr. SKEEN] has made it clear in his appearance before the Committee on Rules that the bill represents a good compromise.

Mr. Speaker, the rule does not preclude any Member from offering any germane limitation amendments, nor does it prevent any Member from offering amendments to reduce funding of specific amounts.

I do urge the adoption of the resolution recommended by the Committee on Rules in order that we may proceed with the bill.

Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. I thank the gentleman for yielding this time to me.

Mr. Speaker, I rise in opposition to House Resolution 236. It is a typical rule issued by the Committee on Rules to prevent the normal rules of the House from working. It prevents the membership of the House from any kind of reasonable order that is predictable to us.

Whenever a bill comes from the Committee on Appropriations with legislation on appropriations, or with unauthorized appropriations, the Committee on Rules simply protects the Committee on Appropriations, and its bill, from the appropriate points of order. I see no reason for this House to have rules at all if the House is going to waiver those rules every time we bring a bill to the floor.

I think that what the Committee on Rules has done is a terrible insult to every Member in the House. Other than to give unfair advantage to some individual or group, I do not see why these bills cannot be brought to the floor in the usual way. I take particular umbrage at the fact that even though the rest of us are denied points of order, one member of the Committee on Rules is given a special rule. He, alone, allowed to make an amendment which is out of order in two respects,

through the waiver of two of the House rules.

Quite clearly, some of us in this House are more equal than the rest. And, just as clearly, the Committee on Rules is guilty of an acute case of cronyism.

I think this is outrageous, Mr. Speaker. The rule should be defeated.

Mr. MOAKLEY. Mr. Speaker, in response to the gentleman who just took a seat, the matter he talks about can be amended on the floor of the House and it is not necessary to defeat the rule to get at the portion of the bill that he refers to.

Mr. Speaker, I yield 7 minutes to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. I thank the gentleman for yielding this time to me.

Mr. Speaker, I am disturbed by the rule. I will not oppose the rule, because it is important that we get on with the appropriation for Treasury and the Postal Service.

I am very disturbed by the action of the Committee on Rules in making in order an amendment, if offered, which is clearly within the jurisdiction of our Committee on Post Office and Civil Service and happens to be on an issue that the committee has been working on for several years. It has to do with the requirement that the Postal Service go to optical scanners and readers for the purpose of implementing the nine-digit ZIP Code and automating the sorting of mail throughout the country.

For years, the Postal Service has been doing research on this and trying to get ready for these purchases. It is anticipated that this could cost, in its initial stages, as much as $600 million in the way of modernization costs to the Postal Service.

The amendment that was made in order would provide that unless the U.S. Postal Service obligates itself to at least $200 million in contracts with only one company, as the amendment describes it, before October 1, 1985, $200 million of the money that this bill would appropriate for the third-class nonprofit mailers and the other preferred classes of mail will be held hostage.

Under title 39 of the law, if the Postmaster General does not receive that $200 million in appropriations by October 1, he will, under title 39, increase the rates of all nonprofit mailers by 30 percent to make up the $200 million shortfall. He has no option. He is authorized by the law to do that and he does not have to go to the Postal Rate Commission.

There is a letter on its way over here, that I hope to have by the time we get to the debate on the bill itself, from the Postmaster General undergirding what I am saying.

There are several companies in the United States that have been actively pursuing these contracts, $600 million is a lot of money, and the Postal Service is being courted as diligently as the Defense Department.

There is only one company that can make the claim that they will manufacture the equipment with American technology, and if my colleagues read the amendment, I am sure the Committee on Rules thought they were voting on a "buy American" provision. When I asked them this morning, "Why did you do this?" they said to me, "Well, we know you are one of the great 'Buy American' advocates in the Congress," and I believe I am.

This is not a buy American provision. This is buy from one American company. As a matter of fact, little companies like Pitney-Bowes, Burroughs, and Electrocom, who are very big in the business, are the other bidders. They all use German and other foreign technology. Why German? Because the German post office has been using this technology for years. It is tried and true. The Postal Service is naturally attracted to that technology. But it already requires that all manufacturing be done in the United States.

The Postal Service has been under an injunction since the corporation was created to only buy American. They cannot buy anything outside of the United States. They cannot even buy as much as the Defense Department is allowed to buy outside of the United States, and as long as BILL FORD is chairman of the Post Office and Civil Service Committee, they are never going to buy outside of the United States.

This is not a buy American provision. It is a buy from a sole-source supplier provision. It puts a gun to the head of the Postmaster General. I say all of this with no prejudice to Recognition Equipment, Inc., in Dallas, TX, who would benefit from this amendment, because they are indeed one of the serious contenders. The Postal Service has tried to accommodate their concerns and I will guarantee the gentleman from Texas that if he will not offer the amendment I will see that they get a fair hearing on their technology and their bid price when it comes forward.

I do not want to discriminate against any American company, but I am afraid that the amendment would do that.

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

Mr. FORD of Michigan. Yes, I yield to the gentleman from Texas.

Mr. FROST. I thank the gentleman for yielding.

Mr. Speaker, I appreciate the words of the gentleman, the guarantee that the American company that uses American technology, will in fact have a fair shake in this matter.

I appreciate the words that the gentleman has spoken and the offer that he has made, the spirit in which it has been made. The chairman has been very helpful in recent years in terms of requesting various studies on this matter. This is a matter of some controversy. There is the question of the use of foreign technology, but I appreciate what the chairman has said today and it is my intention not to offer the amendment today during debate.

Mr. FORD of Michigan. I thank the gentleman from Texas. He is very gracious, and I quite understand the pressure he is under and I quite understand his eagerness to act. Very frankly, if I could get the General Motors plant in Michigan by an amendment in the bill, I would be out here pushing it and I hold that not at all against the gentleman. I am pleased that he is taking this course, and I will be glad to work with the gentleman as we have in the past.

Mr. FROST. I thank the gentleman very much.

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

Mr. Speaker, I would just like to commend the gentleman from Texas [Mr. FROST] for withdrawing his amendment and to associate myself with the remarks of the distinguished chariman of the Committee on Post Office and Civil Service.

As the ranking member of that committee, I assure the Members of this body that we will continue our vigilance to maintain and pursue buy American policies for the U.S. Postal Service.

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

□ 1050

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. SLATTERY). The question is on the resolution.

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

Mr. FRENZEL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 242, nays 135, not voting 56, as follows:

[Roll No. 263]

YEAS—242

Ackerman	Andrews	Atkins
Addabbo	Annunzio	Barnard
Alexander	Applegate	Barnes
Anderson	Aspin	Bartlett

Beilenson	Heftel	Quillen
Bennett	Hertel	Rahall
Bentley	Horton	Rangel
Bevill	Howard	Ray
Biaggi	Hoyer	Regula
Boehlert	Hutto	Reid
Boggs	Jenkins	Richardson
Boland	Jones (OK)	Rinaldo
Boner (TN)	Jones (TN)	Robinson
Bonior (MI)	Kanjorski	Rodino
Bonker	Kaptur	Roe
Borski	Kastenmeier	Rogers
Boucher	Kildee	Rose
Breaux	Kolter	Rowland (GA)
Brooks	Kostmayer	Roybal
Brown (CA)	LaFalce	Russo
Bruce	Lantos	Sabo
Burton (CA)	Leach (IA)	Savage
Bustamante	Lehman (CA)	Scheuer
Byron	Lehman (FL)	Schroeder
Carr	Leland	Schulze
Clinger	Levin (MI)	Schumer
Coleman (TX)	Levine (CA)	Seiberling
Collins	Lipinski	Sharp
Conte	Lloyd	Sikorski
Conyers	Long	Sisisky
Cooper	Lowery (CA)	Skeen
Coyne	Lowry (WA)	Skelton
Crockett	Lujan	Slattery
Darden	Luken	Smith (FL)
Davis	Lundine	Smith (IA)
Dellums	MacKay	Smith (NE)
Derrick	Manton	Smith (NJ)
Dicks	Markey	Snowe
Dingell	Marlenee	Snyder
Donnelly	Martinez	Solarz
Dorgan (ND)	Matsui	Spratt
Dowdy	Mavroules	Staggers
Downey	McCloskey	Stallings
Duncan	McCurdy	Stangeland
Durbin	McDade	Stark
Dwyer	McHugh	Stokes
Dymally	Mica	Stratton
Dyson	Mikulski	Studds
Eckart (OH)	Miller (CA)	Swift
Edgar	Miller (OH)	Synar
Edwards (CA)	Mineta	Tallon
Emerson	Mitchell	Taylor
English	Moakley	Thomas (GA)
Erdreich	Mollohan	Torres
Evans (IL)	Montgomery	Torricelli
Fascell	Moody	Towns
Fazio	Moore	Traficant
Feighan	Morrison (CT)	Traxler
Flippo	Mrazek	Udall
Florio	Murphy	Valentine
Foglietta	Murtha	Vento
Ford (MI)	Myers	Visclosky
Ford (TN)	Natcher	Volkmer
Frank	Neal	Walgren
Franklin	Nelson	Watkins
Frost	Nichols	Weaver
Fuqua	Nowak	Weiss
Garcia	Oakar	Wheat
Gaydos	Oberstar	Whitley
Gephardt	Obey	Whitten
Gilman	Olin	Wise
Glickman	Ortiz	Wolf
Gonzalez	Owens	Wolpe
Gordon	Panetta	Wortley
Green	Pashayan	Wright
Guarini	Pease	Wyden
Hall (OH)	Penny	Yates
Hall, Ralph	Pepper	Yatron
Hamilton	Perkins	Young (AK)
Hammerschmidt	Pickle	Young (MO)
Hayes	Price	

NAYS—135

Archer	Chandler	Dreier
Armey	Cheney	Eckert (NY)
Badham	Coats	Edwards (OK)
Barton	Cobey	Evans (IA)
Bateman	Coble	Fawell
Bereuter	Coleman (MO)	Fiedler
Bilirakis	Combest	Fields
Bliley	Coughlin	Fish
Boulter	Courter	Frenzel
Broomfield	Crane	Gallo
Brown (CO)	Daniel	Gekas
Broyhill	Daub	Gingrich
Burton (IN)	DeLay	Goodling
Callahan	DeWine	Gradison
Campbell	Dickinson	Gregg
Carper	DioGuardi	Grotberg
Gunderson	Madigan	Saxton
Hansen	Martin (IL)	Schaefer
Hartnett	Martin (NY)	Schneider
Hendon	McCain	Sensenbrenner
Henry	McCandless	Shaw
Hiler	McCollum	Shelby
Holt	McEwen	Shumway
Hopkins	McGrath	Shuster
Hubbard	McKernan	Siljander
Hughes	McKinney	Slaughter
Hyde	McMillan	Smith (NH)
Ireland	Michel	Smith, Denny
Jacobs	Miller (WA)	Smith, Robert
Jeffords	Molinari	Solomon
Johnson	Monson	Spence
Kasich	Moorhead	Stenholm
Kemp	Morrison (WA)	Strang
Kindness	Oxley	Stump
Kolbe	Packard	Sundquist
Lagomarsino	Parris	Sweeney
Latta	Petri	Swindall
Leath (TX)	Porter	Tauke
Lent	Pursell	Tauzin
Lewis (FL)	Ridge	Vander Jagt
Lightfoot	Ritter	Walker
Livingston	Roberts	Weber
Lott	Roemer	Wylie
Lungren	Roukema	Young (FL)
Mack	Rowland (CT)	Zschau

NOT VOTING—56

Akaka	Dornan (CA)	Loeffler
Anthony	Early	Mazzoli
AuCoin	Foley	Meyers
Bates	Fowler	Nielson
Bedell	Gejdenson	O'Brien
Berman	Gibbons	Rostenkowski
Bosco	Gray (IL)	Roth
Boxer	Gray (PA)	Rudd
Bryant	Hatcher	Schuette
Carney	Hawkins	St Germain
Chappell	Hefner	Thomas (CA)
Chappie	Hillis	Vucanovich
Clay	Huckaby	Waxman
Coelho	Hunter	Whitehurst
Craig	Jones (NC)	Whittaker
Dannemeyer	Kennelly	Williams
Daschle	Kleczka	Wilson
de la Garza	Kramer	Wirth
Dixon	Lewis (CA)	

□ 1100

Mr. APPLEGATE and Mr. McHUGH changed their votes from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ADJUSTMENT OF CLERK-HIRE ALLOWANCE AND OFFICIAL EXPENSES ALLOWANCE

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

Mr. ANNUNZIO. Mr. Speaker, at the direction of the Committee on House Administration and under the authority granted in Public Law 94-184 and Public Law 94-440, the committee has issued Committee Order No. 38, which will become effective on August 1, 1985. The committee will be sending each Member a "dear colleague" letter within the next few days describing the administration of this change.

I include at this point in the RECORD the text of Committee Order No. 38:

Resolved, that effective August 1, 1985, until otherwise provided by the Committee on House Administration, the Clerk-Hire Allowance and the Official Expenses Allowance are adjusted as follows:

Each session a Member may allocate not to exceed $40,000 from the basic Clerk-Hire Allowance which may be used to supplement the Official Expenses Allowance, and may allocate not to exceed $40,000 from the Official Expenses Allowance to supplement the basic Clerk-Hire Allowance, provided however that monthly Clerk-Hire disbursements may not exceed 10 percent of this basic Clerk-Hire Allowance.

All disbursements and allocations shall be made in accordance with rules and regulations established by the Committee on House Administration.

TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATION ACT, 1986

Mr. ROYBAL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3036), making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from New Mexico [Mr. SKEEN] and myself.

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

There was no objection.

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

The motion was agreed to.

□ 1109

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3036, with Mr. BEILENSON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from California [Mr. ROYBAL] will be recognized for 30 minutes, and the gentleman from New Mexico [Mr. SKEEN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr ROYBAL].

□ 1110

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

Mr. Chairman, the Appropriations Committee has reported the Treasury, Postal Service and general government bill for your consideration.

The bill provides $13.3 billion in recommend appropriations for 1986, which is an increase of $1.2 billion over the budget and $497 million over 1985. The departmental amounts are as follows:

For the Treasury Department $5.5. million, an increase of $227 million above the budget and $289 million over 1985; for the Postal Service $961 million, an increase of $922 million over the budget and $79 million under 1985; for the Executive Office of the President $97 million, a reduction of $2.2 million below the budget and a reduction of $1 million below 1985; for the independent agencies covered by this bill, agencies such as the General Service Administration, the Office of Personnel Management, the Tax Court and other agencies, $6.7 billion, an increase of $4.8 million above the budget and an increase of $288 million over 1985.

I would like to highlight some of these departmental appropriations and the reason why we have an increase over the budget.

In the Customs Service, which is a revenue-producing agency, the committee did not agree with the administration and restored the 887 personnel recommended in the budget to be eliminated. In addition, the committee provided funding for the full year cost of 150 positions that were included in the supplemental and added an additional 650 positions. The total increase in 1986 that is in this bill in the number of customs positions over the authorized level for 1985 is 1,687 positions. We believe that these personnel are not only badly needed but they will generate more revenue, and that belief is based on the fact that this committee has had hearings in various parts of the country and we came away with the definite feeling that this personnel increase was most definitely needed.

Now the committee believes also that the high level of drug abuse and related crime in this country requires a strong law enforcement effort to stem the tide of illicit drugs coming into the United States. The recommended increase would also expedite the processing of visitors to this country and of our own citizens who are returning from abroad.

Further, this increase would also expedite the processing of commercial goods being imported into the United States. And most importantly this increase will have a beneficial impact on the Government's ability to interdict the flow of illegal drugs and other contraband into the United States as well as on its ability to prevent the illegal exportation of high technology items to unfriendly countries.

Now in the Internal Revenue Service, which is another revenue-producing department, the committee added $178 million to fund an additional 2,243 positions above 1985 and rejected the administration's proposal to eliminate positions. This was done after careful study. The committee is well aware of the problems that IRS is having in processing returns and not being able to send back refunds to the citizens of this country. The primary reason for that is lack of personnel. The computers that they have ordered are not yet in place, and the time to reduce personnel, if it is necessary to reduce, is after the computers themselves are doing the job. The truth of the matter is that the job is not being done, that the citizens of this country are not receiving their return and that the Federal Government is paying 13 percent—13 percent—in interest on refunds simply because we do not have the personnel to do the job properly.

The committee further believes that reducing the Internal Revenue Service in 1986 by 2,057 positions, as proposed by the budget, below the level established by Congress in 1985 would have a disastrous impact on both the processing of tax returns and the collection of revenues not only this year but in years to come. The committee believes strongly that increased staffing levels for the Service are essential in order to achieve more responsive and effective administration of the tax system and eliminate the backlog that now exists in the processing of returns.

In the U.S. Postal Service is another department where there was no recommendation and we had to add funding for. In the U.S. Postal Service the committee provided $961 million of which $922 million is for revenue foregone. The $922 million is above the House-passed budget resolution and would have the effect of freezing rates for preferred rate mailers until January 1, 1986. The January 1, 1986, rate increase is set forth in the House report that accompanies this bill and it is there for anyone to read.

The committee also has inserted a provision which would eliminate the subsidy payment on certain profit-making mailers. The bill continues free mail for the blind. This is being paid for out of this $922 million that was put in by the committee and not recommended by the administration. We are also paying for free mailing for those who vote overseas. I think that that is important. And it also continues 6-day mail delivery. The people of this country want 6-day mail delivery and the bill also continues rural delivery of mail. And in that same legislation we prohibit the closing of small post offices.

So you see, we are, in fact, providing a tremendous service for the people of this country, and service does cost money, it is true. But, nevertheless, if some of these things are done with regard to at least two of these revenue-producing departments, we will be able to generate more revenue to the Treasury of the United States, and that, in my opinion, would be better than a general tax increase.

Now the committee has funded most other agencies within the subcommittee's jursidiction at approximately the budget level, and has continued the applicable general provisions that were included in last year's bill. In other words, we are at the budget level in almost all other departments except those three, and I have given you the reasons why.

But when we come to the bottom line, the bill before you is $214 million below the spending allowance provided under the House-passed budget resolution.

□ 1120

So in carefully analyzing the bill, we find that while we do disagree with recommendations made in the budget coming from the White House, that we have paid a great deal of attention to the fact that we do have a budget resolution, and that we have complied with it, and that we are $214 below the total spending allowance that is provided under that House-passed budget resolution.

Mr. Chairman, I think that this is a good bill, and it is a fair bill. It is one that provides revenues for personnel and for departments that can and will generate more funds for the Treasury of the United States. At the same time, it is a bill that provides the necessary funds to bring service to the people of the United States.

Mr. GLICKMAN. Will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman.

Mr. GLICKMAN. One of the things that concerns me about this appropriations bill as we are faced with other appropriations bills is that your bill effectively assumes for right now that the 5-percent pay cut that has been proposed by the President has been enacted, or as a corollary, you have not included moneys in this appropriations bill for that additional 5 percent.

I am going to presume that that 5-percent pay cut is not going to be enacted. I do not support it; I am sure the gentleman does not support it, and so I want to make sure that the appropriations process is an honest one; that this bill is actually under what it should be, and my question to the gentleman is, could he explain that process and also, if the 5 percent is added to the bill, does the bill still meet the budget guidelines under the bill that we passed?

Otherwise, we are going to be back here for a supplemental, adding lots of money to the bill.

Mr. ROYBAL. First of all, the 5 percent is not added to the bill; not the

way the bill is at the present time. It is my understanding that there is a possibility that a request will be made for a supplemental later on.

Now that is something we will have to face later on down the road.

Mr. GLICKMAN. Well, it is more than a possibility; it is a probability.

Mr. ROYBAL. I cannot speak for the administration, but I would agree with the gentleman that it is a probability.

Mr. GLICKMAN. What I want to know is, if you add the money back, whatever amount of millions of dollars it is to bring the salaries up to 100 percent, does that bust the budget, or does that keep this bill within budget?

Otherwise, we come back with a supplemental that adds hundreds and hundreds of millions of dollars across the board, and I want to, I think if we are going to go out to the public and to the press and say that this budget, this bill meets the budget, we are playing games unless, in fact, that additional monies do in fact come in within the budget. Otherwise, we are just saying to folks: We are within the budget. And we are really not.

Mr. HOYER. Will the chairman yield?

Mr. ROYBAL. I yield to the gentleman.

Mr. HOYER. I thank the Chairman for yielding.

This was a matter of concern to the committee, I will tell the gentleman. At the time that Mr. Stockman of OMB appeared before the committee, I questioned Mr. Stockman with respect to the fact that it was evident that the Congress was not going to adopt the 5 percent across-the-board pay cut; and what was the administration's intent?

His response was that it was a policy judgment; that the pay adjustments are decided by the administration in August, as the gentleman knows. Furthermore, it would be the intent of Mr. Stockman, as the OMB Director, if the Congress did not approve the 5 percent, and it was clear at that point in time the negotiations between the President and the Senate were leaning toward the objective of rejecting the 5 percent.

That if that was the case, then he would perceive that to be, and OMB would perceive that to be, a policy determination; and that at that point in time they would send down a supplemental for the funds needed to, in effect, reject the 5 percent cut.

That figure is approximately $1.1 billion spread throughout, of course, all of the Appropriation subcommittees.

In further answer to the question which I think you are going to ask me: To the best of our knowledge, Mr. Chairman if you will continue to yield, the figure for our committee would be about $143 million. If that figure were added to our allocation, and our allocation under the 302(b) which has been distributed by Chairman WHITTEN, is 13.478 bil. That would bring us to 13.406; in other words, we are at 13.263 now, if you added 143 to that you would be at 13.406. Still some $72 million under the 302(b) allocation of the Budget Act.

Mr. GLICKMAN. Will the gentleman yield again?

Mr. ROYBAL. I yield to the gentleman.

Mr. GLICKMAN. I appreciate the Chairman and the gentleman from Maryland [Mr. HOYER] answering the question. I think one of the concerns that a lot of us have is to make sure that the appropriations process is honest—and I have no question about this particular bill—so that we do not face, in the spring as we have since time immemorial, giant supplemental bills which add all this money back that had been taken out of original appropriations bills, and that was my point of raising the issue now.

Mr. ROYBAL. May I say to the gentleman that in this particular instance, if that is added back and it will be, it will amount to about $150 million; and has already been explained, even with that, it will be less than the total 302 allocation.

Mr. GLICKMAN. I thank the Chairman.

Ms. OAKAR. Will the gentleman yield?

Mr. ROYBAL. I yield to the gentlewoman.

Ms. OAKAR. Mr. Chairman, as a member of the authorizing committee, and Chair of one of the subcommittees, it relates to the authorization of much of the work that you are doing on this committee, I want to, first of all, commend the chairman and members of the committee for a very, very solid job in bringing this bill to the floor, and I hope the Members realize how important this bill is.

There is not a whole lot of political constituency for a bill like this, and perhaps that is why we always have some wrinkles from the floor; the fact is, it is a very important issue to Americans, and it is a very important issue to those Americans who serve our Government.

I really hope that this time around we can pass this bill expeditiously, which will be a tribute to the chairman of the committee and all who have worked so hard.

I want to commend the chairman.

Mr. CARPER. Will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman.

Mr. CARPER. I have a point I would like to clarify, just to make sure I understand it. The money that is appropriated in this bill, for salaries in fiscal year 1986, is not sufficient; it is short by about $150 million in order to pay salaries for fiscal year 1986. Is that correct?

Mr. ROYBAL. It is short by $143 million.

Mr. CARPER. Is an amendment going to be offered today either by the Chair or by the committee to restore that money so that we are being intellectually honest in this process?

Mr. ROYBAL. The honesty will come about when a request is made for a supplemental, sometime later on. At that time, that $143 million will be added.

Mr. CARPER. If the chairman will continue to yield, my own feeling is that supplemental appropriations are going to be with us for as long as we are here, but I cannot see building in a certainty or assurance that we are going to have a supplemental appropriation. Why do we not appropriate the money now? We know we are going to pay the people the money that is due? Why do we not just build it into the bill and be straightforward about it?

Mr. ROYBAL. Well, the gentleman, as a Member of this body can propose any amendment he desires. The committee did not provide the funding because Congress has not yet formally acted on the pay issue. When Congress does take that formal action and the administration forwards the budget request then appropriate action can be taken.

Mr. HOYER. Will the gentleman yield?

Mr. ROYBAL. I yield to the gentleman.

Mr. HOYER. First of all, let me say to the gentleman from Delaware [Mr. CARPER], I tend to agree with his proposition; but the policy reason for not doing it, and that is his question, was that the Director of OMB observed correctly that pay decisions are essentially made in August; whether it is an increase or decrease, and we make that decision in August; the President makes that decision, sends a recommendation to Congress; the Congress can change it or do with it what it decides to do, and at that point in time adjustments are made.

Now, sometimes the adjustments are contemplated within the budget framework prior to August; that is correct procedure in terms of pay raises or reductions.

So the committee, as I think the Chairman has indicated, made a determination, as have other subcommittees, that we would make that determination when in fact that decision was finally and formally made by Congress.

□ 1130

But I think the gentleman's point is well taken, which is why it was important to indicate in terms of the overall

allocation that we are still within the budget limitations.

Mr. CARPER. Will the chairman continue to yield?

Mr. ROYBAL. I yield to the gentleman from Delaware.

Mr. CARPER. I have a question with regard to the appropriation for the Postal Service. I understand that there is about $961 million that would be appropriated under this bill to the Postal Service. In reading the report of the Democratic Study Group on this legislation, I am not sure if those are sufficient moneys to adequately fund the Postal Service through all of fiscal year 1986.

I guess I would like to have an assurance, if I could, from the chairman that the $961 million earmarked here for the Postal Service will indeed carry us through all of fiscal year 1986, and we are not going to be coming back asking for a supplemental for the Post Office as well.

Mr. ROYBAL. The amount of money, $922 million, will compensate the U.S. Postal Service for revenue forgone at current rates until January 1986. At that time, these preferred rate mailers and nonprofit organizations will have to go to another step in the schedule. At the present time, they are at step 14. And when that takes place next year, then they will be paying more than they are paying now.

Mr. CARPER. If the chairman will continue to yield, does that mean that this body will have to come in and appropriate more money, in addition to the $922 million and the $961 million, in order to continue to make up for the revenue forgone?

Mr. ROYBAL. No. There will not be any need to increase that amount in January.

Mr. CARPER. I thank the chairman.

Mr. SKEEN. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, I think the chairman of the subcommittee has done an outstanding job in outlining the work and the report of the Treasury, Postal Subcommittee. Before I get into the meat of the bill, I would like to say that I appreciate very much the opportunity of working with the gentleman from California [Mr. ROYBAL], who is a former New Mexican, and for the courtesy and kindness that he has extended to me personally and to all the members of the subcommittee during the hard, strenuous work during the hearing process that we have gone through in working up this bill. I want to express that appreciation to the chairman as well as the other members of the committee.

Mr. Chairman, this bill is one that recommends spending some $13.2 billion of taxpayer money in new funding obligations for 1986—the fiscal year 1986. That represents an increase of some $496 million over the 1985 level, as the chairman had pointed out, and it is $1.2 billion over the President's budget request.

I know that this would invite a great deal of comment during this time of stringest deficit control that we have been practicing in the House of Representatives. In the case of this committee, there are three major budget items that I think we had to consider. Two of these agencies are revenue-producing agencies, the Internal Revenue Service and the Customs Service, and I think it is extremely important to note that some of the major increase in this particular bill involves those agencies. I will expand on that in just a moment.

The largest increase, of course, is on revenue forgone. I would like to point out to the gentleman who was speaking about the Postal Service and the revenue foregone portion of the bill. Revenue forgone, for those who may not know—and I think most everybody in this body does understand it—is the subsidy that we pay to the Postal Service for the free delivery of some mails or the less-than-going rate for certain types of publications and for kinds of organizations, nonprofit organizations, and so forth.

The increase this year is 15 percent over what it was last year just in the Postal Service area alone. We went from $801 million to $961 million, but $922 million in basic increase in that particular service.

I want to come back now and talk about the Internal Revenue Service or the Treasury Department. During the hearings, I was just a little bit more than amazed to hear from Mr. Egger that during the course of his administration of the Treasury Department, that they have increased the efficiency of that particular Department tremendously. For every dollar that we spend in Internal Revenue Service, we get something like $8.50 back. But, still, even with the modern innovation of new computer techniques and more personnel, we are still losing this year some $80 billion that we do not collect.

We, here in the Congress of the United States, have been tearing ourselves apart day by day to cut the budget deficit back by some $50 billion—just to cut domestic spending, military spending by $50 billion. And right here, in the in-house operation of this particular Government agency, we are losing $80 billion of funding every year that is owed to the Federal Government because we need at least either more personnel or more technology to make that collection even more efficient than it is today.

Now, that is just the legal businesses. Illegal businesses—and strangely enough, we tax illegal businesses, too; any business that goes on in the United States, we are going to get our cut out of it, whether it is legal or illegal. But the $80 billion represents just the legal end of it. Nine billion dollars is the estimate we are losing on the illegal businesses. I would suspect that it is even a great deal more than that.

So I think that the justification for the increase in the Treasury is absolutely bona fide. There is no question about it that this agency has to have an increase in funding. We had this terrible problem with the computers, or the new computer operation. We had to pay 13 percent on a lot of the refunds that were sent back late to the taxpayers of the United States. We are glad that they got them, but we do not want that particular practice to become a usual one every year. We want to increase the efficiency of the operation, to make sure that we are not going to be penalized the 13-percent tax on refunds.

I would like next to talk just a little bit about Customs. I think this is extremely important. We put more money in the Customs Service, particularly, and directly focused toward the enforcement end of the Customs Service.

We have been talking and talking and working and worrying about drug trafficking and the attendant crimes that go with this particular aspect of our society, but it is up to us in the United States to do something about it. The Customs Service has a direct responsibility in that case. We want more enforcement agents. We want a tigher border if we can get it. We have got one of the longest contiguous borders with foreign countries than probably any nation anywhere, and it creates an extremely difficult problem for us to solve and is very expensive. So we did put more money into the Customs Service.

This, again, is a revenue-generating agency because they do collect the tariffs on imported goods, and it is important that we bolster and support this activity because we do get a good return on our money.

I want to say, in conclusion, that overall we are going to have some questions, I am sure, on the revenue forgone, because that is the largest increase we have. There is almost $1 billion increase in funding in revenue forgone, and I am sure that has brough the flags up to a lot of folks and we are going to hear a lot of conversation about this today. I still think it is justified, from the standpoint that we have talked about earlier, because where do you make the cuts?

Where do you stop the subsidy for the various kinds of nonprofit organizations, for the blind, for the veterans' organizations, for the disabled of all sorts—that is a very difficult decision to make, one that the committee did not try to avoid making, but we cut it just about where you could at least come to some reasonable area. We tried to cut out the for-profit mailers

that are also enjoying the subsidies, and I think that was a very effort, but still there is an awful lot of money in the revenue forgone and there is no question about it.

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. SKEEN. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. I appreciate the gentleman's yielding.

Mr. Chairman, let me say that I think the gentleman from New Mexico [Mr. SKEEN], as the ranking minority member, and the chairman have done a very good job with this bill.

I would like briefly to raise one issue, if the gentleman has the time to let me raise it, and that is the funding of the Internal Revenue Service.

I know that you have restored some money that was not asked for by the administration. I do not intend to offer any amendments today, but I would like to work with the gentleman and with the chairman leading up to next year's appropriations in ensuring adequate funding for IRS enforcement in tax collections and examinations.

The Grace Commission report suggested 7,500 additional positions over at the IRS. The fact is, if you take a look at what has happened at the IRS, in audit coverage, examination coverage of returns, it has dropped not just a little but dramatically. That means the ability to enforce those tax laws over there has also eroded dramatically.

□ 1140

We have $30 to $40 billion in accounts receivable laying over there, and we have decreased substantially our collectors, our collection capability. Without action, the present tax gap of $90 billion may double in 5 years.

What I would like, having had a background in tax administration for a number of years, is to work with the gentleman on next year's Treasury appropriation to step up our enforcement capacity. If you spend $1 on enforcing a tax law that is now losing about $5 billion a year, then you get $5, $6, $7 or more back for the dollar invested. If you take a look at the decrease in audit capability coverage from about 3 percent down to 2 percent, down to 1.3 percent, you see that we have got serious problems.

I am not going to offer any amendments this year, but I hope that we can work next year to restore that money and get the $4 to $5 billion that we ought to get out of that Tax Code. These are people who should pay but are not. That is law enforcement as well. I am really worried about what the administration and others have recommended in funding for the Internal Revenue Service versus what is really necessary for the IRS to better enforce its tax law, to collect revenues due, and to thereby help blot out some of the red ink on the Federal budget.

Mr. SKEEN. I appreciate the gentleman's comments, and we accept that kind of an invitation. We would like to see more liaison between some of the authorizing groups in this body as well as with the appropriations group.

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

Mr. SKEEN. I yield to the gentleman.

Mr. HOYER. I thank the gentleman for yielding.

Mr. Chairman, I appreciate very much the remarks that the gentleman has made with respect to the IRS, and I want to point out that we have added $178 million to IRS which is less money than will be paid in interest from June 1 on, this year, as a result of the inability of IRS to respond in a timely fashion to the tax returns which have been filed in this country.

Over $200 million in interest will be paid and that is mounting, of course, daily. So I think the gentleman makes an excellent point, and I thank the distinguished ranking member for yielding.

Mr. SKEEN. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of H.R. 3036, the Treasury-Postal Service appropriations bill for fiscal year 1986.

I want to commend the chairman of the subcommittee, my good friend, ED ROYBAL, for bringing a well-balanced bill to the floor. For several years now, Chairman ROYBAL has done an outstanding job in guiding this bill on the floor, negotiating with the other body and bringing back the House position from conference. Every member of the subcommittee can attest. ED ROYBAL is a fair chairman who listens and acts on the concerns of the Members of this House. As a long time member of this subcommittee, it's a pleasure for me to work with Chairman ROYBAL. And he has got a good person to work with, in Tex Gunnels, whom I have worked with now for, I believe, 27 years.

I would also like to welcome—as a new member of the Appropriations Committee and as ranking member of the Treasury Subcommittee, the gentleman from New Mexico, JOE SKEEN. He's done a fine job his first year on the committee.

Mr. Chairman, this bill is better titled "The Revenue Enhancement Act of 1986." There's no other appropriations bill that raises more revenue through its agencies than the Treasury-Postal bill. The Internal Revenue Service, the Customs Service and the Bureau of Alcohol, Tobacco and Firearms are all funded in the bill and raise billions in general revenue every year. The Customs Service, for example, collected $12.5 billion in duties and taxes during fiscal year 1984. In the end, Customs returned to the Treasury $21 for each dollar appropriated.

To provide proper staffing and resources to enforce the tax laws and collect the revenues, the committee recommended increases in each of these agencies. The IRS was given a $178 million increase, and the Customs Service was allocated $97.5 million over fiscal year 1985 levels. Other than the payment to the Postal Service, funding increases for these two agencies account for most of the increases in the bill over fiscal year 1985 levels.

Without the additional funding, it's clear that revenues will drop and the deficit will increase.

During the subcommittee hearings on the IRS, I asked the Commissioner for the record what the impact of the proposed cuts would be on tax revenues. To say the least, I was shocked with the answer.

I asked the Commissioner "How much less revenue will the Service collect with a reduction of $30.4 million and 1,200 average positions, as the budget proposes?" He answered: "About $350 million in revenue will not be collected in fiscal year 1986." For the investigations appropriation, the budget reduction proposed will result in the loss of $150 million in revenue. For the examination and appeals appropriation, the proposed cut will result in the loss of $255 million in revenues. Also, the Government will be forced to pay over $200 million in interest this year because tax refunds are not processed on time.

In addition to collecting much needed revenue, these agencies—along with the Secret Service—perform vital law enforcement functions. In the fight against drug smuggling, it's Treasury Department agencies leading the effort and working with the regional organized crime task forces. These agencies must be given adequate resources to fight this uphill battle against drugs.

Besides increases in Customs and IRS, the bill provides a $122 million increase over fiscal year 1985 for the revenue forgone appropriation. During committee consideration of the bill, I offered an amendment to cut $13 million in order to prevent profitmaking publications from abusing the in-county reduced postage rates. Time magazine, Newsweek, TV Guide, People, and the Wall Street Journal are being subsidized by the taxpayer to the tune of $13 million a year. Language in the bill corrects this loophole. In addition, I offered another amendment to delete $45 million from the revenue forgone appropriation. This amount would enable the Postal Service to keep the present step 15

rate schedule, but move the effective date from July 6, 1986, to January 6, 1986. Again, this will save $45 million next year.

Even with these cuts, the administration considers this bill unacceptable in the present form. Overall, the bill is $497 million above the fiscal year 1985 level and about $1.2 billion over the President's budget. Again, this increase is largely due to three items: the Customs Service, the IRS, and revenue foregone.

The administration also objects to several language provisions included in the bill. I will include a copy of the "Statement of Administration Position" on H.R. 3036, outlining these objections, for the RECORD.

Mr. Chairman, this is a good bill. It balances the need for fiscal restraint with the obligation we have to fund the programs in the bill. I urge my colleagues to support H.R. 3036.

STATEMENT OF ADMINISTRATION POLICY—H.R. 3036 TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATION BILL, 1986

The bill is unacceptable to the Administration in it's present form, $1.2 billion above the Administration's request. The major objectionable funding increases include (1) $922 million payment to the Postal Service for revenue forgone, (2) $178 million increase for the Internal Revenue Service, and (3) $86 million increase for the U.S. Customs Service. These three items represent 99 percent of the $1.2 billion increase.

Another major objectionable item is the infringement of the legislative branch on executive authority and includes (1) bill language that prohibits U.S. Customs Service centralization of regional locations in 1986, and (2) bill language that prohibits OMB from reviewing USDA Marketing Service Orders.

Tha Administration also strongly opposes section 513, which deals with OPM's performance-based regulations, and several provisions of doubtful constitutionality, specifically, sections 606, 611, and the provisions in the bill requiring advance approval from the House and Senate Committee on Appropriations on reprogramming of funds.

I. FUNDING LEVELS

National Critical Materials Council: The Administration continues to oppose the creation of a National Critical Materials Council and, therefore, opposes adding $500 thousand for it. This Council would duplicate efforts currently undertaken by the Bureau of Mines and the Minerals Management Service in the Department of the Interior. The Council would represent an unnecessary increase in the bureaucracy in the Executive Branch.

Secret Service Rowley Training Center: The Administration strongly opposes the $5 million provided from the Public Building Fund for the Secret Service Rowley Training Center. This funding is contrary to Administration policy and should be funded through a direct appropriation if it is to be provided.

II. LANGUAGE PROVISIONS

Tax Legislation: The Administration opposes Sections 102, 103, and 106 of the bill. In effect, these sections legislate tax policy through the appropriations process.

General Services Administration contracting: The Administration opposes Section 507 of the bill. This section limits the managerial discretion of the GSA to contract out certain duties and will lead to greater cost efficiencies.

Information Resources Management Office: The Administration opposes Section 510 of the bill. This section prohibits the closing of an unnecessary regional office and represents a waste of federal funds.

Federal Law Enforcement Training Center: The Administration strongly opposes 100 percent FLETC funding of all basic training. Agencies wanting to train their employees should be required to contribute to the cost of that training. The 100 percent funding by the FLETC encourages no incentive on the part of agencies to limit employee attendance at the Center and could cause program costs to grow unnecessarily.

Limitation on Pay Increases: The Administration opposes the omission at the end of Section 613(2)(b) of the language "entered into before the date of enactment of this Act". In the interest of equity, the pay cap should apply to all Federal blue collar employees. This omission would single out a small group of employees for special treatment.

Unconstitutional Provision (Chadha): The Administration objects to the inclusion of Section 611 in the General Provisions. In view of its generality, the provision's language apparently would comprehend either a joint resolution, passed by both Houses of Congress and presented to the President for his approval or veto, or a resolution adopted by means short of the plenary legislative process. As the Supreme Court's *Chadha* decision has held, to the extent that a resolution is adopted for purposes of Section 611 by any means short of the plenary legislative process, the application of Section 611 would be unconstitutional.

Advance Approval Provisions: The Administration objects to all provisions in the bill requiring advance approval from the House and Senate Committees on Appropriations on reprogramming of funds. These provisions purporting to authorize committees of Congress to affect the legal rights and duties of executive branch officials, are plainly unconstitutional legislative veto devices under the Supreme Court's decision in *INS* v. *Chadha*.

Infringement on Filling Positions: The Administration strongly objects to Section 606 prohibiting the payment of funds "to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person." This provision raises substantial constitutional concerns as an infringement of the President's appointment authority.

Mr. ROYBAL. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. MARTINEZ].

□ 1150

Mr. MARTINEZ. I thank the gentleman for yielding time to me.

Mr. Chairman, I would like to ask the gentleman from California [Mr. ROYBAL] for a specific clarification concerning the purpose of section 515 of the bill now before us, making appropriations for the Treasury, Postal Service, and General Government. I note that section 515 is intended to curb Federal spending for consultants, management, and special studies. Am I correct in that understanding of the purpose of section 515?

Mr. ROYBAL. Mr. Chairman, if the gentleman will yield, the gentleman from California [Mr. MARTINEZ] is correct. Section 515 of the Treasury, Postal Service, and General Government Appropriations Act is designed to restrict Governmentwide Federal spending on the use of outside consultants. This section merely extends or reenacts language which Congress approved in last year's bill.

Mr. MARTINEZ. Mr. Chairman, I thank the gentleman. Now I want to ask whether it is intended that section 515 be applied by any department or agency of the Government for the purpose of reducing direct assistance or support to the programs which serve the disadvantaged or disabled individuals? For example, I am aware that under the section 515 authority, the Department of Labor chose to reduce pilot and demonstration projects for job training by about $7.3 million. This has meant drastic reductions of almost 30 percent in the funding that the Department of Labor provides to employment and training projects for the handicapped and disadvantaged.

So my question to the gentleman was to inquire as to the scope of section 515. Is it within the intent of this language that direct services and support programs such as employment and training programs for the handicapped and other hard-to-place individuals operated by such organizations as National Federation of the Blind, the Epilepsy Foundation of America, 70001 LTD., OIC, Urban League, Human Resources Development Institute, and National Alliance of Business should be reduced under the rationale that these are consultant programs?

Mr. ROYBAL. Mr. Chairman, we do not intend that services programs, whether they are pilot projects, demonstration or otherwise should be reduced below congressionally approved funding levels. That is not the purpose of section 515. Section 515 is designed to restrict outside consultant use. In my mind that is not even remotely connected with the programs that my colleague from California [Mr. MARTINEZ,] is so rightfully concerned about.

To the extent that these programs, regardless of whether or not they are called pilot and demonstration programs provide job training, placement, and support help for groups such as the handicapped and disadvantaged, they are clearly outside of the scope of section 515.

Mr. MARTINEZ. I thank the gentleman.

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

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. I thank the gentleman for yielding this time to me.

Mr. Chairman, I have already indicated the unfairness of the rule under which this bill has been brought to the floor. I would, because of the rule, vote against the bill in any case. However, there are a number of other problems with this bill, one of which is that it is a half a billion dollars over what we appropriated last year. Another is that the bill funds a 5-percent pay cut, which is not going to happen.

The House has already been told it will take $140 million-plus just to bring the employees up to where they are now under this bill. If there is a pay increase, which most people believe it likely, it will take more money than that to make this bill whole.

So the bill on its face invites a supplemental.

Any appropriation brought to this House, in the full knowledge that it is going to give us the supplemental, is in my judgment unfair to the membership, unfair to the taxpayers, and to the orderly process of the House of Representatives.

I have prepared a modest amendment which does not touch any of the mandatory spending within the bill. It affects only the discretionary portion. My amendment will not make a freeze. It will only freeze the half of the bill that is discretionary.

I indicated in a "Dear Colleague" letter earlier this week that my amendment would exempt the postal section of this bill from that freeze because the committee had made a large cut in the postal portion already. I have, however, recomputed the amendment and I will stretch it across the board to discretionary programs because it has always been my intention to honor the choices made by the committee; that is, not to rearrange the equities within the bill but, rather, to make the cuts evenly across all discretionary programs.

The net result of my amendment, if passed, is that it will lower the budget authority in the bill by about $190 million, which will require a 2.6-percent cut across the board.

Mr. Chairman, I have had a lot of good advice on my amendment. I have been asked to take the IRS out of my amendment. I think, after giving full effect to my amendment, Members will find the IRS still has a substantial increase.

I have been told that I can get 1 more vote if I will take the postal part out. I will not do so.

I have been told that I will get a few more votes if I take Customs out. If I took all three of those departments out, I would not have an amendment. That, I suspect, would be considered a great improvement by the majority of the House.

Nevertheless, I shall offer this across-the-board cut of discretionary items only for $192 million. It will not make the bill whole. It will not bring it to a freeze. But it will be a great improvement.

Mr. SKEEN. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. PURSELL].

Mr. PURSELL. I thank the gentleman for yielding this time to me.

Mr. Chairman, I wanted to make two points. The amendment offered by the gentleman from Minnesota [Mr. FRENZEL], I think, is appropriate and fair today, and I want to go on record now to say that I support the Frenzel amendment.

I think the Committee on Appropriations does have a problem in respect to the 5-percent pay adjustment and I think it is appropriate that since those amendments have been sent up from OMB, even though they are late, and I was here when the discussion with Mr. HOYER and others took place earlier today, I think it should be part of our committee. As a member of the Committee on Appropriations, it would be a responsible act for this subcommittee to offer the pay amendment now on this bill.

To simply say that later on we are going to have a supplemental is part of the process here that is wrong. We should be fully responsible that we have all the aggregate dollars in this subcommittee bill.

Yesterday we had the case where interest rates on housing was in the 0900 function, so we begin to lose track, and every member of this committee and every Member of the House begins to lose track of where the total dollars are to be expended for certain functions in respect to this bill, Treasury, Post Office, and civil service.

So I am very concerned about that process. Now we say, "Well, we will put it in a supplemental bill down the road." Supplementals are basically for emergencies, and over the years I do not think it is appropriate for Members to be supporting supplementals as a matter of a way out. "Do not worry, folks, what is in the appropriation bill today. We will add dollars later on in the supplemental."

All the agencies know that, so the appropriations process has no full meaning to the extent of the full amount of dollars that are necessary to fund a particular program. I have a concern with our annual bad habit—using supplementals.

The second concern I have in respect to the IRS, I think the committee is justifiably looking at the IRS responsibilities for the collection of taxes. But on the flip side of that issue is, when you go home weekly, as I do, I like to have coffee once a week with my own truckdrivers and people in the coffee shops who are what we call the mainstream of our society, who are working every day. They are not big corporation leaders and they are not the country club set.

You would be surprised at their attitude toward what they are beginning to believe is what we would call "confiscatory taxation." I am hopeful that later on the tax reform code begins to eliminate some of the opportunities to close loopholes. They say do not violate the law, just avoid the law. So a small businessman or a small entrepreneur or somebody who has, let us say, a nursery business, goes out and does a job on a particular home, puts in some plants, and they ask the owner of the home, "Pay me in cash," they do not report it.

We are beginning to see that flood all over the Nation. I have a concern with that problem, because if you look at the history of nations, the Roman Empire and other countries, we begin to see that build into large uncollected revenue now estimated to be nearly $100 billion. It is an enormous amount, and I do have a concern about where we can, as a Congress, can set aside a reasonable number of positions that will legally collect taxes which are in accordance with the law. Too many tax collectors will eventually lead to a nation full of tax collectors. I trust the committee has exercised prudent judgment on this matter.

□ 1200

Mr. DORGAN of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. PURSELL. I am happy to yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Mr. Chairman, what the gentleman says is something I understand, and it makes sense. The attitude of the American people toward the IRS and toward the tax system is one of great concern.

I would only point out that those folks who work for a living and get a W-2 form pay taxes that are not flexible at all. Those are the folks who are best served by a responsible tax system or IRS organization that makes certain that all others who are supposed to pay taxes are not able to evade their responsibilities. That is the point I was making.

The CHAIRMAN. The gentleman from California [Mr. ROYBAL] has 6 minutes remaining, and the gentleman from New Mexico [Mr. SKEEN] has 5 minutes remaining.

Mr. ROYBAL. Mr. Chairman, I have no requests for time.

Mr. SKEEN. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding this time to me.

I take this time to discuss an amendment that I had thought about offer-

ing, and probably, given the nature of the way in which I would have to offer the amendment, I will not offer it. But I do want to talk about the problem I was seeking to address so the committee will be aware of it and so that perhaps we can develop some material for next year to deal with this problem.

I have recently become aware of the fact that the IRS is now granting a deduction for religious purposes to cults which practice witchcraft. Now, whether you like what the IRS is doing with tax deductions or not, I think this is one area where the American people would be appalled to think that tax deduction status has been granted to witchcraft cults.

I have a letter here sent by the Secretary of the Treasury to a Member of the other body in which he says that "under the standards several organizations have been recognized as tax exempt that espouse a system of beliefs, rituals, and practices which they label as witchcraft."

So in fact the practice is real, and the question is whether or not the American people ought to be asked to endorse such a system. I do not think they should be, but since I got into this fairly late, I have not been able to identify the specific amount of money that is going toward this activity, so I could not offer an amendment in reality that way and I would have to offer an amendment after a point at which the committee would be asked to rise. In my opinion, since we already have one amendment after the committee is asked to rise later on, that is not a very profitable route to take.

But I do think that this committee and other committees with jurisdiction in this area ought to be aware that this is the kind of madness that is going on in the IRS. One of the things that I think turns the American people off to a tax system that has gotten completely out of hand is when all of a sudden that tax system is now suggesting to people that a tax deduction is available as a religion to witchcraft cults.

The Secretary of the Treasury could not be plainer. That is precisely what is going on. It is a practice that needs to be stopped. I, because of the procedures, will not be offering the amendment today, but in the future I think the Members can be assured that if we do not do something about the practice, I will be offering such an amendment.

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

● Mr. DICKS. Mr. Chairman, I want to compliment Chairman ROYBAL for his leadership and hard work in approving H.R. 3036, the Treasury, Postal appropriations bill for fiscal year 1986. I urge the House to accept the measure without amendment.

As Chairman ROYBAL knows, I was particularly concerned with one aspect of the legislation—funding for the Customs Service. The Customs Service has the unique distinction of being one of the few Federal agencies which is revenue producing. There is a direct correlation between the number of inspectors employed by the Customs Service and the amount of money collected in duties on imports.

The Customs Service is a vital link in the smooth flow of trade and commerce. But in the Northwest, this link has been broken. Because the Customs Service is so understaffed, they are not able to perform their job in an efficient manner. Cargo sits on our docks and international passengers wait in our airport, all for lack of Customs inspectors available to do their job. This costs us money and jeopardizes our ability to attract new business.

Therefore, I commend Chairman ROYBAL for his fine work in this area. He came to Seattle this past winter and held a hearing to examine Customs staffing issues. He heard testimony not only from the Customs Service, but also from our shippers, port officials, and brokers. Their unanimous plea was for more Customs personnel. He has listened and he has acted. I sincerely thank the chairman and I know that his efforts are greatly appreciated by all concerned with international trade and tourism in the Northwest.●

● Mr. AKAKA. Mr. Chairman, as the House meets to vote on H.R. 3036, making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies for the 1986 fiscal year, I would like to bring to the attention of my colleagues the need for sound, immediate action on the measure. Led by the diligent efforts of the distinguished gentleman from California, Chairman ROYBAL, the subcommittee has industriously formulated a fair, solid, and overall remarkable bill. I commend all of the members of the subcommittee, as well as the subcommittee staff, Tex Gunnels and Bill Smith, for forwarding this respectable work. For this reason, I rise in strong support of the bill.

While I strongly support the bill in its entirety, I would like to highlight some of the especially meritorious features of H.R. 3036. In particular, I would point out the importance of two provisions, the U.S. Customs Service and the U.S. Postal Service's revenue forgone initiatives.

In recent weeks, the administration has been very vocal and visible in its stance against imported terrorism, illegal drugs, and counterfeit goods. Ironically, as we look behind the rhetoric, we find the Cabinet prepared to place our Nation in a more precarious position in respect to these problems. In fact, the President's budget proposal reflects an elimination of 887 Customs Service positions in 1986. As we all know, Customs is charged with the control and regulation of such activities, and an elimination of this magnitude will no doubt translate into an ineffective force against the very forces which the President publicly rejects.

The committee has restored the 887 positions, and in addition, has provided funding for additional Customs personnel. This reflects a sincere effort on the part of the committee to ensure a strong law enforcement effort to stem the tide of illicit activities such as those previously mentioned. Additionally, I hasten to remind my colleagues that the Customs Service occupies a unique niche in our Government as a revenue-generating agency. Let me call to your attention some figures which illustrate the extent of said revenue. In fiscal year 1984, we appropriated a total of $595,481,000 for Customs. By the end of the fiscal year, Customs returned to the Treasury coffers approximately $12,541,390,696. This translates into a return of $21.06 for each $1 appropriated. In viewing the returns of 4 years previous, we essentially witness similar activities: in 1980, for each $1 appropriated, $17.98 in income was realized; likewise, 1981 saw $18.48 to each $1, 1982 saw $18.94 to each $1, and 1983 saw a total of $17.01 to each $1. Having seen this, it is apparent that funding the Customs Service seems to be one of the wisest investments that Congress could make.

I should say that Customs' performance, despite threatened budgets over the last 5 years, has been nothing less than outstanding. In the interdicting of drugs, for instance, Customs inspectors are responsible for making 57 percent of heroin seizures, 59 percent of cocaine seizures, 70 percent of hashish seizures, and 80 percent of marijuana seizures. However, this represents stoppage of only 10 percent of cocaine and heroin and 16 percent of marijuana entering the country. That means virtually up to 90 percent of such goods are pouring into the States, yet the administration wants to cut the number of employees responsible for stopping illegal drugs.

In enforcing the Customs laws, rules and regulations, understaffed Customs inspection sites are equipped to inspect less than 3 percent of those cargoes. This results in an overall revenue loss of roughly $40 billion annually due to the entrance of counterfeit and unreported goods. Yet, the administration wants to cut the number of employees. These cuts are hardly consistent with waging a war on the introduction of illicit products.

It should be evident to all Members that any reduction in the Customs force will severely impact each and every State in this country. I call upon the wisdom of my colleagues to there-

fore rise in strong support of this vital service. The Customs Service needs help in order to perform its duties efficiently, and it is up to us to see that help is offered.

Another important feature of the bill is the payment of the Postal Service's revenue provisions. By far, this is the largest item in the Postal Service's budget. Appropriations for revenue compensate the Postal Service for the revenue lost as a result of their providing subsidized mail service to small community newspapers, libraries, and nonprofit organizations. There is no doubt that any reduction in funding for nonprofit mail rates from the amount approved by the committee would drastically inhibit the wave of volunteerism and private initiative in the United States.

There are many organizations which merit such reduced postal rates in their efforts to provide service to the public. Organizations such as the American Cancer Society, the American Heart Association, the American Red Cross, the National Easter Seal Society, the National Society for the Prevention of Blindness, all benefit from the Revenue Forgone Reimbursement Program, just to mention a few.

The committee has acted responsibly in restoring the funds necessary to implement the revenue forgone provisions, despite the administration's budget request of zero funding. Let me commend the wisdom of the subcommittee in its efforts to provide reduced rates, while maintaining a strong grip on use and abuse of such reductions. The committee exemplifies its concern about alleged and apparent abuses of reduced rates by large, profitmaking publications. Recognizing that the taxpayer supports the abuse of second-class in-county rates used by such companies, to the tune of approximately $13 million annually, the committee realizes that in times of fiscal restraint, this practice is unacceptable. To this effect, the committee recommends restrictive language to end such abuses. Indeed, this illustrates the committee's attentiveness to reasonable and justifiable spending.

Mr. Chairman, I believe this bill represents a balance of necessary spending and fiscal restraint. This is a good bill, and one that every Member of the House should support. Once again, I want to commend the subcommittee for its tireless efforts on the bill we have before us today. I urge my colleagues to rise in strong support of this substantive work.●

● Mr. TRAFICANT. Mr. Chairman, I rise today in support of H.R. 3036, legislation to appropriate $961.1 million to the U.S. Postal Service for fiscal year 1986, including $922 million to compensate the U.S. Postal Service for revenue forgone.

I want to draw the attention of my colleagues to the significance of the passage of the revenue forgone appropriation to our Nation's nonprofit organizations.

The ability of nonprofit America to remain solvent and serve the public is linked to its preferred mail status. A lower postage rate allows charities, educational and veterans organizations, rural newspapers, and numerous nonprofit groups to continue their good works and their contributions to a variety of worthy, national goals.

Having discussed this appropriation measure with members of my constituency, including members of the National Federation of the Blind and the National Association of Retired Persons, I am now strongly convinced of the need to provide funding for revenue forgone. Without this subsidy, the educational efforts of our Nation's nonprofit groups would be severely impaired.

We must maintain our support for nonprofit America by passing H.R. 3036. I urge my colleagues to join me in this effort.●

● Mr. ADDABBO. Mr. Chairman, I rise in support of H.R. 3036 and I want, particularly, to commend our subcommittee chairman, ED ROYBAL of California, and the ranking minority member, JOE SKEEN of New Mexico. The individual members of the subcommittee, and our excellent staff, Tex Gunnels, Bill Smith, and Kerry Courtney, have worked together to bring to the floor a bill that deserves the full support of the House.

The bare statistics of this bill should not mislead any member of this chamber. The fiscal year 1986 Treasury, Postal Service, and General Government appropriation bill provides $13,263,338,000 in new obligational authority. This amount is $496,714,000 over the level provided last year, and $1.2 billion above the administration's budget request.

Yes; it is over the administration's request. But this is not a budget-busting bill. It includes our major revenue-collecting, law enforcement, drug enforcement agencies. Additionally, it includes the Postal Service revenue foregone program which supports our nonprofit, charitable organizations. They need all of the help we can give them.

The administration proposed to reduce funding across each of those areas. If those proposals were adopted they would result in lowering the amount of revenues collected and would cost us a great deal more, not only in dollars, but in wasted lives, in jobs, and in the suffering of our citizens.

To illustrate this point, I commend to you the committee report accompanying this bill. Title I, the Department of the Treasury, includes the Internal Revenue Service which processes tax returns and is responsible for the collection of revenues and the refund of overpayments. The problems that caused delays in processing refunds this year have been widely publicized and have cost the Treasury hundreds of millions of dollars in interest alone.

The administration had proposed to cut over 2,000 positions at IRS. The committee added $178 million, restored those positions and added more. As Members will note on page 27 of the committee report, these additional resources will enable IRS "to collect about $450 million in additional revenue by examining more tax returns and accelerate the collection of $250 million in revenue by closing 6,600 tax shelter cases." Clearly, the recommended increase in the IRS budget is well-founded and will return dividends to the Treasury.

The administration proposed to reduce 887 positions in the U.S. Customs Service. Testimony before the subcommittee is replete with appeals from coast to coast to increase the Customs presence in their areas. The bill adds $85.9 million to the budget request, restores the 887 positions, provides for 150 positions included in the House supplemental, and an additional 650.

The missions of the Customs Service are briefly outlined on page 13 of the report. It is a revenue collecting, law-enforcement agency. It is the major force in our battle to stem the avalanche of illicit drugs coming into the country. Any lessening of this effort would lead to an increase in the tragic toll of lives ruined by drug abuse and the exorbitant costs to our economy of this malicious problem. We need to exert greater emphasis on the enforcement of import quotas and the prevention of import fraud that has impacted many of our industries. Our domestic textile and apparel producers, in particular, are facing a tidal wave of imports and thousands of jobs have been washed away. The responsibilities of the Customs Service are vast and continually growing. They need adequate personnel to do the job.

The Bureau of Alcohol, Tobacco, and Firearms is another revenue collecting, law enforcement agency included in this bill. The Congress firmly rejected administration proposals to terminate BATF just a few years ago. Each year since then the budget requests have sought to shrink personnel and curtail the programs of the bureau.

The fiscal year 1986 budget proposed to reduce 90 positions, 45 of them in the cigarette and 26 in the alcohol enforcement programs. The bill restores those positions. The contraband cigarette enforcement program is directed against organized crime and other bootleggers who circumvent State tax laws and have cost hundreds of millions of dollars in lost State revenues.

It is an interstate problem but, illogically, the administration wanted to hand off the enforcement responsibility to the individual States. That simply would not work.

Title II of the bill, the U.S. Postal Service, provides a total of $961,121,000, a decrease of $79,388,000 below the 1985 level. Included is $922 million for the revenue foregone program and $39.1 million to cover certain unfunded liabilities of the old Post Office Department.

The revenue foregone program, which the administration wanted to terminate, assists our charitable nonprofit organizations in their efforts to raise funds and carry out their missions. These organizations are being hit from all sides. As Federal support for our social programs has been cut back, these groups must reach out to ever-increasing numbers of our needy citizens. The revenue foregone program is essential to this task and has been strongly supported by the House in past years. The Treasury subcommittee had recommended $967 million in order to maintain the current postal rates until the scheduled increase in July 1986. This amount was reduced by $45 million during full committee markup with the result that next year's rate increase will be moved up to January. I opposed that reduction in full committee because, as I have said, the support provided through the revenue foregone program is critically needed.

I cite these examples to point out the illogical, self-defeating nature of the budget requests that were considered by your committee. There are many other important programs and agencies funded in this bill. Each of them has been carefully examined. The committee has acted responsibly and in the best interests of the Nation by recommending the level of funding provided in H.R. 3036. I urge the support of the House.●

● Mr. DASCHLE. Mr. Chairman, I must say I was astonished when the administration proposed the elimination of the appropriation for revenue foregone, that reimbursement to the Postal Service for revenues not received due to reduced postage rates for certain mailers. Those people who benefit from this reduced mailing rate are our schools, our churches, veterans organizations, small rural newspapers, charities such as the American Cancer Society, United Way, Easter Seal Society, and the National Federation for the Blind.

In 1952 when these special rates were established, the Congress recognized the contribution of nonprofit organizations to the good of the country; they recognized that in order for newspapers to operate in rural, nonprofitable markets, and bring reading materials to people in those areas, a reduced postage rate was necessary; they recognized the importance of library services and the need for a reduced postage rate if people were to avail themselves of those services, knowing full well that the cost of mailing books and other library materials would be prohibitive at commercial rates; and they recognized the unique needs of the blind and handicapped who do not generally have easy access to braille materials and taped materials—that in order to make such material available from State libraries and the Library of Congress those items should be mailed at no cost.

Now, with the exception of the free mailing privilege for the blind and handicapped, the Reagan administration and the Senate agree the appropriation for revenue foregone should be eliminated. What a slap in the face to those organizations which the President has asked to pick up the slack in the face of the budget crunch. As the Federal Government has cut back funding of many programs, we have asked the private sector to take on more responsibility for social programs, for the arts and culture, for health research, and for public education campaigns. Now the administration and the Senate want to take away the preferred postage rate for nonprofit organizations which rely heavily on direct mail for fundraising purposes. The idea is ludicrous and I commend the Appropriations Committee for recognizing the importance of the revenue foregone appropriation, which, in some way, affects nearly every person in this country.●

● Mr. ROTH. Mr. Chairman, I want to commend the Committee on Appropriations for rejecting the elimination of the second-class subsidy for small, in-county publications. It was Jefferson who said:

> Were it left to me to decide whether we should have a government without newspapers, or newspapers without a government, I should not hesitate to prefer the latter.

This is a famous portion of the Jefferson quote. But what seems to have been lost in history is the rest of his statement. He also said, in part: "Every man should receive those papers, and be capable of reading them."

H.R. 3036 would prevent the death of weekly community newspapers, which have been a fixture of American public life since the founding of America and which have remained virtually unchanged from the ones known by Jefferson in 1787.

Small community newspapers are a symbol of our cultural diversity. Each small town and community has a special flavor all its own. That's what the community newspapers preserve. A sharp increase in postage for community newspapers would price many such papers out of business. In so doing we would be robbing citizens in rural communities of their sole source of local information.

It is true that many rural residents subscribe to larger metropolitan newspapers and receive many television channels through cable. But none of these news sources regularly cover news developments in the small communities. It is important we avoid regionalism of the news, and that is why we in Congress must act to preserve a portion of America's heritage, the small community newspaper. Preservation of the subsidy for small, in-county publications is a responsible way to preserve the free dissemination of ideas in small town U.S.A.●

● Mr. HORTON. Mr. Chairman, I rise in full support of the revenue forgone appropriation contained in this bill. Much misinformation has been circulated recently about this appropriation, how it operates and who it affects. I would like to speak to these points.

First, this appropriation is not a subsidy to the Postal Service. It represents a payment that we—the Federal Government—are making to the Postal Service for preferred mail rates that we are purchasing. These mail rates are for the blind, the handicapped, nonprofit organizations and rural newspapers. The Federal commitment to providing these preferred rates is not new; it started more than 70 years ago and has continued without interruption. It is a very important appropriation that returns many times its cost, to literally millions of Americans, through the services and information it allows to be distributed.

If we cut this appropriation, we are not hurting the Postal Service; we are hurting the blind, the handicapped and the nonprofits. We are hurting rural newspapers and the millions of Americans who do not live in or around major urban centers. In short, we are taking another swipe at those most in need of assistance.

Cross subsidization is not the answer; this would just create a confused matrix that places Federal budget responsibilities on a Postal Service that we told to become operationally self-sufficient through enactment of the 1970 Postal Reorganization Act. Let's meet our responsibility in this area and not pass the buck to the Postal Service as though this were its program. It isn't. It is our program, and I urge my colleagues to join me in a resounding approval today.●

Mr. SKEEN. Mr. Chairman, I have no further requests for time. I urge support of the bill.

Mr. ROYBAL. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The gentleman from New Mexico [Mr. SKEEN] yields back his time, the gentleman from California [Mr. ROYBAL] yields back his time, and under the unanimous-

consent agreement, all time has expired.

The Clerk will read.

The Clerk read as follows:

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 Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1986, and for other purposes, namely:

TITLE I

DEPARTMENT OF THE TREASURY

Office of the Secretary

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; not to exceed $22,000 for official reception and representation expenses; not to exceed $200,000 for unforseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; not to exceed $683,000, to remain available until expended, for repairs and improvements to the Main Treasury Building and Annex; $54,274,000.

International Affairs

For necessary expenses of the international affairs function of the Office of the Secretary; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed $2,000,000 for official travel expenses; and not to exceed $73,000 for official reception and representation expenses; $22,442,000.

Federal Law Enforcement Training Center

SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including purchase (not to exceed eight for police-type use) and hire of passenger motor vehicles; not to exceed $75,000 for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; not to exceed $2,100,000 for repair, alteration, minor construction, and related equipment for the Federal Law Enforcement Training Center facility, to remain available until expended; not to exceed $2,000 for official reception and representation expenses; and services as authorized by 5 U.S.C. 3109: *Provided,* That funds appropriated in this account shall be available for State and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation; acceptance of gifts; training of private sector security officials on a space-available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend State and local course development meetings at the Center; $25,500,000.

Financial Management Service

SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, $244,621,000, of which not to exceed $1,800,000 shall remain available until expended for systems modernization initiatives.

Bureau of Alcohol, Tobacco and Firearms

SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of three hundred vehicles for police-type use for replacement only; and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; not to exceed $5,000 for official reception and representation expenses; $174,212,000 of which $15,000,000 shall be available solely for the enforcement of the Federal Alcohol Administration Act during fiscal year 1986: *Provided,* That no funds appropriated herein shall be available for administrative expenses in connection with consolidating or centralizing within the Department of the Treasury the records of receipts and disposition of firearms maintained by Federal firearms licensees or for issuing or carrying out any provisions of the proposed rules of the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, on Firearms Regulations, as published in the Federal Register, volume 43, number 55, of March 21, 1978: *Provided further,* That the Federal Building at 1200 Pennsylvania Avenue, NW, Washington, DC, headquarters of the Bureau of Alcohol, Tobacco and Firearms, shall hereafter be known and designated as the Ariel Rios Federal Building. Any reference to this building in any law, regulation, document, record, or other paper of the United States shall be deemed to be a reference to such building as the Ariel Rios Federal Building.

United States Customs Service

SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of two hundred motor vehicles for replacement only, including one hundred and ninety for police-type use; hire of passenger motor vehicles; not to exceed $10,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; $725,000,000, of which not to exceed $150,000 shall be available for payment for rental space in connection with preclearance operations and not to exceed $1,000,000, to remain available until expended, for research: *Provided,* That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further,* That none of the funds made available by this Act shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of $25,000: *Provided further,* That the Commissioner or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Service: *Provided further,* That none of the funds made available by this Act may be used for administrative expenses in connection with the proposed redirection of the Equal Employment Opportunity Program: *Provided further,* That none of the funds made available by this Act shall be available for administrative expenses to reduce the number of Customs Service regions below seven during fiscal year 1986.

OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

For expenses, not otherwise provided for, necessary for the hire, lease, acquisition (transfer or acquisition from any other agency), operation and maintenance of aircraft, and other related equipment of the Air Program; $60,425,000.

Customs Forfeiture Fund

(LIMITATION ON AVAILABILITY OF DEPOSITS)

For necessary expenses of the Customs Forfeiture Fund, not to exceed $8,000,000, as authorized by Public Law 98-473 and Public Law 98-573; to be derived from deposits in the Fund.

Customs Services at Small Airports

(TO BE DERIVED FROM FEES COLLECTED)

Such sums as may be necessary for expenses of the provision of Customs services at certain small airports designated by the Secretary of the Treasury, including expenditures for the salaries and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary of the Treasury pursuant to section 236 of Public Law 98-573 for each of these airports, and to remain available until expended.

Bureau of the Mint

SALARIES AND EXPENSES

For necessary expenses of the United States Mint; $46,954,000 of which $1,050,000 shall remain available until expended for research and development projects.

Bureau of the Public Debt

ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States; $197,225,000.

Internal Revenue Service

SALARIES AND EXPENSES

For necessary expenses of the Internal Revenue Service, not otherwise provided; for executive direction and management services, and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services, as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $95,932,000, of which not to exceed $25,000 for official reception and representation expenses and of which not to exceed $500,000 shall remain available until expended, for research.

PROCESSING TAX RETURNS

For necessary expenses of the Internal Revenue Service not otherwise provided for; including processing tax returns; revenue accounting; computer services; and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $1,103,041,000 of which not to exceed $50,000,000 shall remain available until expended for systems modernization initiatives.

EXAMINATIONS AND APPEALS

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; employee plans and exempt organizations; tax litigation; hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; $1,425,902,000.

INVESTIGATION, COLLECTION, AND TAXPAYER SERVICE

For necessary expenses of the Internal Revenue Service for investigation and en-

forcement activities; including purchase (not to exceed four hundred and fifty-one for replacement only, for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); securing unfiled tax returns; collecting unpaid accounts; technical rulings; enforcement litigation; providing assistance to taxpayers; and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner: *Provided*, That notwithstanding any other provision of this Act, none of the funds made available by this Act shall be used to reduce the number of positions allocated to taxpayer service activities below fiscal year 1984 levels, or to reduce the number of positions allocated to any other direct taxpayer assistance functions below fiscal year 1984 levels, including, but not limited to Internal Revenue Service toll-free telephone tax law assistance and walk-in assistance available at Internal Revenue Service field offices: *Provided further*, That the Internal Revenue Service shall fund the Tax Counseling for the Elderly Program at $2,200,000. The Internal Revenue Service shall absorb within existing funds the administrative costs of the program in order that the full $2,200,000 can be devoted to program requirements; $1,064,325,000.

ADMINISTRATIVE PROVISION—INTERNAL REVENUE SERVICE

SEC. 1. Not to exceed 1 per centum of any appropriation made available to the Internal Revenue Service for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation.

SEC. 2. Not to exceed 15 per centum, or $15,000,000, whichever is greater, of any appropriation made available to the Internal Revenue Service for document matching for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation for document matching.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed three hundred and forty-three vehicles for police-type use for replacement only) and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; the conducting of and participating in firearms matches and presentation of awards and for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act: *Provided*, That approval is obtained in advance from the House and Senate Committees on Appropriations; for repairs, alterations and minor construction at the James J. Rowley Secret Service Training Center; and for research and development; not to exceed $7,500 for official reception and representation expenses; for uniforms without regard to the general purchase price limitation for the current fiscal year; $283,805,000.

DEPARTMENT OF THE TREASURY—GENERAL PROVISIONS

SEC. 101. Appropriations to the Treasury Department in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; entering into contracts with the Department of State for the furnishings of health and medical services to employees and their dependents serving in foreign countries; and services as authorized by 5 U.S.C. 3109.

SEC. 102. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1954 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection complies with subsection (a) of section 805 (relating to communication in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

SEC. 103. (a) None of the funds appropriated by this Act may be used to disqualify, pursuant to section 411(d)(1)(B) of the Internal Revenue Code of 1954, any plan which has vesting requirements or provides for nonforfeitable rights to benefits, equal to or more stringent than 4/40.

(b) None of the funds appropriated by this Act may be used to issue an unfavorable advance determination letter, pursuant to section 411(d)(1)(B) of the Internal Revenue Code of 1954, with respect to any plan which has vesting requirements or provides for nonforfeitable rights to benefits, equal to or more stringent than 4/40.

SEC. 104. Not to exceed 1 per centum of any appropriations in this Act for the Department of the Treasury may be transferred between such appropriations. However, no such appropriation shall be increased or decreased by more than 1 per centum and any such proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.

SEC. 105. None of the funds made available by this Act may be used to place the United States Secret Service, the United States Customs Service, or the Bureau of Alcohol, Tobacco and Firearms under the operation, oversight, or jurisdiction of the Inspector General of the Department of the Treasury.

SEC. 106. None of the funds appropriated by this Act shall be available for implementing or enforcing any regulation imposing a tax or collecting any tax, under provisions of section 7872 of the Internal Revenue Code of 1954, on the entrance or accommodation fees paid by elderly residents of continuing care retirement facilities.

POINT OF ORDER

Mr. DORGAN of North Dakota. Mr. Chairman, I make a point of order against section 106 of H.R. 3036.

The CHAIRMAN. The gentleman from North Dakota [Mr. DORGAN] is recognized in support of his point of order.

Mr. DORGAN of North Dakota. Mr. Chairman, I make a point of order against section 106 of H.R. 3036 on the ground that it is a tax measure on an appropriations bill in violation of paragraph (b), clause 5 of House rule XXI.

Mr. Chairman, section 106 prohibits the Treasury Department from using funds appropriated by this bill to issue regulations which impose or collect any tax, under section 7872 of the Internal Revenue Code, for entrance or accommodation fees paid by elderly residents of continuing care retirement facilities.

Rule XXI, clause (b) of the Rules of the House of Representatives provides generally that no legislation containing any tax or tariff measure may be reported from any committee other than the Ways and Means Committee. Section 106 would prohibit the Internal Revenue Service from subjecting to tax interest on any amount of money paid to a "life care" facility. This same issue is included as a Senate amendment to H.R. 2475, legislation to simplify the imputed interest rules of the Internal Revenue Code. This legislation is awaiting conference between the House and the Senate. Thus, the tax writing committees of the Congress are studying it closely in the appropriate legislative context. Consequently, section 106 of the Treasury/Postal bill is clearly a "tax or tariff" measure within the meaning of rule XXI.

I urge the Chair to sustain this point of order.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Yes, Mr. Chairman, I would like to be heard on the point of order.

Mr. Chairman, rule XXI, clause 2, prohibits legislation on an appropriation bill. I would like to quote from section 843a of the rules:

That section reads as follows:

Although the rule forbids on any general appropriation bill a provision changing existing law, which is construed to mean legislation generally, the House's practice has established the principle that certain limitations may be admitted. It being established the House under its rules may decline to appropriate for a purpose authorized by law, so it may by limitation prohibit the use of the money for part of the purpose while appropriating for the remainder.

□ 1210

It is very important to keep this basic principle in mind because it is my position that a valid limitation is precisely what is being proposed in this provision.

I think it is necesary that we establish very clearly that this provision is simply a limitation in an appropriation bill. This provision prohibits the Internal Revenue Service from implementing or enforcing any regulation imposing a tax or collecting a tax under a specific section of the Internal Revenue Code. This limitation imposes only minimal duties on Federal officials, who only have to determine whether the use of funds falls within that prohibited by the limitation. That is clearly in order under the rules. Specificially, I would cite chapter 25, section 10.4 of Deschler's Procedures, which I wll quote:

10.4 where the manifest intent of a proposed amendment is to impose a limitation on the use of funds appropriated in the bill, the fact that the administration of the limitation will impose certain incidental but additional burdens on executive officers does not destroy the character of the limitation.

I would also like to quote chapter 25, section 11.1 of Deschler's Procedures:

The application of any limitation on an appropriation bill places some minimal extra duties on Federal officials, who, if nothing else, must determine whether a particular use of funds falls within that prohibited by the limitation.

There are no conditions attached to the limitation; it is straightforward and absolute. It is clearly in order under clause 2 of rule XXI.

The question before the Chair today does not involve any issues of fact, the question is whether or not a limitation on an appropriation bill which is valid under clause 2, rule XXI, is rendered invalid by clause 5(b) of rule XXI. It is my contention that the limitation is in order because it is not a "tax or tariff measure;" it is instead a valid limitation.

On October 27, 1983, the Chair ruled on a provision regarding a tariff measure in an appropriation bill. It is important to note that this ruling was on a different type of provision which would have in effect denied duty-free status to certain items and therefore, it would have caused duties "to be imposed where none are required and require executive branch officials to actually collect revenue contrary to existing tariff law." The provision before the House today is clearly distinguishable from the provision on that tariff measure because this provision is a limitation that imposes no additional duties on executive branch personnel.

Mr. Chairman, the issue before the House today is whether an otherwise valid limitation under clause 2, rule XXI, is to be considered a tax or tariff measure under clause 5(b) of rule XXI, and thereby ruled out of order.

I believe that such a ruling would overturn many, many years of precedent and have the effect of denying the Members of the House the opportunity to limit the action of the executive branch. It would deny the House the opportunity to deny funding an activity with which it disagrees and in effect compel the appropriation of funds to enforce a law with which the majority of the House may disagree. I believe that if the rule XXI clause 5(b) was intended to prohibit otherwise valid limitations in an appropriations bill, then clause 5(b) would have said that. Since it does not specifically prohibit a limitation I believe that the limitation is in order.

Mr. Chairman, I do not believe that is what was intended by clause 5(b) of rule XXI, and I urge the Chair to overrule the point of order.

In addition, Mr. Chairman, other rules of the House provide numerous valid methods of retrenching expenditures. It would also be possible to provide small amounts of funding for carrying out this provision of the Tax Code which would have the same effect as the provision in question.

I ask, Mr. Chairman, that the point of order be overruled.

The CHAIRMAN, The gentleman from North Dakota [Mr. DORGAN] is recognized.

Mr. DORGAN of North Dakota. Mr. Chairman, again our position is that this is clearly a tax or tariff provision on an appropriation bill, and we ask that the point of order be sustained.

The CHAIRMAN [Mr. BEILENSON]. The Chair is prepared to rule on the gentleman's point of order, unless other Members would care to comment prior to that.

The gentleman from North Dakota [Mr. DORGAN] makes a point of order against section 106 of the bill on the grounds that it contains a tax or tariff measure in a bill not reported from a committee having that jurisdiction, in violation of clause 5(b) of rule XXI. The section would prohibit use of funds appropriated in the bill for the Internal Revenue Service for fiscal year 1986 to implement or enforce any regulation imposing a tax on certain individuals under a specified section of the Internal Revenue Code.

While the rule in question is relatively new, having been incorporated into the rules of the House in the 98th Congress, the Chair has on two occasions addressed its applicability to amendments to appropriation bills. On September 12, 1984, the Chair ruled that a Senate amendment to a general appropriation bill, denying the use of funds in that or any other act to impose or assess any tax due under a designated provision of the Internal Revenue Code, violated the prohibition; in that case the limitation, obviously, rendered a legally required tax uncollectable through the use of any funds available to the Internal Revenue Service. On October 27, 1983, earlier in the 98th Congress, Chairman Sharp ruled in the Committee of the Whole that a provision reported in the Treasury and Postal Service appropriation bill, prohibiting the use of funds in the bill for the Customs Service to enforce any provision of law to permit duty-free entry of products of Caribbean Basin countries, was a tariff measure in violation of clause 5(b) of rule XXI. Existing law afforded duty-free entry for such products, and it was the opinion of the Chair that the section in question would actually require the Customs Service to perform the new duty of imposing and collecting a tariff not required by law.

While the provision presently before the Chair for determination does not have precisely the effect of the amendment just described, since this provision obviates a tax legally required rather than imposing one not required, it appears to the Chair that in the area of taxes and tariffs that distinction should not require a different result as to whether the provision or amendment is subject to a point of order. The duty required of the collecting agency is no less substantial, since to carry out this amendment the Internal Revenue Service would be required to adjust the tax liability of taxpayers who assume they owe the tax pursuant to the Internal Revenue Code, and to make necessary changes in refunds or taxes owed. Furthermore, there is no question but that through the denial of funding in question the provision would change, for fiscal year 1986 or whatever portion thereof the funds in question would be used, the applicability of a tax required by law. The report on the bill in question states at page 36 that the taxes in question were in fact imposed under the 1984 Deficit Reduction Act, a tax measure reported from the Committee on Ways and Means, and that

It is the intent of the Committee on Appropriations to protect elderly residents of non-profit continuing care facilities from unwarranted and inappropriate federal tax requirements by imposing a restriction on the Internal Revenue Service from implementing Section 7282 of the Internal Revenue Code on entry fees applicable to CCRC's.

For the reasons stated, the Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

This title may be cited as the "Treasury Department Appropriations Act, 1986".

TITLE II

POSTAL SERVICE

PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to 39 U.S.C. 2401 (b) and (c) and for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund pursuant to 39 U.S.C. 2004 and section 1724(a) of the Omnibus Budget Reconciliation Act of 1981; $961,121,000: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: *Provided further*, That six-day delivery and rural delivery of mail shall continue at the 1983 level: *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1986: *Provided further*, That none of the funds made available to the Postal Service by this Act may be used to support in-county second-class rates of postage for any issue of a publication unless more than 50 percent plus one copy of the total paid circulation is dis-

tributed within the county of publication, or the total circulation of the publication is under 10,000.

POINT OF ORDER

Mr. FORD of Michigan. Mr. Chairman, I raise a point of order against the final proviso of title II of the bill on page 14, lines 8 through 14.

□ 1220

Mr. Chairman, this provision is substantive legislation. Although couched in terms of limitation on the use of funds, the limitation clearly would require executive officials to perform particular duties and to exercise discretion. House Rule XXI is therby violated.

Presently, all copies of any second-class publication mailed and delivered within the country of publication receive the benefit of a subsidized rate from the Postal Service. This would be altered by this provision of the bill. The Postal Service would be barred from giving the subsidized rate to any publication which has a total circulation of 10,000 or more copies or which has over 50 percent of its total paid circulation within the country of publication. The Postal Service would be required to enforce this provision and maintain necessary records and circulation tracking systems on an issue-by-issue basis—functions the Postal Service does not have to perform under existing law.

The subject provision pertains to matters solely within the jurisdiction of the Committee on Post Office and Civil Service. The matter of eligibility for subsidized rates and the issue of the authorization for appropriations for such rates presently are the subjects of much scrutiny and study by my committee in conjunction with the fiscal 1986 budget process. I must state that enactment of the subject provison would interfere with my committee's present and future work in this sensitive area of its jurisdiction.

The substantive policy issues raised by the subject provision are important, controversial, and complex. I will insist upon my point of order, but I wish to assure the author of the provision, the gentleman from Massachusetts [Mr. CONTE], that my committee and I will be examining and dealing with these issues in a comprehensive and timely manner.

I therefore insist upon my point of order.

The CHAIRMAN. Does any Member wish to speak to the point of order?

The Chair recognizes the gentleman from California [Mr. ROYBAL].

Mr. ROYBAL. Mr. Chairman, this provision is a clear limitation on an appropriation bill. It prohibits any of the funds appropriated in this act from being used to subsidize a very clearly defined class of mailers. The only decisions that an executive official would have to make are purely ministerial. The only decision an executive would have to make is whether or not an in-county second-class rate user complies with the unconditional standards set forth in the provision.

Back again to Deschler's Procedures, we find 25: 10.5, states that incidental but additional burdens that might be imposed by the requirements of the limitation do not destroy the legitimacy of the limitation. In this particular instance, the precedent clearly states that incidental duties, and I quote, "such as making an appraisal of land values" does not destroy the character of the limitation.

In addition, Mr. Chairman, another precedent such as 25: 10.7, clearly shows that reviewing statistical information does not constitute additional duties. It is important to emphasize that only additional ministerial duties are being required; basically whether a mailer fits within the limitation or not. It requires absolutely no discretionary judgment on the part of those executive officials.

It is my belief that the precedents hold that so long as the additional duties required of the Executive are not of a discretionary nature, and are merely ministerial to determine who falls within or does not fall within the effect of the limitation, in that case then, the limitation is in order.

Mr. Chairman, I believe that this is an unconditional limitation requiring only minimal additional duties that require the exercise of no discretion by executive personnel and is in order under the rules.

Now I have a letter from the Postal Service which indicates that the Service already collects circulation data from users of the in-county rate. So for whatever it is worth, I would like to read that letter into the RECORD.

It reads as follow:

This is in response to your request for information on the level of administrative activity which would be required of the Postal Service if an amendment to H.R. 3036 offered by Representative CONTE—

In this instance—

and adopted by the Committee on Appropriations concerning the second class, in-county rate were to become law.

It is our estimate that the effort required to administer the Conte amendment would be minimal inasmuch as the Postal Service already collects circulation data from users of the in-county rate. If you require additional information on this issue, please let me know.

Since it is already being done, Mr. Chairman, I ask that you rule favorably this time on this point of order.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. SKEEN].

Mr. SKEEN. I thank the Chair.

Mr. Chairman, I want to rise in support of the chairman in opposition to the point of order and agree that this is an unconditional limitation.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman, I want to join with Chairman ROYBAL in his very eloquent presentation against the point of order. I would like to quote from a letter I received from William T. Johnstone of the Postal Service Department. He said:

It is our estimate that the effort required to administer the Conte amendment would be minimal inasmuch as the Postal Service already collects circulation data from users of the in-county rate. If you require additional information in this issue, please let me know.

So the added work here by the Postal Service will be very, very minimal. Therefore, I hope that the point of order will be turned down.

The CHAIRMAN (Mr. BEILENSON). Does any other Member wish to address the question of the point of order raised by the gentleman from Michigan [Mr. FORD]? If not the Chair is prepared to speak to that point of order.

The gentleman from Michigan makes a point of order against the language on page 14, lines 8 through 14 of the bill, which would prohibit use of funds in the bill for the Postal Service to support incounty second-class rates for any issue of a publication unless more than a certain percentage to the total paid circulation of the publication is within the county, or unless the total circulation of the publication is under 10,000. The gentleman from California has argued that the provision requires no more than minimal or incidental duties on the part of the Postal Service, which has indicated that it already collects circulation data on publications receiving the second-class rate. One of the precedents cited by the gentleman from California related to a provision where the executive branch was merely required to be the recipient of information, and the other related to a situation where determinations were required to be made related to the level of agricultural payments from funds in the bill. In the opinion of the Chair, the provision in question in fact require an issue-by-issue finding with respect to circulation patterns for the publication in question, and not simply a general and static finding for the publisher who applies for the second-class rate. The circulation size and distribution pattern of any particular newspaper or magazine could change momentarily, and the duty of making the necessary investigations and determinations seems to the Chair to be far from ministerial, and without statutory requirement.

For these reasons, the Chair sustains the point of order raised by the gentleman from Michigan.

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

Mr. Chairman, I am certainly disappointed in my dear and beloved friend from Michigan on his point of order. This amendment is designed to prohibit large profitmaking publications from taking advantage of a loophole on rate subsidies. These companies take advantage of this loophole in the law, defining those publications eligible for incounty reduced rates and it costs the taxpayers $13 million a year.

□ 1230

I understand the gentleman's position, and I am also concerned that nothing is done to prevent it; these large corporations will continue with their ripoff of the taxpayers' money.

Also, by striking this language, the Postal Service is now forced to increase rates for all the users of the subsidy including the nonprofit organizations like the VFW or the United Way; educational institutions, to name a few.

In effect, we raise the rates for nonprofits to subsidize Time magazine, Newsweek, and the Wall Street Journal.

I would like to ask my good friend, BILL FORD, some questions.

The first question is: When will the Post Office Committee support legislation to eliminate the abuses and revenue forgone that I have tried to address today in this amendment?

Mr. FORD of Michigan. Will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. FORD of Michigan. I fully expect at this time that this issue will be dealt with sooner than any other way during the reconciliation of the budget, because there have been ongoing discussions with the Senate side on this, and I know that they and we both have concerns that will be addressed.

Mr. CONTE. Does the gentleman agree that magazines such as Hustler and Playboy and Newsweek should not be subsidized by the U.S. Government?

Mr. FORD of Michigan. I do not believe that they should take advantage of the in-county rate the way they do now; and if I was satisfied that the gentleman's amendment, the way it is drafted, accomplished what he wanted to do and indeed it was effective, I probably would have looked the other way because of my affection for the gentleman from Massachusetts, but in fact I will work with the gentleman, as I have indicated to him, to write an amendment that does exactly what he wants to do.

Mr. CONTE. I appreciate that. Can the gentleman tell me whether you also support and will address the political parties' eligibility and eliminate that abuse?

Mr. FORD of Michigan. Absolutely nothing is "off the table" as they say, or sacred, in our consideration of the classes of permits that are not out there.

Mr. CONTE. And would you agree that if your legislation is not proved by the end of the year, that you will join with me to reform these abuses? I do not care who gets credit for the language; we must get the proper language to address this issue in one of the last continuing resolutions of the year.

Mr. FORD of Michigan. If it is necessary for this to be in a continuing resolution, I will work with the utmost cooperation with the gentleman in the hope that we can accomplish our mutual objective.

Mr. CONTE. I am not looking forward to it, but I feel we will be here Christmas.

Mr. FORD of Michigan. I hope the gentleman did not mean he was not looking forward to working with me.

Mr. CONTE. No, no, I do not look forward to being here a day or two before Christmas working on a continuing resolution, but I am sure we will be here, and we can work it out at that time.

Mr. FORD of Michigan. By that time, I think the Senator on the other side and I will have been up and down the rows on this so much that we will have absolutely letter-perfect language for you, SILVIO.

Mr. CONTE. I appreciate that, and I thank the gentleman.

Mr. FORD of Michigan. Mr. Chairman, I rise to strike the requisite number of words.

Mr. Chairman, I believe that the colloquy is adequate to show our concern, but I did want to correct one thing the gentleman said. He asserted that the effect of striking this provision would be to, have a deleterious effect on the other deferred classes of mail, and I have a letter from the post office to me, saying:

ASSISTANT POSTMASTER GENERAL,
Washington, DC, July 26, 1985.

Hon. WILLIAM D. FORD,
Chairman, Committee on Post Office and Civil Service, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is in response to your request for information on the effect of a $921,993,000 appropriation for revenue forgone, the amount recommended by the Committee on Appropriations in H.R. 3036, if an amendment adopted by the Subcommittee on Treasury—Postal Service—General Government concerning eligibility for the second-class, in county rate were deleted. The amendment in question would limit access to the in-county rate to only those mailers fifty percent plus one copy of whose total paid circulation is distributed within the county of publication or whose total circulation is 10,000 copies or less.

The Postal Service estimates that a total revenue forgone appropriation of $921,993,000, with no restriction on eligibility for the in-county rate such as is contemplated in the Subcommittee amendment, would keep all nonprofit and preferred rate mailers at their current Step 14 rates until January 17, 1986 at which time they would move to Step 15 on the phasing schedule and remain there until the end of the fiscal year. If rates were to be kept steady throughout the fiscal year, the amount included in H.R. 3036 for revenue forgone would be sufficient to support rates slightly more than half way between Steps 14 and 15 on the phasing schedule.

Sincerely,

WILLIAM T. JOHNSTONE.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

This title may be cited as the "Postal Service Appropriation Act, 1986".

TITLE III

EXECUTIVE OFFICE OF THE PRESIDENT

COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of $50,000 per annum as authorized by 3 U.S.C. 102; $250,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31 of the United States Code: *Provided further*, That none of the funds made available for official expenses shall be considered as taxable to the President.

OFFICE OF ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Administration; $15,597,000 including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles.

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

For expenses necessary of the White House Office as authorized by law, including not to exceed $3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; including subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed $100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed $20,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; $24,906,000.

EXECUTIVE RESIDENCE AT THE WHITE HOUSE

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President; $4,577,000, to be expended and accounted for as provided by 3 U.S.C. 105, 109–110, 112–114.

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurnishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, and not to exceed $60,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; $204,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

SPECIAL ASSISTANCE TO THE PRESIDENT

SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, and hire of passenger motor vehicles; $1,659,000.

COUNCIL OF ECONOMIC ADVISERS

SALARIES AND EXPENSES

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021); $2,301,000.

OFFICE OF POLICY DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109, and 3 U.S.C. 107 and other personal services as authorized by 3 U.S.C. 107; $2,726,000.

NATIONAL CRITICAL MATERIALS COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Critical Materials Council, including activities as authorized by Public Law 98-373, $500,000.

NATIONAL SECURITY COUNCIL

SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109; $4,627,000.

OFFICE OF MANAGEMENT AND BUDGET

SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109; $37,689,000: *Provided,* That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further,* That none of the funds made available for the Office of Management and Budget by this Act may be expended for the review of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committee on Appropriations or its subcommittees: *Provided further,* That this proviso shall not apply to printed hearings released by the Committee on Appropriations.

OFFICE OF FEDERAL PROCUREMENT POLICY

SALARIES AND EXPENSES

For expenses of the Office of Federal Procurement Policy, including services as authorized by 5 U.S.C. 3109; $1,611,000.

UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, security, or defense which may arise at home or abroad during the current fiscal year; $1,000,000.

This title may be cited as the "Executive Office Appropriations Act, 1986".

Mr. ROYBAL (during the reading). Mr. Chairman, I ask unanimous consent that this title be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there points of order to title III?

Are there amendments to title III?

AMENDMENT OFFERED BY MR. MONTGOMERY

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

The Clerk read as follows:

Amendment offered by Mr. Montgomery: Page 18, line 15, strike out "before the" and all that follows through line 18 and insert in lieu thereof the following: "before the Committee on Appropriations or the Committee on Veterans' Affairs or their subcommittees: Provided further, That this proviso shall not apply to printed hearings released by the Committee on Appropriations or the Committee on Veterans' Affairs.

Mr. MONTGOMERY. Mr. Chairman, the reported bill includes language which prohibits the Office of Management and Budget from utilizing funds to review the transcript of actual testimony by agency witnesses presented to the Committee on Appropriations. The language does not prevent OMB from reviewing testimony of OMB officials, or from reviewing printed hearings.

The amendment is necessary in order to prevent officials of OMB from changing the testimony of department and agency witnesses who appear before the Appropriations Committee. In addition, the language will eliminate the unacceptable delays in the preparation of printed hearings.

Mr. Chairman, the amendment I am offering would prohibit OMB from reviewing Veterans' Affairs Committee transcripts as well as those of the Appropriations Committee. For many years our committee has allowed VA witnesses to review the transcript of their public testimony so that grammatical errors could be corrected. We have allowed the agency to correct the transcript where obvious errors were made but we found out a few months ago that OMB was requiring VA to send the transcripts over for OMB review. We were shocked to learn that in several instances, OMB officials were actually changing the testimony of VA witnesses. The changing of hearing transcripts by OMB officials is not appropriate, in my view, and my amendment, if adopted, would prohibit it from happening in the future. It should be pointed out that the amendment I propose would only apply to Veterans' Affairs Committee transcripts.

I would hope the leadership on both sides of the aisle would agree to the amendment, and I commend the Appropriations Committee for taking positive action to make certain that the testimony received at our hearings truly reflects the views of the individual witnesses, rather than someone in OMB.

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

Mr. MONTGOMERY. I yield to the gentleman from California

Mr. ROYBAL. Mr. Chairman, I would like to say at this time that I compliment the gentleman for this amendment and do support the amendment.

Mr. MONTGOMERY. I thank the gentleman from California, the chairman of the subcommittee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Mississippi [Mr. MONTGOMERY].

The amendment was agreed to.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I want to bring to your attention some disturbing information concerning the Office of Special Counsel [OSC]. The Subcommittee on Civil Service, which I chair, has just completed a series of hearings on this office and its role in whistleblower protection.

At the first hearing, the General Accounting Office stated that the special counsel, K. William O'Connor, does not see himself as an advocate of whistleblowers. In our second hearing, seven prominent whistleblowers and six attorneys said that the special counsel does not protect whistleblowers. At the final hearing, Special Counsel O'Connor explained that "OSC is not a Federal Ann Landers. There may be those who wish for one."

Mr. O'Connor refers to whistleblowers as "severed heads," "uninformed, disgruntled or disaffected," "carrying bags and walking up and down Constitution Avenue," "blackmailers," and malcontents." It is his "presumption that management is acting properly," and his experience that most whistleblowers are malcontents.

The special counsel claims that his client is the merit system, not Federal employees. But, as pointed out in our hearings, the merit system is an empty phrase by itself. Its strength is derived from the public servants who risk their careers to honor merit system principles. Mr. O'Connor has created a false conflict between aggrieved employees and merit system principles. By definition, a prohibited personnel practice is a bureaucratic offense against the merit system. Helping the victim to obtain correct action against reprisal serves merit system principles.

Mr. Chairman, Mr. O'Connor is wrong in his approach. The legislative history of the Civil Service Reform Act of 1978 establishing the Office of Special Counsel is clear. The purpose of the special counsel is to protect whistleblowers subject to reprisal. As stated in the Senate report, "For the first time, and by statute, the Federal Government is given the mandate—through the special counsel or the Merit Systems Protection Board—to protect whistleblowers from improper reprisals." Senate floor discussion em-

phasized that "the special counsel serves first and foremost as the protector of employees' rights and as a conduit to prevent reprisals and to help agencies purge wrongdoing."

The special counsel has the discretion to set his own priorities, but he does not have the perogative to replace congressional intent with his own agenda. Mr. O'Connor testified that "justice is not my business." I agree. Justice is not his business. But it should be. Congress and the President have repeatedly urged whistleblowers to step forward. We have promised them a serious investigation of their charges and guaranteed them their personal protection. Yet, despite our best intentions, there is no protection for whistleblowers.

I plan to introduce legislation shortly which will remedy this disgraceful situation, and make good our commitment of funds toward whistleblower protection.

□ 1240

Are there further amendments to title III? If not, the Clerk will read.

The Clerk read as follows:

TITLE IV

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES

SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established by the Administrative Conference Act, as amended (5 U.S.C. 571 et seq.); $1,450,000.

ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Advisory Commission on Intergovernmental Relations Act of 1959, as amended, 42 U.S.C. 4271-79; $2,058,000.

ADVISORY COMMITTEE ON FEDERAL PAY

SALARIES AND EXPENSES

For necessary expenses of the Advisory Committee on Federal Pay, established by 5 U.S.C. 5306; $219,000.

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From the Blind and Other Severely Handicapped established by the Act of June 23, 1971, Public Law 92-28, including hire of passenger motor vehicles; $730,000.

FEDERAL ELECTION COMMISSION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended; $12,433,000.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

LIMITATIONS ON AVAILABILITY OF REVENUE

The revenues and collections deposited into the fund pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving Government agencies (including space adjustments) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings and moving; repair and alteration of federally owned buildings, including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by purchase contract, in the aggregate amount of $2,356,893,000, of which (1) not to exceed $198,444,000 shall remain available until expended for construction of additional projects as authorized by law at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

New Construction:

California:

Los Angeles, Federal Building, Courthouse and parking facility, $137,198,000

Idaho:

Eastport, Border Station, $2,147,000

Missouri:

Overland National Personnel Records Center Extension, $48,932,000.

Washington:

Seattle, Laboratory, $9,767,000

Construction Projects, less than $500,000, $400,000:

Provided, That each of the immediately foregoing limits of costs may be exceeded to the extent that savings are effected in other such projects, but by not to exceed 10 per centum: *Provided further,* That all funds for direct construction projects shall expire on September 30, 1987, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further,* That claims against the Government of less than $50,000 arising from direct construction projects, acquisitions of buildings and purchase contract projects pursuant to Public Law 92-313, be liquidated with prior notification to the Committees on Appropriations of the House and Senate to the extent savings are effected in other such projects; (2) not to exceed $269,096,000, which shall remain available until expended, for repairs and alterations: *Provided further,* That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospect we projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 per centum unless advance approval is obtained from the Committees on Appropriations of the House and Senate for a greater amount:

Repairs and Alterations:

California:

Hawthorne, Federal Building, $2,383,000

Los Angeles, Courthouse, $2,570,000

Colorado:

Denver, Federal Building and Customshouse, $8,540,000

District of Columbia:

General Accounting Office, $16,200,000

ICC Customs, $2,262,000

Steam Distribution System, $13,796,000

Pension Building, $16,700,000

Illinois:

Chicago, Kluczynski Federal Building, $4,152,000

Peoria, Federal Building, $1,041,000

Indiana:

Ft. Wayne, Post Office, Courthouse, $5,275,000

Kentucky:

Louisville, Post Office, Courthouse, $5,518,000

Kansas:

Wichita, Courthouse, $4,840,000

Louisiana:

Lafayette, Federal Building, Courthouse, $2,083,000

Maryland:

Beltsville, James J. Rowley Secret Service Training Center, $5,000,000

Michigan:

Detroit, McNamara Federal Building, $7,600,000

Missouri:

Kansas City, Federal Building, $6,569,000

New Hampshire:

Manchester, Post Office, Courthouse, $1,988,000

New York:

Utica, Federal Building, Courthouse, $1,764,000

Ohio:

Cleveland, Celebrezze Federal Building, $6,507,000

Oklahoma:

Oklahoma City, Federal Building, Courthouse, $2,416,000

Pennsylvania:

Scranton, Post Office, Courthouse, $3,863,000

Puerto Rico:

Hato Rey, Federal Building, Courthouse, $1,683,000

Texas:

Dallas, Cabell Federal Building, Courthouse, $3,943,000

Dallas, Terminal Annex, $4,600,000

Fort Worth, Warehouse #1, $1,986,000

San Antonio, Post Office, Courthouse, $6,078,000

Virginia:

Richmond, Federal Building, $1,125,000

Minor Repairs and Alterations, $128,614,000:

Provided further, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further,* That all funds for repairs and alterations prospectus projects shall expire on September 30, 1987, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (3) not to exceed $135,100,000 for payment on purchase contracts entered into prior to July 1, 1975; (4) not to exceed $866,000,000 for rental of space; (5) not to exceed $709,678,000 for real property operations; (6) not to exceed $55,481,000 for program direction and centralized services; and (7) not to exceed $123,094,000 for design and construction services which shall remain available until expended: *Provided further,* That for the purposes of this authorization, buildings constructed pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U.S.C. 356), the Public Buildings Amendments of 1972 (40 U.S.C. 490), and buildings under the control of another department or agency where alterations of such buildings are required in connection

with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: *Provided further,* That none of the funds available to the General Services Administration shall be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: *Provided further,* That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further,* That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056 as amended, shall be available from such revenues and collections: *Provided further,* That revenues and collections and any other sums accruing to this fund during fiscal year 1986 excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of $2,356,893,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriation Acts.

PERSONAL PROPERTY ACTIVITIES

PERSONAL PROPERTY

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for supply distribution (including contractual services incident to receiving, handling and shipping supply items), procurement (including royalty payments), inspection, standardization, property management, and other supply management activities, transportation activities, utilization of excess and disposal of surplus personal property, and the rehabilitation of personal property including services as authorized by 5 U.S.C. 3109; $164,257,000.

GENERAL MANAGEMENT AND ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of agency management of activities under the control of the General Services Administration, and general administrative and staff support services not otherwise provided for; including transportation audits by in-house personnel; for transportation audit contracts and contract administration for which payment to any contractor shall not exceed 50 per centum on the overpayment identified by any contract audit; for providing accounting, records management, and other support incident to adjudication of Indian Tribal Claims by the United States Court of Claims, and services authorized by 5 U.S.C. 3109; $124,310,000 of which $900,000 shall be available only for, and is hereby specifically earmarked for, personnel costs associated with support of Congressional District and Senate State offices: *Provided,* That this appropriation shall be available, subject to reimbursement by the applicable agency, for services performed for other agencies pursuant to subsections (a) and (b) of section 1535 of title 31, United States Code.

FEDERAL PROPERTY RESOURCES SERVICE

OPERATING EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for carrying out the functions of the Administrator with respect to utilization of excess real property; the disposal of surplus real property; the utilization survey, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property; the National Defense Stockpile established by the Strategic and Critical Materials Stock Piling Act, as amended (50 U.S.C. 98-98h), the Defense Production Act of 1950, as amended (50 U.S.C. App. 2061-2166); including services as authorized by 5 U.S.C. 3109 and reimbursement for recurring security guard service; $40,748,000, of which $11,414,000 shall be derived from proceeds from transfers of excess real property and disposal of surplus real property and related personal property, subject to the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-5), and of which $25,989,000 for the transportation, processing, refining, storage, security, maintenance, rotation, and disposal of materials contained in or acquired for the stockpile shall remain available through fiscal year 1987.

NATIONAL DEFENSE STOCKPILE TRANSACTION FUND

For the year ending September 30, 1986, in addition to the funds previously appropriated for the National Defense Stockpile Transaction Fund, pursuant to 50 U.S.C. 98a and g(a)(2)(c) and 50 U.S.C. 100(a), notwithstanding the provisions of 50 U.S.C. 98h, an additional $10,000,000 is appropriated, to remain available until expended, for a grant to construct a strategic materials research facility at the University of Massachusetts at Amherst.

OFFICE OF INFORMATION RESOURCES MANAGEMENT

OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for carrying out Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related activities, including services as authorized by 5 U.S.C. 3109; and for the Information Security Oversight Office established pursuant to Executive Order 12356; $30,630,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General; $19,305,000: *Provided,* That not to exceed $10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property.

ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138; $1,151,000: *Provided,* That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

GENERAL SERVICES ADMINISTRATION

GENERAL PROVISIONS

SEC. 1. The appropriate appropriation or fund available to the General Services Administration shall be credited with (1) cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129); and (2) appropriations or funds available to other agencies, and transferred to the General Services Administration, in connection with property transferred to the General Services Administration pursuant to the Act of July 2, 1948 (50 U.S.C. 451ff) and such appropriations or funds may be so transferred, with the approval of the Office of Management and Budget.

SEC. 2. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 3. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements, performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

SEC. 4. Not to exceed 1 per centum of funds made available in appropriations for operating expenses and salaries and expenses, during the current fiscal year, may be transferred between such appropriations for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate for approval.

SEC. 5. Funds in the Federal Buildings Fund made available for fiscal year 1986 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate for approval.

SEC. 6. Funds hereafter made available to the General Services Administration for the payment of rent shall be available for the purpose of leasing space in buildings erected by the lessor on land owned by the United States.

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

OPERATING EXPENSES

For necessary expenses in connection with National Archives and Records Administration and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, $103,513,000 of which $4,000,000 for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, shall remain available until expended.

OFFICE OF PERSONNEL MANAGEMENT

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan No. 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, medical examinations per-

formed for veterans by private physicians on a fee basis, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended; $99,846,000 in addition to $52,844,000 for administrative expenses for the retirement and insurance programs to be transferred from the appropriate trust funds of the Office of Personnel Management in the amounts determined by the Office of Personnel Management without regard to other statutes: *Provided*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, U.S.C. No part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose.

GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, $1,606,165,000, to remain available until expended.

PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special acts, to be credited to the Civil Service Retirement and Disability Fund, $4,407,234,000: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended (22 U.S.C. 3682(e)), August 19, 1950, as amended (33 U.S.C. 771-775), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

MERIT SYSTEMS PROTECTION BOARD

SALARIES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles; $20,349,000, together with not to exceed $1,200,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

OFFICE OF SPECIAL COUNSEL

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of the Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978 (Public Law 95-454), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles; $4,594,000.

FEDERAL LABOR RELATIONS AUTHORITY

SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan No. 2 of 1978, and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, rental of conference rooms in the District of Columbia and elsewhere; $17,364,000: *Provided*, That public members of the Federal Service Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government Service, and compensation as authorized by 5 U.S.C. 3109.

UNITED STATES TAX COURT

SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109; $24,556,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the "Independent Agencies Appropriations Act, 1986".

Mr. ROYBAL (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there points of order against title IV?

Are there amendments to title IV?

AMENDMENT OFFERED BY MR. BLILEY

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

Mr. FRENZEL. Mr. Chairman, I reserve the point of order against the Bliley amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. BLILEY: Page 20, line 12, insert ", of which $100,000 shall be for necessary expenses to issue regulations consistent with the decision of the United States Supreme Court in *Ellis, et al.* v. *Brotherhood of Railroad and Airline Clerks* (104 S. Ct. 1883)" before the period.

The CHAIRMAN. The gentleman from Virginia [Mr. BLILEY] is recognized for 5 minutes in support of his amendment.

Mr. FRENZEL. Mr. Chairman, am I protected?

The CHAIRMAN. The gentleman is protected. He has reserved his right.

Mr. BLILEY. Mr. Chairman, you will hear the argument that the FEC was not involved in the compulsory union dues for political activities cases and, therefore, we should not require the FEC to enforce the U.S. Supreme Court rulings in the Street, Abood, and Ellis cases.

These cases were decided on the first amendment. It was found that political activities involving compulsory union dues were in violation of the first amendment. The FEC is the congressional creation that regulates contributions and political/campaign activities.

It is not only appropriate, but it is the duty of Congress to enforce first amendment protections. The FEC is the agency at hand in this bill that can help enforce these first amendment protections. The FEC authorization was defeated on suspension so this is the only opportunity that Congress can insist that all steps available are used to enforce the law of the land.

You may also hear the argument that no official request has been made to the FEC to enforce the rulings of the U.S. Supreme Court. Since when did the action of a Federal agency to protect constitutional rights depend on a request? The FEC should have acted on its own to carry out the Supreme Court decisions. It has been over a year since the Ellis case and no action has been taken by the FEC to enforce the decisions.

If the Justice Department or Civil Rights Commission tried to use the argument that they did not protect constitutional rights because there was no request to do so, they would be laughed out of town. The cases ending with Ellis protect a very important constitutional right. Lack of enforcement cannot be justified by the lame excuse that, "no one asked us to enforce the Constitution."

The Bliley amendment simply ensures that the FEC does not continue to ignore the law of the land.

At this time I yield to my colleague and friend, the gentleman from North Carolina [Mr. COBEY].

Mr. COBEY. I thank the gentleman for yielding.

I would like to ask the gentleman a question.

Is it not true that the reason the FEC authorization bill was defeated last month is to allow amendments like the one the gentleman plans to offer today to be offered and discussed?

Mr. BLILEY. I think the gentleman is absolutely correct. The House defeated authorization, which signals me there is signficiant opposition to this agency and a significant number of Members who would like to voice their opposition and propose amendments.

Mr. COBEY. If the gentleman will continue to yield, it is only fair that Members of this body be given an opportunity to debate the important issue of compulsory union dues being used for political purposes.

Last month, Members of this body defeated the FEC authorization bill which was brought up under suspension. We wanted an opportunity to fully debate some of the controversial practices and proposals of the FEC. Today we have an opportunity to debate the controversial FEC practices of not enforcing the U.S. Supreme Court decision of Ellis versus Brac.

The plaintiffs in the Ellis case argued that their compulsory union dues were being used to finance political causes and candidates they opposed in violation of their rights of free political expression.

The Supreme Court recognized, as it has in past cases such as Street and Abood, that the enormous power of unions must be tempered by protecting the first amendment rights of dissenting union members. The court ruled that compulsory union dues may not be used for political purposes and required the reduction of dues to objecting union members.

Mr. Chairman, again I urge my colleagues to uphold the law of the land by supporting the amendment offered by the gentleman from Virginia. I do not think that we as Members can tolerate the law of the land not being enforced, in fact, I know we cannot, and particularly when working men and women in unions, who may not support the particular choice of their union leadership, are forced through these compulsory dues to be in support of a particular point of view or a candidate that they do not want to be associated with.

□ 1250

There is diversity among working men and women in this country that are union members, and we need to look out for their rights. It is time that we stood up for them.

Mr. ARMEY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this is a matter of course of grave concern to me and should be of every Member of the House. Obviously, we have, this House has established the Federal Elections Commission, and we have done that to ensure the integrity of elections in the United States. We have carefully debated and determined the rules by which elections shall be carried out here, and in compliance with those regulations that we have, each and every Member of this House does his or her duty. We fill out the forms, and we are very careful to be sure that we are accurate and prompt in demonstrating our compliance with those regulations.

We are very, very careful to see to it that indeed all the regulations are observed as indeed we conduct our own campaign of theirs. What we are asking is for the Federal Election Commission to carry its weight. This Commission is charged with the responsibility of providing surveillance over the administration, the implementation of campaigns, and the contributions given to campaigns.

What we are suggesting is that the Commission has not fulfilled its responsibility in this regard, particularly as it results in the expropriation of funds from the working men and women of America by union leaders who have taken their union dues and used them for political purposes. Something expressly forbidden by the law. We want, by this amendment, to make it clear to the Federal Election Commission, that this Congress is going to require that the rights of those working men and women of America to make those contributions, express that support to those candidates of their choice, and to freely control their own pocketbook with respect to this very important business of determining the leadership of this Nation. That that right for our working men and women of this country be protected, and that indeed, the utmost care and surveillance be given to that to guarantee this.

Just as we ourselves are expected and do. I think if you talk to the Members of this House or the other body, you will find that we use great care because we consider this such a very, very important part of our election process.

Now I think the time has come for that creature of our own creation, the Federal Election Commission, to simply do what we believe must be done in America. They should do their job with thoroughness, with accuracy, with integrity and completeness. That is what we are asking here.

I would like to commend Mr. BLILEY for taking the initiative to bring this amendment to the floor. I want to lend my wholehearted support to this amendment, and I am confident that the working men and women of America today will also express their gratitude to Congressman BLILEY for showing the courage and the commitment to freedom and freedom of choice that he has expressed by having taken this amendment to the floor.

POINT OF ORDER

Mr. FRENZEL. Mr. Chairman, I renew my point of order making the point against this amendment on the grounds that it is a violation of rule XXI, clause 2. It is legislation on an appropriations bill. It is an unauthorized and legislative earmarking. An amendment or language in an appropriations bill may not impose additional duties not required by law or make the appropriation contingent on the performance of such duties.

I have great sympathy with the gentleman's inclination, but I do not want to extend the jurisdiction of the FEC to the whole Railway Labor Act. I think the gentleman's inclination is right, but taken in another time with some hearings, we will be able to do justice to this. I press my point of order.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. BLILEY] to respond on the point of order.

Mr. BLILEY. Mr. Chairman, I am not a lawyer, but I fail to see how this should require any extra duty of the FEC. After all, when we created the FEC, we charged them with carrying out the laws of this country as pertains to Federal elections. The Supreme Court has ruled in the Ellis case, that the use of these funds is wrong and should not be allowed, and the FEC has simply failed to act.

I do not see how carrying out the laws of the United States, which they are already charged to do, is any greater duty, as a result of my amendment, than they already have.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. ROYBAL].

Mr. ROYBAL. Mr. Chairman, I most certainly agree with the gentleman from Minnesota [Mr. FRENZEL] that this amendment is clearly legislation on an appropriations bill, and that it is, in fact, in violation of rule XXI, clause 2. It is for that reason that I request that the Chair sustain the point of order.

The CHAIRMAN (Mr. BEILENSON). The Chair is prepared to rule on the point of order raised by the Gentleman from Minnesota.

The Chair rules that the amendment of the gentleman from Virginia [Mr. BLILEY] clearly would require new and additional duties to be imposed on the FEC. It does in fact earmark FEC funds and require the issuance of regulations and therefore is clearly, under the rules, legislative in nature. The Chair, therefore, upholds the point of order presented by the gentleman from Minnesota.

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

Mr. Chairman, I do want to say that I am sympathetic to the amendment just sponsored by the gentleman from Virginia which has been declared out of order. I do, however, think that an appropriations bill is an inappropriate place to discuss these matters. This environment does not give us the scope nor the ability to do hearings and so forth that is necessary to take care of the problem properly.

I would like to say further that the material on lines 9 through 12 on page 20, the appropriation for the Federal Elections Commission, of course, should have had a point of order made against it originally. I could not do so because it is protected by a waiver of our normal rules.

For some reason, the Rules Committee sees fit to protect the Appropriations Committee whenever it appropriates unauthorized funds. The language in the bill has no more status under normal House rules than the amendment of the gentleman from Virginia. Neither one should be before the House. It is, I think, an embarassment to this House that we have to work in this way.

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

Mr. FRENZEL. I yield to the gentleman.

Mr. BLILEY. I thank the gentleman for yielding.

Mr. Chairman, I do speak only to press, since I see the chairman of the authorizing committee is here, that he would look at this and I would hope that he would have hearings on it this year if the FEC does not move promptly in this area.

Mr. FRENZEL. I thank the gentleman for his contribution. I think it would be well if the gentleman would submit a bill to prod the committee into some kind of action. I think it is worthy of the committee's attention, and it is something that we should do.

□ 1300

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

Mr. FRENZEL. I yield to the distinguished gentleman from Florida.

Mr. GIBBONS. I thank the gentleman for yielding.

Mr. Chairman, I do not know what the argument is about. Nobody has ever asked me to do anything. I usually try to be very cooperative.

Mr. FRENZEL. If I may reclaim my time, we are not talking about any committees on which the gentleman now serves, although the gentleman is a veteran of the House Committee on Administration in its older, more glorious days.

Mr. GIBBONS. Yes. I thank the gentleman.

Mr. FRENZEL. Mr. Chairman, I think the House ought to do the Federal Elections Commission authorization in the normal way. I am sorry we have not had the ability to do. I do not believe that we will be able to do so this year.

AMENDMENT OFFERED BY MR. JACOBS

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

The Clerk read as follows:

Amendment offered by Mr. JACOBS: Page 31, line 1, strike out "$1,151,000" and insert in lieu thereof "$278,600".

Mr. JACOBS. Mr. Chairman, this amendment essentially implements the bill I have introduced, I think, every year for the last 10 years or so called the Former Presidents Enough Is Enough and Taxpayers Relief Act of the given year. We will say 1985 this time.

It should be understood that the proposal does not touch the pensions of former Presidents, nor of Mrs. Johnson, the widow of President Johnson. I repeat: It does not affect those pensions which, by the way, are not exactly miserly. The former Presidents are drawing something on the magnitude of $85,000 each in pensions at present.

I see that the Representative in Congress who was a former aide to President Johnson is here and understands this. That is good.

In addition to that $85,000, one former President that I know of receives a very, very generous congressional pension on top of the Presidential pension, and another former President served in the Congress. I do not have specific information about whether he also draws a pension from the taxpayers from his congressional service.

My own opinion is that during the first 3 years of an ex-Presidency it would make some sense to have this slush fund, I call it. It is about $300,000 each to buy bubble gum with, to hire secretaries with, to pay for staffs, to get chandeliers, to get oriental carpets, a whole litany of enchanting possessions at taxpayers' expense. Maybe the first 3 years it would make some sense to have an allowance for an office, answer a lot of mail the first year, less the second, still less the third.

But I point out that this appropriation only affects former Presidents, none of whom is even in his first 4 years of former Presidency, but beyond that. Mr. Carter has been out of office more than 4 years. So none of them is in that category.

Historically, the ex-Presidency has not been treated well in our country. The story is that Ulysses S. Grant spent his final, painful days on Earth writing, with his own arthritic hands, his memoirs. I do not think that is the kind of thing that most Americans want, and want our former Presidents to live in dignity, although one former President said there is dignity in carrying a bedpan. I do not know. Maybe there is dignity in going to work if you are young enough when you quit being President. In any case, you are clearly a private citizen when you leave the Presidency.

Thomas Jefferson was quoted, when he left the White House, as saying: "I go forth to accept a promotion, from servant to master as a private citizen." They are private citizens.

So somewhere along the line, I think after President Truman had left office, the Congress determined that there ought to be a pension for former Presidents, and one was voted. As I say, right now it is on the magnitude of $85,000 a year. That pension alone places an individual in the highest 4 percent of American citizens in terms of income. That pension alone.

But let me point out to my colleagues that the former Presidency has become big business in this country. A former President on the hoof today gets about $25,000 for a speech. I do not want to be unkind, but when we call the roll of our former Presidents right now, I do not know which one of them is a great orator. As a matter of fact, I would be hard pressed to say which one. Why do they get $25,000 a speech? Because they are ornaments. They are curiosities. They are something unusual to have at your convention. "We have former President so-and-so speaking to our convention"; $25,000 apiece.

What is this slush fund? What is this $300,000 a year for? It is to set up booking offices for them. They have their secretaries and they have their office rent paid.

I figure that if somebody can make the better part of $1 million a year, principally and only because he or she has had the honor and has been given that honor by the American people to serve as our President, that that person ought to use some of that income to pay for his or her own secretaries and pay his own office rent.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. JACOBS] has expired.

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

Mr. JACOBS. I am reminded of the individual who showed his friend around his new home. As they went from room to room, he said, "This is the living room. Here is the dining room. This is another room. This is the atrium room." He looked over and said, "And that is my wife." There a woman sat on a loveseat with another man, kissing.

Then he went on to another room and said, "This is the music room," and so on. They were pretty well off. They finally got in the kitchen and they sat down to have a cup of coffee, and the fellow poured himself a cup of coffee and poured his guest a cup of coffee. The guest just could not stand it any more, and he said, "Well, what about the guy on the loveseat?"

The host said, "Let him get his own coffee."

That is the way I feel about the former Presidents. They can make $1 million or so a year going around and being ornaments and making dull speeches. Let them pay their own office rent and let them pay for their own secretaries.

How many times in the last 5 or 10 years have you heard Members of this body say, "Yes, that is a good program you are proposing, but where are we going to get the money? That is a very worthy program you are proposing." How many Americans, other than the current President who has proposed this slush fund, and the former Presidents who are collecting this slush fund, think that this is a worthy program?

I submit that polls show there just are not very many who think it is a worthy program.

Where are we going to get the money? You know where we are going to get the money to give these Presidents this slush fund. Right down at the local bank, at interest, part of the national debt.

So, Mr. Chairman, if these fellows were in the position of Ulysses S. Grant, I trust I would be here arguing for a decent pension for them, but we have come a long, long way from U.S. Grant, to U.S. grants that are unconscionable to these former Presidents, and I hope this committee will do, and the House will do, what it did 2 years ago and eliminate this slush fund and give the taxpayers a little relief.

Finally, what does this say to the people in the Federal Government down the line? What does this say to some Federal worker out someplace who is flipping a coin about shipping a Federal automobile home, or what does it say to somebody who wants to use some Federal property or somebody who wants to demand something excessive, all the way down the line. It says that the guys at the top who made all the speeches about Federal waste, retire and take it anyway themselves. What kind of example is that for the whole country? What kind of example is that for the Federal Government?

I just quote Mark Twain, who said:

To do good is noble.
To advise others to do good is also noble and much less trouble.

These former Presidents have advised a lot of others to do good. Now it is time for them to do a little good and ask not what their country can do for them but yield back the slush fund.

□ 1310

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman's amendment would actually delete everything from this fund except pensions. In other words, all moneys that are made available to operate any office or to pay for staff would no longer be made available to former Presidents if this amendment were to be adopted.

Now, we realize that everything possible is being done to reduce expenses, and the committee took this under consideration. The committee has already reduced the appropriation for former Presidents in both 1985 and then again in 1986. The recommended appropriation includes a reduction of $57,000 below the budget request and a reduction of $19,000 below the fiscal year 1985 appropriation to date.

We have debated this matter every year for several years, and we all realize that we have three former Presidents who do in fact receive what I consider to be a relatively small office staff allowance. The truth of the matter is that this allowance is not used just for bubble gum, it is not used just to fool around, but it is used actually to operate an office and to answer mail that is received by former Presidents coming from the citizens of this country. Many of them still correspond with their former Presidents.

So we have placed this law into effect, and many, many years ago. It is interesting to note that a former President remains and continues to be called "Mr. President," even though he has left office. And as "Mr. President," letters, communications, questions, all these things, are received by the former President himself, he should have this staff to help answer these letters.

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

Mr. ROYBAL. I will yield in just a moment.

Mr. Chairman, I want to be sure that we understand that this is not spent for bubble gum, that it is spent in the business of the Nation, and that in so doing they are answering questions and requests, whatever comes in to that office. Each one that works in this office is doing the work that is necessary and comes under or is related to the work that is performed and has been performed by former Presidents of the past.

I believe, Mr. Chairman, that the committee has already made the reductions that are necessary. We do not believe that we should make any further reductions, and I hope that the House will defeat this amendment.

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

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

Mr. JACOBS. Mr. Chairman, the gentleman said that after all the former Presidents are addressed as "Mr. President," and we all know, especially those of us who have been out and back in Congress, that a former Representative is not addressed as "Congressman." That is probably a sad state of social affairs. But we do know that former Senators and former judges are addressed as "Senator," and "Judge."

Since that gives them some official standing, would the gentleman want to extend funds like this to former Members of the other body?

Mr. ROYBAL. Mr. Chairman I think the gentleman misunderstands what I am saying. What I am saying is that the law that was placed on the books a long time ago actually authorized the expenditure of funds for former Presidents, and the mere fact that you and I may not be called "Congressman" after we leave here is no reason why we should be receiving any kind of an allowance. That is not in the law, but this is in the law.

We are appropriating in accordance with the law as it is today, and I believe as long as the law is in force—and I think it is a good law—we should fund it with sufficient funds to make it possible for these former Presidents—and there are three of them—to actually meet the requirements of their former Presidency.

Mr. JACOBS. Mr. Chairman, will the gentleman yield further?

Mr. ROYBAL. I will continue to yield to the gentleman from Indiana.

Mr. JACOBS. Mr. Chairman, can the gentleman tell the committee whether there are any official duties for these private citizens? Do these former Presidents have any official duties as private citizens?

Mr. CHAIRMAN. The time of the gentleman from California [Mr. ROYBAL] has expired.

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

Mr. ROYBAL. Mr. Chairman, if the gentleman is referring to official duties as any duties that may be dictated to the former President by the Constitution or by law, I would say no. But by practice and by custom, these former Presidents still respond to the people of the Nation.

Mr. JACOBS. And does the gentleman not think that 3 years' worth of office expenses for former Presidents ought to pretty well clean up their correspondence?

Mr. ROYBAL. That is perhaps so, but the people of the United States still continue to send letters to those former Presidents, and it seems to me that they should be able to answer those letters and do whatever types of work are necessary in their performance as former Presidents.

Mr. JACOBS. Mr. Chairman, I have one last question. Let us take movie stars who receive lots of letters—more, I imagine, because I imagine Doris Day gets more letters than Jimmy Carter. Just the mere fact that a person receives a lot of letters and is popular or unpopular or notorious, is that reason enough for the taxpayers to have to pay to answer them?

Mr. ROYBAL. Mr. Chairman, if the gentleman will permit me to explain, let me say that a movie star does not in fact serve the people of this Nation as a President does, and there is a difference. There are laws that protect former Presidents, but I do not know of any law that protects a former motion picture star unless he becomes President of the United States.

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

Mr. Chairman, I do not think there is any more unpopular expenditure that we make from the Federal Treasury than the support of former Presidents. You could run a poll and probably have an overwhelming response in opposition to it. But a deal is a deal is a deal. After all, we are talking about the Presidency of the United States, and it has some attendant dignity.

I certainly have a lot of respect for the gentleman from Indiana [Mr. JACOBS], and he is certainly persistent,

I can say that, because this is not the first time he has brought this amendment to the floor. I like a gentleman or a person who can stand in there and show that kind of tenacity. I understand perfectly his feelings. I respect that. However, we made a deal with these folks who retired as President.

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

Mr. SKEEN. I will yield to the gentleman in just a moment.

We made a deal with these folks, and they are retired and they are operating under this present plan. This was not the deal that they made; this was the deal the United States, through the Congress of the United States, offered to them.

If we are going to change this program, I would suggest that probably the best way to do it would be to stop it at some point at the termination or at the end of the life of one of the Presidents who is now living and begin with a new program.

It also brings up this question: What about existing retirement benefits to Members of Congress from both Houses? If you are going to renege on this deal, you ought to renege on that. Of course, now you have quit preaching and you have started meddling. But I think we ought to examine that in the same light.

So, Mr. Chairman, with all my understanding of the gentleman's position and my sympathy, I still must oppose the amendment because I think when you make a deal, you make a deal.

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

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

Mr. JACOBS. Mr. Chairman, I have two things. The gentleman has said that probably the public is generally opposed to this, and I would only remind him of the famous words of Alexander Hamilton: "Here, sir, the people rule." So if they are opposed, that ought to settle the argument and we ought to repeal it.

But I would also say to the gentleman that an awful lot of deals have been made by the Congress, deals to give doles all over the place, and every day we meet someone makes a motion to end those deals. So I do not know that there was any deal made with any President except to pay him his salary while he was working. I do not know of any deal except to pay him his pension when he stopped working.

Mr. SKEEN. Mr. Chairman, reclaiming my time, I say to the gentleman that whether it is a contract or a deal, a deal is still a deal. I believe in that regard, we should do it on all the other pension programs that we deal with in the United States today. If we are going to do that, we could just do them wholesale.

Mr. JACOBS. It is not a pension program. We are talking about something beyond a pension.

Mr. SKEEN. It is still a program, whether you would like to term it that or not. I will not argue that point with the gentleman.

Mr. Chairman, I oppose the amendment.

AMENDMENT OFFERED BY MR. NELSON OF FLORIDA AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. JACOBS

Mr. NELSON of Florida. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. NELSON of Florida as a substitute for the amendment offered by Mr. JACOBS: On page 31, line 1, strike "$278,600" and insert "$931,600."

Mr. NELSON of Florida. Mr. Chairman, the Jacobs amendment offered to us would strike out all but about $236,000 of the $1.15 million that is in the bill for the office staff and allowances. This amendment offered as a substitute for the Jacobs amendment would insert the figure, $931,600, for office staff and allowances instead of the committee's provision, which is about $1.2 million, instead of the provision of the gentleman from Indiana [Mr. JACOBS] which is a substantial cut down to $236,000.

□ 1320

I want to say that I happen to agree with the philosophy expressed by the gentleman from Indiana. He put it very well and gave us some of the more stimulating comments that I have heard on this floor, and I appreciate his offering his amendment, as well as his tenacity to keep this issue elevated.

I happen to think however, that that is too much of a reduction and that we ought to approach the question of expenses for former Presidents in a more logical fashion. Thus I am joining in concert with my colleague from Florida, our senior Senator, in his overall effort not only to try to bring about a reduction of office expenses and allowances, but in his overall approach to this problem. In S. 1047, he attaches this to Secret Service protection and Presidential libraries and so forth.

The amendment offered here by me today does not have any relation with the Secret Service provisions nor to the Presidential libraries. This House has dealt with that issue in a bill brought to this House by the gentleman from Oklahoma [Mr. ENGLISH] and that passed successfully.

I deal in my amendment only with the instant bill before us, which is for the allowances and office staff, and thus have a reduction of $291,400.

This has a method to it, and the method is simply this: As proposed in the Senate bill, it is that the longer that a former President is out of office, the less amount that he needs for staff and allowances. Thus, for the first 4 years after the President's term would expire, his allowances would be for office staff $300,000. For the fifth through the eighth years that would drop to $250,000. For the ninth year and on, indefinitely, it would be $200,000 a year.

It would reverse what the present appropriation bill has in its provision in that President Nixon, the one who has been out of office the longest, in fact, is receiving the highest appropriation, $376,000 as compared to President Carter, who has been out a little over 4 years from office, and his appropriation is $372,000.

So I think that there is some semblance of order to this, and that is the essence of what I am offering in this amendment.

I would just close by saying this, that back in 1955 we spent for all benefits for former Presidents $64,000, and today for all benefits that has gone upwards of $26 million. A part of that is Secret Service protection, and I understand that is necessary. But what we are approaching and questioning here is the office staff and the allowance.

Simply put, the American people recognize the need to provide adequate support for our former Presidents, and to give them the financial freedom from the need to commercialize the Office of the Presidency. And the American people want to protect our former leaders. That is essential and that is the bottom line.

But former Presidents should live within reason at the taxpayers' expense.

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

Mr. NELSON of Florida. I yield to the gentleman from New York.

The CHAIRMAN. The time of the gentleman from Florida [Mr. NELSON] has expired.

(On request of Mr. MOLINARI and by unanimous consent, Mr. NELSON of Florida was allowed to proceed for 3 additional minutes.)

Mr. MOLINARI. Would the gentleman agree that former Presidents all receive a number of letters, correspondence, telephone calls asking for their positions on issues of importance to the country today?

Mr. NELSON of Florida. Surely. I think that is certainly self-explanatory.

Mr. MOLINARI. I thank the gentleman. Would the gentleman not say further then that former Presidents should respond to those telephone inquiries and to the massive mail they receive?

Mr. NELSON of Florida. Indeed, that is the philosophy of my amendment.

Mr. MOLINARI. As I understand the gentleman's amendment, he would delete the office account allowances.

Mr. NELSON of Florida. To the contrary. I have just spent 5 minutes explaining it. Let me go back and explain it again.

No, the amendment offered by the gentleman from Indiana [Mr. JACOBS] basically takes down the office allowances. He does not go down to zero, but he goes down to about $236,000 for all former living Presidents.

My amendment does not do that. My amendment says that the longer the President is out of office, there should be a reduction in the office staff and allowances, and I went through the litany of what it is. During the first 4 years out of office, it is at a level of $300,000. For the next 5 through 8 years, it drops to $250,000, and after the ninth year, it would be at a level of $200,000.

Mr. MOLINARI. Is it the gentleman's assumption that the volume of inquiries would decrease the longer a man has been out of office?

Mr. NELSON of Florida. That is correct.

Mr. MOLINARI. If the gentleman did not feel that way, he would not be offering the substitute amendment today.

Mr. NELSON of Florida. That is why I am offering it, and that is why I think we ought to bring some order into this, and to reverse what is the situation in this appropriation bill where President Nixon has the highest appropriation.

Mr. MOLINARI. One last question. Does the gentleman have any information indicating that indeed that is a fact, that the inquiries have lessened over the years, because I do not really believe that to be the case.

Mr. NELSON of Florida. I did not understand the gentleman's question.

Mr. MOLINARI. Does the gentleman have any information indicating that after a President has been out of office for a number of years that the number of correspondence lessen; therefore, the rationale behind your amendment that he should have less staff?

Mr. NELSON of Florida. By the gentleman's opening statement, I think it is self-evident that people want to continue to correspond with a President, and the more that that President is fresh in their mind, they will continue. And over the years, his duties and responsibilities and activities with regard to his term as President are going to diminish. And we are not talking about significant reductions. We are still leaving a basic amount. We are trying to bring some order to what is otherwise not an ordered situation.

Mr. MOLINARI. I thank the gentleman.

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment.

It is true that the gentleman's amendment does, in fact, increase an amount over that deleted by the gentleman from Indiana [Mr. JACOBS]. But on the other hand, it is still below the amount that has already been reduced by the committee itself.

Again, I would like to point to the fact that the committee has, in fact, reduced the amount to former Presidents both in 1985 and in 1986. While in essence I may agree with the gentleman's substitute amendment, I would agree with him but would advise him to go to the authorizing committee to put it into law.

I like this idea of the graduating or reducing or phasing out perhaps of appropriations to former Presidents. Perhaps that is something that the committee could have hearings, and after some consideration can recommend to the House, and in turn, to the Committee on Appropriations. If that is done, I would be very happy to consider it.

But under the circumstances, it still amounts to a reduction if the committee believes it is not acceptable.

Mr. HOYER. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition really to the amendments offered by the gentlemen from Indiana and Florida.

Now the gentleman has offered this amendment before, as has the gentleman from Florida. The gentleman from Florida has observed that his amendment historically has done very well, and I would agree with that.

But I think it is important for the American public and for the Members of the House to understand what we are talking about.

First of all, though, the gentleman mentioned 1965, and I am not sure whether or not President Truman was living at that time, so I presume there were either two Presidents surviving at that point in time or one. I am not sure exactly when President Eisenhower died. But, in any event, we have three surviving Presidents at this time.

□ 1330

If we had five surviving Presidents at this time, the figure would presumably be 40 percent additional. So whatever that figure is, it is obviously contingent on the number of Presidents that are surviving subsequent to their serving in office.

Second, the President of the United States represents one branch of Government and has been chosen by the American public to exercise the most powerful position in the world. That individual when he or she at some time in the future is out of office still has residual responsibilities—not formally, not assigned by the Constitution, not assigned by the Congress—but nevertheless residual responsibilities to the Nation.

In addition, it seems to me the country can benefit and ought to benefit from the services that can be performed in whatever way the former President might choose.

Now, how much do we provide? We are talking about a figure of $1.15 million. We are providing, Mr. Chairman and Members of the House, less for a former President of the United States than we provide for any individual Member of this Congress. Each of us, of course, represents a constituency of some 527,000 people. Our expenses—I should have gotten this specifically, but it is about $375,000 for expenses, not for salaries and in some instances, not for travel, but for office expenses. We are giving to each former President approximately the same amount.

This amendment might prevail because, as Mr. JACOBS says, these are some of the mighty of the Nation and they are individually in some instances able to make substantial moneys on their own. I suggest, however, that that is not the issue. The issue is: Is it in the best interest of the people of the United States that we allow approximately, I would imagine, three staffers for $96,000, maybe two depending upon what the top staffer is paid, to assist a former President in participating in the public affairs of this Nation? I suggest that that is a great benefit to the Nation. I suggest that that is money well spent. I suggest, notwithstanding the fact that it may be easy to say "let us cut here for people who are making a lot of money" or who are very powerful, that such a cut is not in the best interest of the Nation.

Now I am going to support the Nelson amendment. The reason I am going to support the Nelson substitute is because I think it is better than the Jacobs principal motion. But I will then oppose either the substitute if it survives or the main motion offered by Mr. JACOBS. I believe the President of the United States has sent down this budget, which we have reduced by some $50,000, because President Reagan recognized the responsibility of this Nation and the benefit to this Nation that the continued participation of former Presidents, which these funds would in fact allow.

Mr. NELSON of Florida. Mr. Chairman, will the gentleman yield?

Mr. HOYER. I would be glad to yield to my good friend, the distinguished colleague from Florida [Mr. NELSON].

Mr. NELSON of Florida. Mr. Chairman, I want to thank the gentleman from Maryland. I think he has made a most articulate statement, a well reasoned statement, one that reflects the national will.

I would ask the gentleman to consider the philosophy of this amendment, however, that is trying to put a structure in as to what should be the allowances for staff and allowances. We do

not cut pensions here. We do not touch Secret Service.

I would suggest that the gentleman consider my amendment for the reason that it basically has the philosophy that as you proceed over time, the amount is less.

The CHAIRMAN. The time of the gentleman from Maryland [Mr. HOYER] has expired.

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

Mr. HOYER. Just briefly, Mr. Chairman, to respond to the gentleman, first of all I am not sure whether that could be implemented within the framework of the cut. I do not think it could be. I understand what the gentleman suggests, that there is legislation that sets forth a formula by which there would be a reduction as the former President has been retired over a longer period of time on the theory that the work and responsibilities would become less.

In addition, let me say to the gentleman although I understand the theory behind the amendment, I am not sure that I agree with it. That is to say we know that we had a former President serve in the House of Representatives, John Adams, for a long period of time. I forget the specific number of years, but longer than your formula would take into consideration. They do not now do that. That perhaps is unfortunate. But the theory that they are going to diminish in contribution that they can make to the Nation because of time out of office is not necessarily one that I adopt; but I understand the theory.

Mr. CONTE. Mr. Speaker, I move to strike the requisite number of words, and I rise in opposition to these amendments.

Mr. Chairman, allowances and staff for former Presidents is probably the most unpopular, one of the most controversial and surely the most misunderstood program in this bill.

And let's face it. The constituency for this program is very small. Today, it primarily consists of three men. In 1958—when this allowance for pensions and office staff was first authorized—there were only two former Presidents. In fact, when the Post Office and Civil Service Committee held hearings on the legislation 26 years ago, no organization or private individual testified. However, there was, at the time, a bipartisan effort by the leadership of the House. Speaker Rayburn, Majority Leader John McCormack and Minority Leader Joe Martin endorsed the program before the committee and on the floor. They recognized the importance of meeting the demands placed on former Presidents by the American people.

Former Speaker John McCormack testified before the House committee and supported the legislation creating this program. He said at the time: "The interest of the American people in the President does not cease when his term of office has ended. The public demands, speeches, conferences, advice, correspondence, and otherwise, after his service as President is over, continues." Further, as former heads of state, their services continue to be solicited, and they remain a valuable national resource during a time of crisis or great need. Speaker McCormack recognized that public demands on our former Presidents must be met with public support.

At that time, President Truman was receiving 400 letters a day and over 300 invitations a month. To answer these requests, he spent thousands of dollars of his own resources, his pension as a U.S. Senator. Likewise, former President Hoover served this country long after he was President. His most valuable work was as head of the Hoover Commission, a panel charged with reorganizing the executive branch.

Two unmet needs motivated the creation of this program and today justify its continued existence. First, many people in this country continue to place demands on our Presidents after their term has expired. They receive thousands of letters and invitations, make hundreds of public appearances for charities and occasionally perform official duties.

Another justification for this allowance can be found in the way our former Presidents were treated as compared to other public servants. Before this allowance was authorized, former Presidents were the only major office holders or public servants not receiving a pension and other benefits from the Government. At the time, Supreme Court Justices could retire at full salary, at any time, no matter how long they served. An even better comparison was our treatment of five-star generals. These retired military leaders, technically on active duty, not only received full salaries for a pension, but they were allowed a full military staff, a chauffeur, and a secretary. The question at the time was rightfully asked: Should the Commander in Chief of our Armed Forces be treated less than his subordinates?

□ 1340

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

Mr. CONTE. Mr. Chairman, this program addressed many of these needs, but our priorities still seem mixed up today, especially when there is a move to abolish this allowance. It's amazing that we are willing to spend millions of dollars on anyone who wants to be President, yet some are hesitant to spend just over $1 million on former Presidents who have served this country with distinction. Secret Service Director Simpson told me at the subcommittee hearings that $28.6 million was spent to protect Presidential candidates during the 1984 Presidential campaign. In addition, millions of dollars in matching Federal campaign expenses are given to the candidates each election season.

I hope, with so much spent on people who would be President, that we can provide the proper support for our former Presidents.

In closing, let me again give some advice to my good friend from Indiana, Mr. JACOBS. Every year, Chairman ROYBAL and I suggested that you address this issue in the appropriate legislative committee, not in the appropriations process. Such a radical change in policy should only come after extensive hearings, close committee scrutiny, and deliberative floor consideration.

Legislation has been introduced to address this issue, and I hope the gentleman from Indiana and his partner Mr. NELSON work with the authorizing committee to change the law if there is a problem.

I'm willing to take a close look at this program in the proper context and setting. If there is waste and abuse, it should be stopped. If there's excessive spending, it must be curtailed. However, the reality is that this recommendation is about the same amount appropriated last year.

For 27 years, there has been a Federal commitment to former Presidents of the United States. If changes are required, let's do it right and not just wipe out the program.

I urge Members to maintain this commitment and vote against this amendment.

Mr. NELSON, I think you know; he is a bright young man to be coming up here and saying that former President Nixon is getting more money now than the other former Presidents. However, President Nixon does not have federally funded Secret Service protection. Does the gentleman know that? He is paying for his own personal protection; the Federal Government is not paying.

We defeated the Jacobs amendment last year, let us do the same thing this year. Let us do what is right.

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

Mr. BROOMFIELD. Will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. BROOMFIELD. Mr. Chairman, I rise in support of the gentleman from Massachusetts [Mr. CONTE] in opposition to the pending amendments.

Everything the gentleman has said regarding the demands made on our

former chief executives in the form of mail, requests for personal appearances, and the occasional performance of official duties is absolutely true.

As a practical matter, they need adequate funds and staff to perform the duties we expect of them as former Presidents.

But there is something beyond that. It is a question of respect, if not for a specific ex-President, for the highest office in the land and those who have held it.

We think nothing of paying athletes, actors, and rock stars millions of dollars, sometimes for a single performance. We should, as a token of simple respect, support our ex-Presidents in an adequate manner.

The committee recommendation proposes to reduce the appropriation by $57,000 below the 1986 budget request and $19,000 below the fiscal year 1985 appropriation to date.

In my opinion, anything below that level goes beyond the point of reasonableness.

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

Mr. CONTE. Mr. Chairman, I want to take this opportunity to thank the gentleman from Michigan [Mr. BROOMFIELD] for his valuable contribution.

I might say, I think it was last week we passed a legislative appropriation bill; that bill had a raise for the employees of the former Speaker of the House of Representatives, Carl Albert. We provide him an office; we provide him with secretaries; I did not see anybody up here raising heck about that; not one Member.

If it is good for the former Speaker—which it is, and I am all for it, it is good for the former Presidents of the United States.

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

Mr. Chairman, I think the reason why I have gotten up on this bill the last three times that it has been brought up is because I did have occasion, my first 2 years in Congress, to be a cotenant in the Jacob Javits Building with Mr. Nixon. His secretary and my secretary were quite friendly; and I had an idea from that source as to the volume of work that the man had and then the volume of work that he has today in his office.

I did have occasion to spend about 2 hours with him in his office one day. The phones never stopped ringing; I saw stacks and stacks of mail.

Now, the gentleman from Indiana says because he was President, he can go out and command $25,000 for a speech, and therefore he should pay for his office himself.

We read that the Speaker of this House has sold the rights to a book for $1 million. What does that mean? Does that mean that he should pay for his own office while he is Speaker? Of course not. We are all waiting to read that book.

Yes; they are former Presidents of this country; whether we agreed with them or disagreed with them, we must respect them for what they are, and for the demands that are put upon their offices, and it would be imprudent and foolish for us to impose this judgment.

Mr. JACOBS. Will the gentleman yield on that point?

Mr. MOLINARI. I yield to the gentleman.

Mr. JACOBS. The book that I read about that the Speaker is expected to write is going to be written after he leaves his office; he is not using Federal employees to write that book; and if he did, I believe the law makes the Federal Government share in the profits.

Mr. MOLINARI. The point is, Mr. JACOBS, that had he not been Speaker, he would not be selling that book.

Your point is that if they had not been Presidents they would not be commanding $25,000.

So I think the logic is the same.

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

Mr. Chairman, I rise in opposition to the Nelson amendment, the Nelson substitute; in favor of the Jacobs amendment.

Just a couple of quick points. First of all, I have never known a President of the United States or Member of Congress or county commissioner or city councilperson to run for the retirement; at least in the by now thousands of campaign speeches I have heard on differing levels; I have never heard anyone to say I am running so that I can get a staff when I retire; and that is what I expect.

Indeed, I hear them running for the office for what they want to accomplish while in the office, not for what they get afterward.

In terms of the deal that has been struck, I do not know who struck the deal or when the late night handshake came, because even this President who I believe would benefit, and is expecting a staff, even this President is trying to unstick the deal. I think each of the last 3 years he sent up a budget that would reduce or would increase, actually, the Federal employees' retirement to civil service from 7 to 9 percent; one year actually to 11 percent, that would increase their rate of contribution.

□ 1350

So the deal does not seem to be very sacred when it comes to other Federal employees, just perhaps this President.

Now, I would like to also point out that the amendment of the gentleman from Indiana does not deal with retirement. I do not want anybody to get confused about that. It is not retirement, it is not Secret Service. It is simply office staff. I think that is certainly a lot different. Now, what about the public demanding these speeches? As the gentleman from Indiana pointed out to me just a moment ago, 'it seems that when the public demands a speech from an ex-President, the ex-President automatically demands an honorarium, $2,500, $10,000, $25,000. And who is this public? It is usually groups that will get a tax deduction for paying the ex-President that honorarium. So that public demand, I think, is a little questionable. I have a feeling that if our public in West Virginia, or in other areas, in a rural area, perhaps, demanded a speech by the ex-President free, that we probably would not get it.

In terms of public affairs, if ex-Presidents are so vital in public affairs, then where are they? How many times have you seen an ex-President? I have seen ex-President Nixon, I think, twice invited to the White House, ex-President Carter I do not think has made it, ex-President Ford I believe may have made it once. But the point is, if they are so vital to public affairs, I have to believe that in that Executive Office budget somewhere we can find a secretary for them.

I guess this whole discussion interests me a little bit because just a few days ago people were saying it is easier to take shots at small items of expenditure that do not have a constituency. I am reminded of when the elevator operators came under fire, that was $100,000. This Congress took the forthright stand of denying Playboy—without centerfolds, I might add—to the blind in braille, and yet this, for some reason, is a cheap shot. I do not understand it.

Finally, Mr. Chairman, I would just like to add that I woud like to recall us all to Cincinnatus. You remember he was the former consul, the leader of Rome. And when he left mighty Rome, what did he do? He went back to the plow. And then when they came for Cincinnatus because there was a crisis and they needed to involve him in public affairs, he quietly put down his plow and returned to Rome. I have a feeling today that if you went back to Cincinnatus he would first of all want to check it out with his staff, he would demand a limousine and then, of course, finally, before he returned, the honorarium.

I urge the Members to reject the Nelson amendment and adopt the Jacobs amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. NELSON] as a substitute for the amendment offered by the gentleman from Indiana [Mr. JACOBS].

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

RECORDED VOTE

Mr. NELSON of Florida. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 199, noes 162, not voting 72, as follows:

[Roll No. 264]

AYES—199

Addabbo	Hall, Ralph	Packard
Andrews	Hansen	Penny
Annunzio	Hendon	Price
Applegate	Hertel	Pursell
Armey	Hiler	Rahall
Aspin	Hopkins	Ray
Atkins	Horton	Reid
Barnard	Hubbard	Richardson
Bartlett	Hughes	Rinaldo
Bateman	Hutto	Ritter
Bates	Ireland	Roberts
Bennett	Jeffords	Robinson
Bentley	Jones (OK)	Roe
Bereuter	Kanjorski	Roemer
Bevill	Kaptur	Rogers
Bilirakis	Kasich	Rose
Bliley	Kennelly	Roukema
Boner (TN)	Kildee	Rowland (GA)
Bonker	Kindness	Schaefer
Boucher	Kleczka	Schneider
Breaux	Kolbe	Schumer
Bruce	LaFalce	Seiberling
Burton (CA)	Lantos	Shaw
Burton (IN)	Leach (IA)	Shelby
Carper	Leath (TX)	Shumway
Carr	Levine (CA)	Shuster
Coats	Lewis (FL)	Sisisky
Cobey	Lightfoot	Skelton
Coleman (MO)	Long	Slattery
Coleman (TX)	Lujan	Smith (FL)
Cooper	Luken	Smith (NE)
Davis	Lundine	Smith (NH)
Derrick	Mack	Smith (NJ)
DeWine	MacKay	Smith, Robert
Dickinson	Marlenee	Snowe
Dicks	Martin (IL)	Spence
Dowdy	Matsui	Spratt
Duncan	McCain	Staggers
Dyson	McCandless	Stallings
Eckart (OH)	McCollum	Stangeland
Eckert (NY)	McCurdy	Strang
Edwards (OK)	McEwen	Stratton
Emerson	McKernan	Studds
English	McKinney	Stump
Erdreich	McMillan	Sundquist
Evans (IA)	Mica	Swindall
Fascell	Mikulski	Synar
Fawell	Miller (CA)	Tauke
Feighan	Miller (OH)	Thomas (GA)
Flippo	Miller (WA)	Torricelli
Florio	Mollohan	Traficant
Foley	Monson	Udall
Franklin	Montgomery	Valentine
Frost	Moody	Vento
Fuqua	Moore	Volkmer
Gekas	Moorhead	Walgren
Gephardt	Morrison (CT)	Walker
Gibbons	Morrison (WA)	Waxman
Gingrich	Neal	Weber
Glickman	Nelson	Whitley
Gonzalez	Nichols	Williams
Goodling	Nielson	Wortley
Gordon	Nowak	Wright
Gradison	Oberstar	Young (MO)
Grotberg	Olin	Zschau
Gunderson	Ortiz	
Hall (OH)	Oxley	

NOES—162

Ackerman	Boulter	Clinger
Anderson	Brooks	Coble
Archer	Broomfield	Collins
Barnes	Brown (CA)	Combest
Beilenson	Brown (CO)	Conte
Biaggi	Broyhill	Conyers
Boehlert	Callahan	Coughlin
Boggs	Campbell	Coyne
Boland	Chandler	Crane
Borski	Cheney	Crockett
Darden	Kemp	Ridge
Daub	Kolter	Rodino
DeLay	Kostmayer	Rowland (CT)
Dellums	Lagomarsino	Roybal
DioGuardi	Latta	Russo
Dorgan (ND)	Lehman (FL)	Sabo
Dornan (CA)	Leland	Savage
Downey	Levin (MI)	Saxton
Dreier	Lipinski	Scheuer
Dwyer	Livingston	Schroeder
Dymally	Lott	Schulze
Edgar	Lowery (CA)	Sensenbrenner
Edwards (CA)	Lowry (WA)	Sharp
Evans (IL)	Lungren	Sikorski
Fazio	Madigan	Siljander
Fiedler	Manton	Skeen
Fields	Markey	Slaughter
Fish	Martinez	Smith (IA)
Foglietta	Mavroules	Snyder
Ford (MI)	McCloskey	Solarz
Ford (TN)	McDade	Solomon
Fowler	McGrath	Stark
Frenzel	McHugh	Stokes
Gallo	Michel	Sweeney
Garcia	Mineta	Swift
Gaydos	Mitchell	Tallon
Gilman	Molinari	Taylor
Gray (IL)	Mrazek	Torres
Green	Murphy	Towns
Gregg	Murtha	Visclosky
Hamilton	Myers	Weaver
Hartnett	Natcher	Weiss
Hayes	Oakar	Wheat
Heftel	Obey	Whitten
Henry	Parris	Wilson
Holt	Pashayan	Wise
Howard	Pease	Wolf
Hoyer	Pepper	Wolpe
Hunter	Perkins	Wyden
Hyde	Petri	Wylie
Jacobs	Pickle	Yates
Jenkins	Porter	Yatron
Johnson	Rangel	Young (AK)
Kastenmeier	Regula	Young (FL)

NOT VOTING—72

Akaka	de la Garza	Martin (NY)
Alexander	Dingell	Mazzoli
Anthony	Dixon	Meyers
AuCoin	Donnelly	Moakley
Badham	Durbin	O'Brien
Barton	Early	Owens
Bedell	Frank	Panetta
Berman	Gejdenson	Quillen
Bonior (MI)	Gray (PA)	Rostenkowski
Bosco	Guarini	Roth
Boxer	Hammerschmidt	Rudd
Bryant	Hatcher	Schuette
Bustamante	Hawkins	Smith, Denny
Byron	Hefner	St Germain
Carney	Hillis	Stenholm
Chappell	Huckaby	Tauzin
Chappie	Jones (NC)	Thomas (CA)
Clay	Jones (TN)	Traxler
Coelho	Kramer	Vander Jagt
Courter	Lehman (CA)	Vucanovich
Craig	Lent	Watkins
Daniel	Lewis (CA)	Whitehurst
Dannemeyer	Lloyd	Whittaker
Daschle	Loeffler	Wirth

□ 1410

The Clerk announced the following pairs:

On this vote:

Mr. Chappell for, with Mr. Hawkins against.

Messrs. ROWLAND of Connecticut, SAVAGE, DOWNEY of New York, SWINDALL, COBLE, and MANTON changed their votes from "aye" to "no."

Mr. SEIBERLING, Mr. MOORE, Mrs. SCHNEIDER, Messrs. GLICKMAN, PRICE, VOLKMER, ROE, Mrs. SMITH of Nebraska, Messrs. BONKER, STRATTON, McKINNEY, SCHUMER, PENNY, NIELSON of Utah, ARMEY, SWINDALL, SMITH of New Hampshire, and BURTON of Indiana changed their votes from "no" to "aye."

So the amendment offered as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. JACOBS], as amended.

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

RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 219, noes 130, not voting 84, as follows:

[Roll No. 265]

AYES—219

Ackerman	Glickman	Morrison (WA)
Andrews	Goodling	Murphy
Applegate	Gordon	Neal
Archer	Gradison	Nelson
Armey	Gregg	Nichols
Aspin	Grotberg	Nielson
Atkins	Hall (OH)	Nowak
Barnard	Hall, Ralph	Oberstar
Bartlett	Hamilton	Olin
Bateman	Hansen	Ortiz
Bates	Heftel	Packard
Bennett	Hendon	Pease
Bereuter	Hertel	Penny
Bevill	Hiler	Petri
Bilirakis	Hopkins	Pursell
Borski	Hubbard	Rahall
Boucher	Hughes	Ray
Boulter	Hutto	Reid
Breaux	Ireland	Richardson
Brown (CO)	Jacobs	Ridge
Broyhill	Jeffords	Rinaldo
Bruce	Jenkins	Ritter
Burton (CA)	Jones (OK)	Roberts
Burton (IN)	Kanjorski	Robinson
Carper	Kaptur	Roe
Carr	Kasich	Roemer
Coats	Kennelly	Rose
Cobey	Kildee	Roukema
Coble	Kleczka	Rowland (GA)
Coleman (TX)	Kolbe	Saxton
Cooper	Kolter	Schaefer
Crane	LaFalce	Scheuer
Crockett	Lantos	Schneider
Daub	Leach (IA)	Schroeder
Davis	Leath (TX)	Schumer
Derrick	Levin (MI)	Seiberling
DeWine	Levine (CA)	Sensenbrenner
Dickinson	Lewis (FL)	Shaw
Dicks	Lightfoot	Shelby
Dingell	Long	Shumway
DioGuardi	Lujan	Shuster
Donnelly	Luken	Sikorski
Dorgan (ND)	Mack	Siljander
Dowdy	MacKay	Skelton
Dreier	Marlenee	Smith (FL)
Duncan	Martin (IL)	Smith (NE)
Eckart (OH)	Matsui	Smith (NH)
Edwards (OK)	McCain	Smith (NJ)
Emerson	McCloskey	Smith, Robert
English	McCollum	Snowe
Erdreich	McCurdy	Solomon
Evans (IA)	McKernan	Spence
Evans (IL)	McMillan	Spratt
Fascell	Mica	Staggers
Fawell	Mikulski	Stallings
Feighan	Miller (CA)	Stangeland
Fields	Miller (OH)	Stark
Flippo	Miller (WA)	Stokes
Florio	Mollohan	Strang
Fowler	Monson	Stratton
Fuqua	Montgomery	Studds
Gallo	Moody	Sundquist
Gekas	Moore	Swindall
Gibbons	Moorhead	Synar
Gingrich	Morrison (CT)	Tallon

Tauke	Volkmer	Wise
Thomas (GA)	Walgren	Wolpe
Torres	Walker	Wortley
Torricelli	Weaver	Wyden
Traficant	Weber	Yatron
Valentine	Whitley	Young (FL)
Vento	Williams	Young (MO)
Visclosky	Wilson	Zschau

NOES—130

Addabbo	Ford (TN)	Michel
Anderson	Frenzel	Mineta
Annunzio	Garcia	Mitchell
Barnes	Gaydos	Molinari
Beilenson	Gephardt	Mrazek
Bentley	Gilman	Murtha
Biaggi	Gonzalez	Myers
Bliley	Gray (IL)	Natcher
Boehlert	Green	Oakar
Boggs	Gunderson	Obey
Boland	Hartnett	Oxley
Bonker	Hayes	Parris
Brooks	Henry	Pashayan
Broomfield	Holt	Perkins
Brown (CA)	Howard	Pickle
Callahan	Hoyer	Porter
Campbell	Hunter	Price
Chandler	Hyde	Rangel
Cheney	Johnson	Regula
Clinger	Kastenmeier	Rodino
Coleman (MO)	Kemp	Rogers
Collins	Kindness	Rowland (CT)
Combest	Kostmayer	Roybal
Conte	Lagomarsino	Russo
Conyers	Latta	Sabo
Coughlin	Lehman (FL)	Savage
Coyne	Leland	Skeen
Darden	Livingston	Slaughter
DeLay	Lott	Smith (IA)
Dellums	Lowery (CA)	Solarz
Dornan (CA)	Lowry (WA)	Sweeney
Downey	Lundine	Swift
Dwyer	Lungren	Taylor
Dymally	Madigan	Towns
Dyson	Manton	Weiss
Eckert (NY)	Markey	Wheat
Edgar	Martinez	Whitten
Edwards (CA)	Mavroules	Wolf
Fazio	McCandless	Wright
Fiedler	McDade	Wylie
Fish	McEwen	Yates
Foglietta	McGrath	Young (AK)
Foley	McHugh	
Ford (MI)	McKinney	

NOT VOTING—84

Akaka	Early	Owens
Alexander	Frank	Panetta
Anthony	Franklin	Pepper
AuCoin	Frost	Quillen
Badham	Gejdenson	Rostenkowski
Barton	Gray (PA)	Roth
Bedell	Guarini	Rudd
Berman	Hammerschmidt	Schuette
Boner (TN)	Hatcher	Schulze
Bonior (MI)	Hawkins	Sharp
Bosco	Hefner	Sisisky
Boxer	Hillis	Slattery
Bryant	Horton	Smith, Denny
Bustamante	Huckaby	Snyder
Byron	Jones (NC)	St Germain
Carney	Jones (TN)	Stenholm
Chappell	Kramer	Stump
Chappie	Lehman (CA)	Tauzin
Clay	Lent	Thomas (CA)
Coelho	Lewis (CA)	Traxler
Courter	Lipinski	Udall
Craig	Lloyd	Vander Jagt
Daniel	Loeffler	Vucanovich
Dannemeyer	Martin (NY)	Watkins
Daschle	Mazzoli	Waxman
de la Garza	Meyers	Whitehurst
Dixon	Moakley	Whittaker
Durbin	O'Brien	Wirth

□ 1430

The Clerk announced the following pair:

On this vote:

Mr. Chappell for, with Mr. Hawkins against.

Mr. BROYHILL changed his vote from "no" to "aye."

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

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

Mr. Chairman, I rise in strong support of this legislation, but I also rise with the sense of regret that political reality being what it is, there is contained within this legislation two provisions to section 520 and 521 which in a very real sense deprive women who are employed by the Federal Government from equal access to health care.

Mr. Chairman, I have no intention of offering an amendment at this time or unnecessarily prolonging debate on an issue that we all know very well. But it pains me greatly that we are required at this point to include in this legislation provisions which deny the right to abortions to all federally employed women, people who earn on the average of $15,000 a year, people who would be badly injured financially, if not in other ways, if they were required to enter into the private sector to fund this health procedure on their own.

This provision is discriminatory on the basis of sex. It intrudes into private decisionmaking on the part of these women. It is a tremendous burden potentially to the average middle-income person who works for the Federal Government, pays 40 percent of their health care costs out of their own pocket, and is deprived of the full use of their total compensation for the health care that they derive as part of their benefits as an employee of the Federal Government.

The gentleman from New York [Mr. GREEN] and I have introduced legislation which would eliminate these riders which we consider unconstitutional and discriminatory. We hope that an increasing number of Members will join us in cosponsoring that legislation so that we can put an end to this kind of approach to selectively depriving individual members of our society of the rights that the Constitution guarantees to all of us.

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

Mr. FAZIO. I will be happy to yield to my friend from Maryland.

Mr. HOYER. Mr. Chairman, I appreciate the gentleman from California yielding this time to me, and I appreciate his remarks. As the gentleman knows, we have opposed in 2 of the last 4 years this provision which was not included in the bill and was added onto the bill, and it is obvious that it is the sense of the House that that language ought to be included.

But I want to join with the gentleman from California [Mr. FAZIO] in his observations that this language is clearly discriminatory against Federal employees, treats Federal employees differently than it does all other individuals who attain health care in this Nation.

I want to commend the gentleman for his continuing efforts to ensure the fair and equitable treatment of all of those in this country as it relates to health care.

Mr. FAZIO. I appreciate the gentleman's comments. He has been a champion of these very same employees of the Federal Government. He feels as strongly as I do about the limitation on their rights.

I know the chairman of the subcommittee joins with the gentleman from Maryland [Mr. HOYER] and myself in this sentiment. We are simply at this point bowing down to political reality. But we want to serve notice that the issue is not one that will be ignored in the future, and will be visited more and more as time goes by and the average American understands this very unfair provision.

● Mrs. BOXER. Mr. Chairman, I rise to point out a section of this appropriations bill which is extremely unfair to Federal employees. Title V, section 520 of this legislation states that no funds appropriated by this act shall be available to pay for an abortion, or the administrative expenses in connection with any health benefit program which provides any benefits or coverages for abortions.

We have debated this matter before and those of us who object to this section have lost on the House floor so I do not intend to replay that vote. However, I feel it is necessary to place into the RECORD the objections to this language in the hope that someday this House will change on this issue.

A woman's right to choose an abortion is a matter of great controversy and I am not here to debate whether abortion is right or wrong. I am here to debate the restrictive language in section 520 which essentially dictates to individuals, based only on their status as Federal employees, what they can and cannot do with the money they have earned. The real issue pertaining to this legislation is singling out Federal employees and telling them that they do not have the same rights or options of any other employee in the private sector.

I'd further like to point out that we are not talking here about hundreds of people, not even thousands of people—Mr. Chairman, we are talking about millions of people who are affected by this prohibition. And among these millions of people who participate in Federal health benefit plans are women who may indeed choose to terminate their pregnancy. These women are now prevented from having their health insurance cover the procedure—and these women pay a full 40 percent of the cost of their insurance. If ever there was a case of big brother on the back of its citizens; if ever there

was a case of Government dictating its values—this is it. Big brother on our backs—and during the administration of a President who was elected on a platform of getting Government out of the people's lives.

With this section we are clearly guilty of the very sex discrimination we have said is against the law. Prohibiting coverage of the single medical procedure of abortion does indeed discriminate against women as they are the only ones affected by the restriction.

Let us not forget that women working in the Federal work force, as elsewhere, are segregated into lower paying jobs. The average female Federal employee earns an annual income of $16,000. Therefore, this becomes a serious economic issue as well. Gathering the funds for a safe and legal abortion would place a tremendous economic burden on these women, a burden that women working in the private sector would not have to bear.

Mr. Chairman, we are using the appropriations process to intrude on the rights of Federal workers and impose on them a notion of mortality which is being dictated to them. We are showing no regard for basic human rights or individual freedom. Instead, we are placing ourselves directly into the private lives of millions of Americans—but only those who work for the Federal Government. How unfair and discriminating of us.

Finally, the language in this legislation is inhumane. Under section 521, the only exception to the prohibition are cases where the life of the mother is determined endangered if the fetus were carried to term. There are no exceptions to permit coverage of abortions in the cases of incest or rape—circumstances under which no woman should ever be forced to go through with the pregnancy.

Limited health insurance coverage has been imposed on Federal employees for 2 years. For these individuals, it has been 2 years too long. I urge my colleagues to carefully consider the consequences of sections 520 and 521 and to note that the issue won't go away.●

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

Mr. Chairman, I rise in support of H.R. 3036, a bill providing for Treasury, Postal Service, and general Government appropriations for fiscal year 1986.

Within H.R. 3036 are a number of critical funding decisions. Specifically, the initiative to secure revenue foregone appropriations sufficient to allow postage rates to continue at present levels for certain nonprofit mailers, in-county newspapers, and magazines until January 1, 1986.

As you know, Congress initially provided for this funding in order that worthy, charitable nonprofit organizations would be afforded preferred mail rates by the U.S. Postal Service. These preferred rates, in turn, allow nonprofit organizations to carry out a variety of mail activities, to include direct mail fund raising activities necessary to provide the resources that are needed to deliver the services and to operate the programs of their organizations.

Without this special fund many nonprofit organizations could not continue to make their vital contribution to our Nation's moral strength. Such valuable organizations as public libraries and countless other important nonprofit entities would no longer survive without financial help with their mailings.

Accordingly, it is imperative that H.R. 3036 be adopted by this body. Without the crucial services of so many of our nonprofit mailers, America would no longer be the world leader on so many fronts.

Mr. CHAIRMAN. Are there further amendments to title IV?

If not, the Clerk will read.

The Clerk read as follows:

TITLE V—GENERAL PROVISIONS

THIS ACT

SEC. 501. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therefor in the budget estimates submitted for the appropriations: *Provided,* That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Veterans' Administration; to travel of the Office of Personnel Management in carrying out its observation responsibilities of the Voting Rights Act; or to payments to interagency motor pools where separately set forth in the budget schedules.

SEC. 502. No part of any appropriation contained in this Act shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 503. No part of any appropriation made available in this Act shall be used for the purchase or sale of real estate or for the purpose of establishing new offices inside or outside the District of Columbia: *Provided,* That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. 504. 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. 505. 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. 506. No part of any appropriation contained in this Act shall be available for the procurement of or for the payment of the salary of any person engaged in the procurement of any hand or measuring tool(s) not produced in the United States or its possessions except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of hand or measuring tools produced in the United States or its possessions cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedures prescribed by section 6-104.4(b) of Armed Services Procurement Regulation dated January 1, 1969, as such regulation existed on June 15, 1970: *Provided,* That a factor of 75 per centum in lieu of 50 per centum shall be used for evaluating foreign source end products against a domestic source end product. This section shall be applicable to all solicitations for bids opened after its enactment.

SEC. 507. None of the funds made available to the General Services Administration pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended after the date of enactment of this Act for the procurement by contract of any service which, before such date, was performed by individuals in their capacity as employees of the General Services Administration in any position of guards, elevator operators, messengers, and custodians, except that such funds may be obligated or expended for the procurement by contract of the covered services with sheltered workshops employing the severely handicapped under Public Law 92-28.

SEC. 508. No funds appropriated in this Act shall be available for administrative expenses in connection with implementing or enforcing any provisions of the rule TD ATF-66 issued June 13, 1980, by the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms on labeling and advertising of wine, distilled spirits and malt beverages, except if the expenditure of such funds is necessary to comply with a final order of the Federal court system.

SEC. 509. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, lease, rental, excessing, surplusing or disposal of any portion of land identified on the date of enactment of this Act as Fort DeRussy in Honolulu, Hawaii.

SEC. 510. None of the funds appropriated in this Act may be used for administrative expenses to close the Information Resources Management Office of the General Services Administration located in Sacramento, California.

SEC. 511. None of the funds made available by this Act for the Department of the Treasury may be used for the purpose of eliminating any existing requirement for sureties on customs bonds.

SEC. 512. None of the funds made available by this Act shall be available for any activity or for paying the salary of any government employee where funding an activity or

paying a salary to a government employee would result in a decision, determination, rule, regulation, or policy that would prohibit or otherwise prevent the Customs Service from enforcing section 307 of the 1930 Tariff Act.

SEC. 513. None of the funds appropriated under this Act shall be obligated or expended to implement, promulgate, administer, enforce, or reissue or revise the proposed Office of Personnel Management regulations and the proposed Federal Personnel Manual issuances published in the Federal Register on March 30, 1983, on pages 13341 through 13381, as superseded by proposed regulations and Federal Personnel Manual issuances published in the Federal Register on July 14, 1983, on pages 32275 through 32312, and as further superseded by proposed regulations and the Federal Personnel Manual issuances published in the Federal Register on October 25, 1983 on pages 49462 through 49498.

SEC. 514. None of the funds made available by this Act shall be available for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, out of the Treasury Department.

SEC. 515. Of the total amount of budget authority provided for fiscal year 1986 by this or any other Act that would otherwise be available for consulting services, management and professional services, and special studies and analyses, 10 per centum of the amount intended for such purposes in the President's budget for 1986, as amended, for any agency, department, or entity subject to apportionment by the Executive shall be placed in reserve and not made available for obligation or expenditure: *Provided*, That this section shall not apply to any agency, department, or entity whose budget request for 1986 for the purposes stated above did not amount to $5,000,000.

SEC. 516. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States or its possessions or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulations, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

SEC. 517. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 518. No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any Member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such Member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance or efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communication or contact of such officer or employee with any Member or committee of Congress as described in paragraph (1) of this subsection.

SEC. 519. Except for vehicles provided to the President, Vice President and their families, or to the United States Secret Service, none of the funds provided in this Act to any Department or Agency shall be obligated or expended to procure passenger automobiles as defined in 15 U.S.C. 2001 with an EPA estimated miles per gallon average of less than twenty-two miles per gallon. The requirements of this section may be waived by the Administrator of the General Services Administration for special purpose or special mission automobiles.

SEC. 520. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverages for abortions.

SEC. 521. The provisions of section 520 shall not apply where the life of the mother would be endangered if the fetus were carried to term.

TITLE VI—GENERAL PROVISIONS

DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 601. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at $6,600 except station wagons for which the maximum shall be $7,600: *Provided*, That these limits may be exceeded by not to exceed $2,700 for police-type vehicles, and by not to exceed $4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section shall not apply to electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976.

SEC. 602. Appropriations of the executive departments and independent establishments for the current fiscal year available for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922-5924.

SEC. 603. Unless otherwise specified during the current fiscal year no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, South Vietnam, or the Baltic countries lawfully admitted to the United States for permanent residence, or (5) South Vietnamese, Cambodian and Laotian refugees paroled in the United States after January 1, 1975: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined no more than $4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal-clause shall be in addition to, and not in substitution for any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

SEC. 604. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements, performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

SEC. 605. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 606. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 607. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of

such credits), only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided*, That such credits received as exchanged allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.

SEC. 608. No part of any appropriation contained in this or any other Act, shall be available for interagency financing of boards, commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

SEC. 609. Funds made available by this or any other Act to (1) the General Services Administration, including the fund created by the Public Buildings Amendments of 1972 (86 Stat. 216), and (2) the "Postal Service Fund" (39 U.S.C. 2003), shall be available for employment of guards for all buildings and areas owned or occupied by the United States or the Postal Service and under the charge and control of the General Services Administration or the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318), but shall not be restricted to certain Federal property as otherwise required by the proviso contained in said section and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948 (62 Stat. 281; 40 U.S.C. 318c).

SEC. 610. None of the funds available under this or any other Act shall be available for administrative expenses in connection with the designation for construction, arranging for financing, or execution of contracts or agreements for financing or construction of any additional purchase contract projects pursuant to section 5 of the Public Building Amendments of 1972 (Public Law 92-313) during the period beginning October 1, 1976, and ending September 30, 1986.

SEC. 611. None of the funds made available pursuant to the provisions of this Act shall be used 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. 612. No part of any appropriation contained in, or funds made available by this or any other Act, shall be available for any agency to pay to the Administrator of the General Services Administration a higher rate per square foot for rental of space and services (established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended) than the rate per square foot established for the space and services by the General Services Administration for the current fiscal year and for which appropriations were granted.

SEC. 613. (a)(1) Notwithstanding any other provision of law, no part of any of the funds appropriated for the fiscal years ending September 30, 1986, or September 30, 1987, by this Act or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code, or any employee covered by section 5348 of that title, on or after the applicable date the limitation imposed by section 616(a)(2) of H.R. 5798, incorporated by reference in section 101(j) of Public Law 98-473, ceases to apply, at a rate that differs from the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 616(a)(2), except as provided under paragraph (2) of this subsection.

(2) The Office of Personnel Management shall provide for any necessary adjustments of wage schedules and rates for the period covered by paragraph (1) of this subsection for employees subject to paragraph (1) so as to ensure that—

(A) such wage schedules and rates are adjusted upwards or downwards, as the case may be, by an average percentage amount consistent with any adjustment taking effect for the General Schedule under section 5305 of title 5, United States Code, or other provision of law during such period; and

(B) any such adjustment takes effect in each affected wage area at a time that bears the same relationship to the normal effective date of wage adjustments in that wage area that the effective date of the General Schedule adjustment bears to the effective date specified in section 5305(a)(2) of title 5, United States Code.

(b) Notwithstanding the provisions of section 9(b) of Public Law 92-392 or section 704(b) of Public Law 95-454, the provisions of subsection (a) of this section shall apply (in such manner as the Office of Personnel Management shall prescribe) to any prevailing rate employee to whom such section 9(b) applies, except that the provisions of subsection (a) may not apply to any increase in a wage schedule or rate that is required by the terms of a contract entered into before the date of enactment of this Act.

(c) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, may be paid during the periods for which subsection (a) of this section is in effect at rates that exceed the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(d) For the purpose of this section, the rates payable to employees who are covered by this section and who are paid from a schedule that was not in existence on September 30, 1985, shall be determined under regulations prescribed by the President.

(e) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section shall not be changed from the rates in effect on September 30, 1985, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(f) The provisions of this section shall apply with respect to pay for services performed by any affected employee on or after October 1, 1985.

(g) For the purpose of administering any provision of law, rule, or regulation that provides premium pay, retirement, life insurance, or any other employee benefit, that requires any deduction or contribution, or that imposes any requirement or limitation, on the basis of a rate of salary or basic pay, the rate of basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

SEC. 614. None of the funds made available in this Act may be used to plan, implement, or administer (1) any reduction in the number of regions, districts or entry processing locations of the United States Customs Service; or (2) any consolidation or centralization of duty assessment or appraisement functions of any offices of the United States Customs Service.

SEC. 615. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of $5,000 to renovate, remodel, furnish, or redecorate the office of such department head, agency head, officer, or employee, or to purchase furniture or make improvements for any such office, unless such renovation, remodeling, furnishing, or redecoration is expressly approved by the Committees on Appropriations of the House and Senate.

SEC. 616. Funds provided under this Act to the Executive Office of the President, or funds provided under this or any other Act to be allocated to and subsequently allocated for that purpose, may be used for the compilation, preparation, reproduction, and/or distribution of the "White House News Summary", or any similar successor document, if the distribution of such document is made in a manner which does not discriminate against any member of any Federal Government branch, department, agency, commission, board, or other entity on the basis of political party affiliation.

This Act may be cited as the "Treasury, Postal Service and General Government Appropriations Act, 1986".

Mr. ROYBAL (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there points of order against either title V or title VI?

Are there amendments to title V or title VI?

AMENDMENT OFFERED BY MR. FRENZEL

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

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: Page 54, after line 17, insert the following new section:

"SEC. . Notwithstanding any other provision of this Act, each amount appropriated by this Act not required to be appropriated by previously enacted law is hereby reduced by 2.65 percent.".

Mr. ROYBAL. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. MURTHA) having assumed the chair, Mr. BEILENSON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3036), making

appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1986, and for other purposes, had come to no resolution thereon.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the house for 1 minute.)

Mr. MICHEL. Mr. Speaker, I ask to proceed for 1 minute for the purpose of inquiring of the distinguished majority whip the program next week.

Mr. FOLEY. Mr. Speaker, will the distinguished Republican leader yield to me?

Mr. MICHEL. I am happy to yield to the gentleman from Washington.

Mr. FOLEY. Mr. Speaker, we have completed the business for this week. When we adjourn today, we will adjourn to meet on Monday, July 29 at noon to consider 12 bills under suspension of the rules.

Those bills are:

H.R. 2908, technical amendments to the Indian Education Act;

H.R. 1131, modify civil service retirement deposits for military service;

S. 1195, missing children;

H.R. 2466, miscellaneous Coast Guard amendments;

H.R. 1027, Endangered Species Act;

H.R. 1202, Sikes Act authorization for fiscal years 1986, 1987, and 1988;

H.R. 1789, authorization for parts of the National Wildlife Refuge System;

H.R. 1406, authorization for nongame fish and wildlife conservation;

H.R. 1028, interjurisdictional fishery resources;

H.R. 1544, authorization for National Aquaculture Act;

H.R. 148, Michigan Wilderness Heritage Act; and

H.R. 1092, amend Alaskan Native Claims Settlement Act.

On Tuesday, July 30, the House will meet at noon for a special Private Calendar and will take recorded votes.

Mr. MICHEL. At that point, could I ask the gentleman to yield back because it is my understanding of my designees on the Private Calendar that they have not given their assent here to this special Private Calendar on Tuesday.

□ 1440

Mr. FOLEY. I should say it is subject to unanimous consent being obtained.

Mr. MICHEL. I thank the gentleman.

Mr. FOLEY. Mr. Speaker, the House will take any recorded votes on suspensions that are ordered for recorded votes, having been debated on Monday, July 29. It will also consider H.R. 3036, the Treasury-Postal Department appropriations for fiscal year 1986, to complete consideration; H.R. 3067, District of Columbia Appropriations Act for fiscal year 1986, and H.R. 1409, the military construction authorizations for fiscal year 1986, an open rule, 2 hours of debate.

It would be our hope to meet at 11 a.m. on Wednesday and at 10 a.m. the balance of the week . I will be making a unanimous consent request with respect to Wednesday.

Also to consider H.R. 3011, the Interior Appropriations Act for fiscal year 1986 subject to a rule being granted, H.R. 3008, Federal Pay Equity and Retirement Act subject to a rule being granted, and H.R. 2121, coastal zone management, open rule 1 hour of debate, the rule has already been adopted.

Finally, H.R. 10, the National Development Investment Act, an open rule, 1 hour of debate, the rule has already been adopted.

Mr. Speaker, Members should expect further action, the possibility at least of further action on supplemental appropriations conference report, the budget conference report, the conference report on Defense Department authorizations and the conference report on foreign assistance authorizations.

At the close of the week's business, the House will adjourn until 12 moon on Wednesday, September 4 for the traditional summer work period.

As usual, other conference reports may be brought up at any time including the ones mentioned and further program may be announced later.

It is our hope, Mr. Speaker, that the House can conclude its schedule by Thursday evening so that the House would begin the district work period at the conclusion of business on Thursday evening. That is, however, subject to the program being concluded. Members should be advised it is possible that the House will work late on both Wednesday and Thursday, if necessary, in order to accomplish this schedule.

Mr. MICHEL. The gentleman anticipated the two questions that I was about to put.

I would expect from that kind of schedule, that is the program for next week, that Members would be well advised then to work late on those evenings that the gentleman made mention of.

While that is the target date to hopefully conclude by Thursday evening, there is the escape mechanism to go on to Friday, but I gather from what the gentleman says it is certainly not the intention at this juncture to drag on into Friday; is that correct?

Mr. FOLEY. It is the present intention and hope, Mr. Speaker, to conclude Thursday evening so a Friday session would not be necessary. I cannot guarantee to the gentleman that we will not have a Friday session, but it is our hope and our plan to conclude the business of the House Thursday evening.

Mr. MICHEL. I understand.

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

Mr. MICHEL. I would be happy to yield.

Mr. LOTT. I thank the gentleman from Illinois for yielding.

Mr. Speaker, since it is a privileged resolution I know it is not necessary to put it on the schedule for next week, but I notice that the resolution [H. Res. 230], the RECORD reform rule is not on the program, but we would want the Members to be aware that this reform in the way the CONGRESSIONAL RECORD is going to be a more accurate reflection of what is said on the floor, that that probably will be brought up next week; is that correct?

Mr. FOLEY. If the gentleman from Illinois will yield to me.

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

Mr. FOLEY. I thank the gentleman.

Yes, as the gentleman from Mississippi indicated, the resolution in question, House Resolution 230 is a privileged resolution. It is not listed on the schedule but we do intend to bring it to the floor next week at an appropriate time.

As a cosponsor of the resolution and its principal progenitor, the gentleman from Mississippi will certainly be consulted on that matter.

Mr. LOTT. I thank the gentleman for yielding.

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

ADJOURNMENT TO MONDAY, JULY 29, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12 noon on Monday next.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that business under the Calendar Wednesday rule be dispensed with on Wednesday next.

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

There was no objection.

HOUR OF MEETING ON WEDNESDAY NEXT

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the

House adjourns on Tuesday next, it adjourn to meet at 11 a.m. on Wednesday next.

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

There was no objection.

AUTHORIZING SPECIAL PRIVATE CALENDAR DAY ON TUESDAY, JULY 30, 1985

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that there be a special Private Calendar day on Tuesday next, July 30, 1985.

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

There was no objection.

PERSONAL EXPLANATION

Mr. NIELSON of Utah. Mr. Speaker, I was unavoidably detained and missed rollcall vote No. 263.

Mr. Speaker, had I been present I would have voted "no."

THEFT OF THE AMERICAN FLAG

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

Mr. HOYER. Mr. Speaker, today I have introduced legislation which makes it a Federal offense to steal the flag of the United States of America. As we all know, it is a Federal offense to desecrate our flag.

Currently, the theft of an American flag is treated under State laws pertaining to thefts generally. This bill would establish this theft as a misdemeanor under Federal law. Persons found guilty of the offense would be subject to a fine not more than $1,000 and imprisonment for not more than 1 year or both. The penalty is the same penalty under the Federal desecration statute. The Federal district court will have jurisdiction over cases brought under this statute.

Mr. Speaker, I hope that my colleagues will join in supporting and cosponsoring this small but important piece of legislation.

A DEFICIT OUT OF CONTROL IS LIKE A TRAIN HEADING FULL STEAM OVER A CLIFF

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

Mr. KOLBE. Mr. Speaker, I cannot help but look on with dismay as the budget process collapses into a mire of partisan spending feuds. It would seem as though we have abandoned the single most important goal for which we were sent to Congress last November. The deficit is out of control. This continued irresponsible spending is swiftly and tirelessly rotting the fabric of the American economy.

Yet we have gone beyond losing our self-control. Congress even seems to be willing to abuse its legislative powers and flaunt the very laws under which it operates in order to break all previous records for budget deficits. A day rarely goes by when we do not pass a rule waiving points of order against the illegal appropriation of funds in the absence of a budget. If the laws of this land cannot restrain our spending, I ask you: What sort of coercion will ever produce a balanced budget?

On Tuesday, the House passed the Water Quality Renewal Act, which contained an appropriation 77 percent above last year's levels in defiance of our commitment to reduce the deficit. The bill also contained $2 million needed for sewage treatment in Naco, AZ, a town in my district. I am committed to helping my constituents in Arizona, but their primary concern is for a balanced budget, and so I voted against the act. I could not justify impaling our efforts to balance the budget in order to win this funding for my district.

We're all on a train heading full steam over a cliff. And I'm ashamed of the passengers on the train who are unwilling to cast aside a little of their personal baggage, their pet projects, in order to stop the train and reverse its perilous course. Will we be able to tell our children that we have done everything in our power to protect their future if none of us is willing to make a sacrifice to build our economy on solid ground?

STATE OF EMERGENCY IMPOSED BY GOVERNMENT OF SOUTH AFRICA—THE LEADER OF THE FREE WORLD DOES NOTHING

(Mr. FORD of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FORD of Tennessee. Mr. Speaker, I am extremely distressed by the current state of affairs in South Africa. The imposition of a state of emergency by the South African Government provides the police with unlimited authority to do what they please with any person or organization who dares to speak out against the repugnant practice of apartheid. Whatever remnants of free speech remaining in South Africa has now disappeared. When will the Reagan Administration finally dissassociate itself from this repressive regime? Why must the leader of the free world do nothing when there are others, namely the French, who are willing to denounce apartheid, and back their words by freezing new investment in that nation.

This latest action by the Botha government will only lead to new heights of violence in South Africa. Over 400 lives have already been lost this year, 400 black lives who were guilty of not being born white. The Botha government says they would like to engage the black leaders of that nation in dialog, however, they place all the black leaders in prison without formal charges.

As evidenced by these latest actions, those in power in South Africa have absolutely no intention of dismantling the system of apartheid. Unfortunately, that decision is going to cost thousands of lives, both black and white.

The current state of affairs in South Africa are a direct result of the administration's policy of constructive engagement. As long as the administration advocates such a policy, the Botha government does not feel compelled to change. Recently, at a conference on Africa at the United Nations, Dr. Nthato Motlana, chairman of the Soweto Civic Association, conveyed a message that black South Africans felt that the United States has taken sides on this matter. South Africans believe we are powerful enough to do something about apartheid, and cannot understand why nothing is done.

Mr. Speaker, it is sad when the United States is no longer looked upon as the primary defender of world rights and liberty. It is unconscionable that the administration might reject congressionally passed sanctions against apartheid. Worse yet, the inability of the administration to speak out against the Botha government leads many organizations in South Africa to resort to violence to bring about change.

Mr. Speaker, Dr. Motlana was correct, the United States does have the power to help bring about change. I appeal to the administration; how many more must die in South Africa before they make it known to the Botha government in the strongest terms that apartheid is not longer acceptable? I ask that an editorial from the Memphis Commercial Appeal of July 25, echoing these sentiments, be included in the RECORD.

THE COMING FIGHT

For decades the white minority government in South Africa has been attempting the impossible; to maintain in the same country a democracy for whites and a police state for the black majority.

From the offical start of apartheid almost 40 years ago, thoughtful South Africans told the ruling Afrikaners their "separate but unequal" policy would fail, that the poison of racism and repression would infect whites' civil rights.

That prediction came true over the weekend, when President P.W. Botha declared a state of emergency in 36 cities and towns and gave the police vast new powers to quell opposition to white supremacy.

The police, who already have a well-deserved reputation for brutality, are empowered to impose curfews, ban travel, arrest persons without warrants and detain them indefinitely, not publish the names of detainees, keep journalists out of emergency zones and censor the press.

In addition, the police have full immunity from civil and criminal liability for actions taken under the emergency. Given their record, that is a license to maim and kill.

Botha hopes that his version of martial law will end the violence that has convulsed black townships, claiming some 500 lives in the past 10 months. He probably is wrong, since South Africa seems to have fallen into a prerevolutionary stage.

For too long the Afrikaners have tried to decapitate black nationalism by jailing or exiling responsible leaders or by allowing them to die "by accident" in police custody. Now, under the emergency, hundreds of clergymen, unionists, opposition politicians and anti-apartheid activists, including whites, are being arrested.

But this leaves the regime with nobody to talk to. Police and soldiers control the black townships by day. At night radicalized youths form mobs to murder black councilmen and policemen as collaborators with white rule.

The young blacks have flexed their economic muscles too, enforcing a two-month boycott of white-owned stores that has devastated business in Port Elizabeth. If they continiue their tactics, much of South Africa may become untenable, politically and economically.

Botha and associates have ignored too many warnings, offered no meaningful reforms, while black moderation turned to extremism. Thus, barring a miracle of biracial accommodation, South Africa's future, the fate of 4.5 million whites and 20 million blacks, will be decided by violence.

□ 1450

FISCAL YEAR 1985 FOREIGN AID BILL AND POPULATION ASSISTANCE

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

Mr. SMITH of New Jersey. Mr. Speaker, late last night the House-Senate conference dropped all language in the foreign aid bill to relevant to population aid.

The conference addressed two main issues: First, whether or not the Congress should preserve or reverse the administration's policy announced at Mexico City last year to deny funding to nongovernment organizations that perform or promote abortion and second, the conference dealt with House and Senate passed language dealing with coerced abortion and infanticide in the People's Republic of China.

The conferees were in deadlock. The Senate felt obliged to stick with their provisions reversing the so-called Mexico City policy and tough anticoercion language; the House stood firm, in defending what was essentially my two amendments.

I would say parenthetically that I applaud Chairman FASCELL's leadership and integrity in defending the House position.

Having been permitted to debate the issue at the conference, I concurred with Chairman FASCELL on dropping all language in the bill. By doing this, we achieved two significant objectives.

First, we effectively preserved the administration policy of denying funding to nongovernment organizations that perform or promote abortion, that is, the International Planned Parenthood Federation of London.

Second, we eliminated the earmark for the United Nation's Fund for Population Activities [UNFPA] which thus affords the administration the ability to determine what level of funding, if any UNFPA will receive in light of its comanagement of the coercion in the People's Republic of China.

Mr. Speaker, let me just say that it would be a gross misreading of the convictions of the conferees—and the Congress—for the government of the People's Republic of China to assume any diminution of our outrage over coerced abortion, sterilization, and infanticide in the People's Republic of China.

This House, I would remind them voted 289 to 130 to condemn these atrocities as "crimes against humanity." We therefore are solidly on record in recognizing and condemning these repugnant practices.

Absent sweeping reforms in the PRC, the authorities in Beijing should be on notice that the Congress has really just begun to address this issue and will persist with diligence in focusing on these human rights abuses. We will take whatever action necessary to end these heinous crimes.

LEGISLATION TO REVITALIZE THE AMERICAN INDUSTRIAL STEEL EFFORT

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

Mr. KOLTER. Mr. Speaker, today, I rise to introduce legislation that seeks to revitalize the American industrial steel effort.

Throughout the world, nations subsidize research and development, while the United States, does nothing.

In the United States, many of our industries have neither the resources, nor the will to implement modernization in their plants. The legislation I am introducing today, will strive to overcome the imbalance that currently exists, while accelerating the pace, and utilization of technology in American steelmaking.

LTV recently announced the closing of the J&L Aliquippa works, in a national advertising campaign, by saying, "One of the most disheartening tasks for a company is to announce the idling of a plant. It's not a question of bricks and mortar—we are talking about people's lives." I could not agree more. Many proud and harworking people have devoted their lives to the producing of steel, but faced with policies and decisions beyond their control, they have been forced out of their jobs and must now live on handouts.

Mr. Speaker, I humbly ask that each of my colleagues review this essential piece of legislation that will enable America to once again stand firm in its commitment to our basic industries, and the millions of lives that flourish when they produce.

THE HUMANITARIAN GESTURE MADE BY ST. MARK'S HOSPITAL OF SALT LAKE CITY

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

Mr. MONSON. Mr. Speaker, St. Mark's Hospital, which is located in the district I represent, recently donated services and aid to two young Afghans who had been wounded seriously as a result of the war against Soviet oppression of their homeland. I feel that this humanitarian gesture should receive the appropriate applause it deserves. An editorial from the Salt Lake Tribune describes this generous gesture and I include it at this point in the RECORD so that all might see what is being done by these good-hearted Americans.

[From the Salt Lake Tribune, May 22, 1985]

ST. MARK'S AID TO AFGHANS IS GENEROUS GESTURE

The local donation of medical aid and other services to two young Afghans stands out both as a generous humanitarian gesture and a tangible show of support for a cause close to the hearts of most Americans.

The board and staff of St. Mark's Hospital deserve whatever positive publicity and local assistance their contributions generate.

At the suggestion of Dr. John Ream, who spent some time as a volunteer medical teacher in Afghanistan a decade ago, St. Mark's Hospital responded to a plea from the Washington-based Committee for a Free Afghanistan to help heal refugees injured by communist soldiers and inadequately served by medical teams in Pakistan.

The Utah hospital became one of the first private American hospitals to participate in the project last week, when it admitted Hazarat Kahn, an 8 year old whose legs were crushed when Soviets bombed his village 15 months ago, and Saidullah Shedmir Kahn, a 19-year-old freedom fighter still suffering from a 2-year-old leg wound.

St. Mark's strategy has been to build the refugees' strength for orthopedic surgery and to house them locally during convalescence.

This is at least one kind of assistance American citizens can provide in a tragic,

complex situation the U.S. government has been unable to control.

If Committee for a Free Afghanistan estimates are correct, 1.5 million Afghans—10 percent of the population—have died since the Soviet invasion five years ago. More than 3 million Afghans have fled to Pakistan, and French, Pakistani and American physicians have been unable to keep up with casualties since the Soviets killed most Afghan doctors.

Because direct intervention in a political struggle so close to the Soviet Union could touch off an even more devastating, international crisis, the United States must approach Afghanistan with extreme caution. Diplomatic, medical and monetary military aid seem the safest official measures at the moment. But they won't soon stop the carnage.

Therefore, individuals who value human life and freedom must step in as Good Samaritans to ease the suffering of Afghans cut down in the battle for self determination. St. Mark's Hospital and several Utah physicians have risen to the occasion. May their spirit spread.

THE FEDERAL OCCUPATIONAL DISEASE COMPENSATION ACT

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

Mr. WILLIAMS. Mr. Speaker, this year, at least 23,000 Americans will die from cancer, a disease which they contracted because of their jobs; 1,600,000 workers exposed to asbestos, with an increased risk of lung cancer 5 times greater than normal; 1,500,000 workers exposed to arsenic, with an increased risk of lung cancer 2 to 5 times greater than normal.

All told, 11 million American workers are exposed to known or suspected cancer-causing substances or processes. Millions of American workers are regularly exposed to toxic chemicals, fumes, and dust, a part of their jobs.

Two hundred and fifty Americans die each day because of some form of occupational disease. Working America is suffering and dying with little or no financial assistance except what they can provide for themselves or might be available from public welfare.

This daily national tragedy must be resolved. Today I am introducing the Federal Occupational Disease Act. I am placing a section-by-section analysis of the bill in today's RECORD, and I encourage my colleagues to join me in supporting this long-needed legislation.

THE BOBO BILL

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

Mr. SCHEUER. Mr. Speaker, last night the House Energy and Commerce Committee, on which I'm proud to serve, reported out a Superfund bill—a 5-year bill—by a vote of 31 to 10.

When this bill was passed 5 years ago, it was known as the CERCLA bill—the Comprehensive Environmental Response, Compensation and Liability Act.

But I believe the bill we passed last night should be called the BOBO bill—the "Big Oil Bail Out Bill"—because it is as full of holes as the thousands of leaking gas tanks across the country that it fails to regulate. Those tanks are polluting our drinking water and our ground water from Maine to California.

This bill leaves too much discretion to the EPA—discretion EPA doesn't deserve and its history doesn't merit.

This bill fails to assure citizens that they will have the knowledge about toxic substances that are being transported and dumped into their neighborhoods.

This bill denies citizens the right to sue if they think they are not being dealt with justly and fairly.

This bill fails to establish adequate standards and fails to establish adequate timetables.

The bill does establish the greatest sweetheart deal in the history of this Government.

This Superfund bill—the BOBO bill—places a $3 million cap on liability resulting from an underground gasoline leak. It is absurd.

We know, and EPA knows, that gasoline from leaking tanks is one of the leading causes of ground water contamination. My science and technology has looked at the ground water pollution issue and we have concluded that once ground water is contaminated, it is often tainted for decades and even centuries.

Estimates for liability resulting from an underground gasoline leak range as high as $25 million or more. A recent survey in Massachusetts revealed that 70 percent of the underground gasoline storage tanks in the State are more than 20 years old and, almost without exception, these tanks are made of iron.

It is reasonable to assume that the vast majority of these tanks are operating well beyond the age when leaks can occur.

New York State estimates that about 50 percent of the tanks in the State that have been underground for 15 years or more are leaking.

Recent spills illustrate the absurdity of placing a $3 million liability cap on an underground gasoline leak. In Northglenn, CO, in 1980, Chevron spent about $10 million to $12 million in resolving the liability for cleanup problems resulting from a 30,000-gallon gasoline leak. In 1978, Exxon spent between $5 million and $10 million as a result of a leak in East Meadow, NY.

The Superfund bill as passed by the committee does not represent the will of the American public. All Americans—Republican and Democrat, rich or poor—want to safeguard our health and environment.

I intend to work with my colleagues to strengthen this bill and include the types of policies that are needed to cope with the hazardous waste problem.

REFORM THE OUTDATED DAVIS-BACON ACT

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, when the House considers the conference report on S. 1160, the fiscal year 1986 Department of Defense authorization bill, I strongly urge a floor vote on the application of Davis-Bacon reforms to defense contracts.

The House has never had the opportunity to vote on reforms to the Davis-Bacon Act, although I and 109 of my colleagues have expressed our desire to address this issue by cosponsoring H.R. 472, a bill that would significantly reform the outdated Davis-Bacon Act.

It is self-evident the issue of Davis-Bacon reform is germane to a Defense Department authorization.

If the reforms approved by the other Chamber are implemented, Defense contract procedures would be materially affected, and the Department would save $135 million in budget authority in fiscal year 1986 and $415 million through 1988.

With the huge budget deficit looming overhead, now is the time for Congress to act quickly and decisively to curb the kind of wasteful Federal spending the Davis-Bacon Act embodies.

Countless other benefits besides dollar savings can come with reform of the Davis-Bacon Act: increased contracting opportunities for small businesses, creation of new jobs, and better Government efficiency, to name just a few.

It is long past time that the House be allowed to work its will by taking a floor vote on the issue of Davis-Bacon reform.

Let us bring this 1931 statute in tune with the economic realities of the 1980's.

□ 1550

PERSONAL STATEMENT

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

● Mr. PEPPER. Mr. Speaker, as presiding officer at the House ceremonies commemorating the 50th anniversary of Social Security, I was unavoidably absent on rollcall No. 253 on July 24, 1985. Had I been present on the floor of the House, I would have cast my vote in the following manner:

Rollcall No. 253, on House Resolution 233 waiving certain points of order against consideration of H.R. 3038, the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1986. Had I been present, I would have voted "aye." ●

INTERNATIONAL SPACE YEAR

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

● Mr. NELSON of Florida. Mr. Speaker, 10 years ago, we were witnesses to an historic event. The American Apollo spacecraft—manned by our three astronauts, Tom Stafford, Deke Slayton, and Vance Brand, docked with the Soviet Soyuz spacecraft—manned by Soviet cosmonauts, Aleksey Leonov and Valerie Kubasov—140 miles above the Earth. They shared meals, exchanged gifts, and conducted a series of significant experiments.

This marked the high point of the United States-Soviet cooperation in space. There have been a number of joint ventures since that time but none with the high visibility of success of the Apollo-Soyuz Test Project [ASTP]. The aftermath of ASTP was marked by high hopes for future cooperation.

But in 1982 because of deteriorating relations between the two superpowers, the United States-Soviet Space Cooperation Agreement was allowed to expire. Since that time, we have had debate on the merits of cooperation with the Soviets in space.

Now, there seem to be indications that both governments would welcome a reduction in the tensions that have built up between us. It is through the construction of bridges of understanding in areas such as spaceflight that we can build the foundations for larger agreements in areas of profound concern to all nations.

To highlight this, I am introducing today a resolution that would urge the President to designate 1992 as "International Space Year [ISY]." That year has unique significance since it marks the convergence of two anniversaries—the 500th anniversary of the discovery of the New World by Christopher Columbus to be celebrated throughout the Western Hemisphere, and the 35th anniversary of the International Geophysical Year [IGY], during which Sputnik was launched. My resolution invites the President to propose an ISY during his meetings with leaders of nations throughout the world, including the Soviet Union.

My resolution also calls on the President to report to the Congress the outcome of his efforts.

My resolution also invites the Administrator of NASA, in association with the State Department and other relevant public and private agencies to begin discussions on interagency and international basis so that opportunities for an ISY in 1992-95 can be explored in a prudent and responsible manner by the appropriate agencies.

This year is hardly too soon to begin discussions of that nature, Mr. Speaker, planning for the IGY began 7 years in advance of that event. Indeed, In recognition of our new age in discovery of America, Spain is launching an Hispanic communications satellite in 1992.●

MPS, INC. CELEBRATES ITS 20TH ANNIVERSARY

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

● Mr. ANNUNZIO. Mr. Speaker, when I came to Congress some 21 years ago, one of my biggest areas of concern was the financial hardships faced by our men and women in the armed services; particularly those serving overseas.

For the most part it was impossible for many service people to obtain credit at reasonable rates of interest. Overseas service personnel were forced to pay interest rates as high as 60 and 70 percent to obtain credit. And to make matters worse, the lower ranking enlisted personnel were not able to obtain credit overseas regardless of the interest rate.

In July 1965, Military Professional Services, Inc. [MPS], formerly Military Purchase System, Inc., was formed to provide credit to service personnel at reasonable rates of interest. MPS provided service personnel with a line of credit that stayed with them despite their many changes of duty stations. The transient nature of military service was one of the major reasons why other companies would not gamble on military lending.

Not only did MPS provide loans at reasonable rates of interest, but it also made available catalog buying, travel and low-cost insurance services. In 1969, MPS became one of the pioneers in providing full life insurance programs to military personnel on flying status or whose jobs involved other hazardous specialties.

As MPS celebrates its 20th anniversary, more than 100,000 service personnel have taken advantage of the company's services. Through its efforts, many banks, which at one time refused to lend money to servicemen and women, have now learned from the MPS experience that service personnel are good credit risks.

Mr. Speaker, I commend MPS for its role in helping servicemen and women around the world, and I salute the company on its 20th anniversary.●

PERSONAL EXPLANATION

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

Mrs. BENTLEY. Mr. Speaker, during rollcall 261 I was an official delegate of the United States to the International Democrat Union session yesterday. Unfortunately, my radio page was not working, so I missed the rollcall.

I would have voted "yes" had I been here.

NELSON MANDELA MUST BE FREED

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

Mr. CROCKETT. Mr. Speaker, it is all too evident today that unless the South African Government moves to end apartheid the unrest throughout the country will increase—and increase to a point where violence becomes endemic and eventually uncontrollable.

Mr. Speaker, this is an urgent moment for South Africa, and an urgent time for the United States to speak out in an effort to maximize the chances for peaceful change there. Last year, we introduced and the 98th Congress passed and sent to the White House the "Mandela Freedom Resolution," calling on the President to use his good offices to secure the release of Nelson Mandela, the black South African nationalist leader who has been in South African prisons for 22 years. The State Department has now indicated in a letter, dated last Tuesday, that the administration "continues to urge the South African Government through private channels to free Mr. Mandela unconditionally."

But what we need now, Mr. Speaker, is for the President to call not privately but publicly for the unconditional release of Mr. Mandela as the British already have done. For if there is to be any negotiations toward a peaceful settlement, then the Pretoria regime must meet with the one black South African leader who has the support of, and the stature within, the black community. Nelson Mandela must be freed so that meaningful negotiations can start and the current repression and violence can end.

MY ADVICE TO THE PRIVILEGED ORDERS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I rise again in the tradition of Joel Barlow in addressing the privileged orders of this day and time which, as I have explained on prior occasions, includes my colleagues, the Members of this great body known as the Congress. Whether we like it or not, we are a privileged group in our country at this time. We are not as privileged, we are not as powerful as those forces now in our country and out that actually have the great power of decision and, in effect, in the back rooms of plush carpeted offices make those decisions that determine the fate of the proudful thing we call the American standard of living.

Today I not only offer advice to the privileged orders, as I have been doing, but I plead, I beg of these privileged orders, including my colleagues, to pause, consider and try to ponder upon the eternal verities of justice.

The great Athenian Greek law giver, Solon, said that unless justice prevailed in the social order on every level that the resulting malady would inexorably lead to social disorder and distress, and until the injustice was redressed, it would so remain.

Our country today is still considered the most powerful, the richest country. Whether we are or are not, history writes that the real inherent power of a country is the ability of that particular country and society to stay true and faithful to the basic principles, aspirations, hopes, dreams, and the promises that gave birth and rise to that great Nation from humble beginnings to a position of power and leadership.

The reason I am motivated to speak out this afternoon is that our citizens in the United States are unaware of the role they are portrayed as playing through their agents, that is, those of us in the Government, whether in the policymaking branch of the Government, the Congress, set forth in the first article of the Constitution, or the executive branch, because these are the two principal organs of Government that have to do with what I am trying to address today.

I specifically refer to the absolute jungle and bankruptcy, if you please, of this administration's policies with respect to our role in dealing with, in our intercourse with those countries that share destiny and the future in the New World with us, which today and only in the last decade and a half now exceed in number by 85 million the total population of our country. In the past, when we have dealt with respect to these nations—and I speak not only of Latin America; I have equal reference to our neighbor to the north, Canada—we have not really been very adept in maintaining a good relationship and a fundamental reciprocal relationship with respect to matters of most pertinent concern to our societies.

□ 1510

But with respect to those nations that we call generally Latin America, and more specifically today I rise to speak about those closer now to us: Mexico, its next-door neighbor, Guatemala, and then of course, next to Guatemala, that area known as Central America, which is boiling over. And unquestionably, given the inexorable course that the President has charted for 3 years now, a war course, where President Ronald Reagan has been conducting war.

I have introduced resolutions in which I asked my colleagues to bear up to the responsibility on our shoulders by virtue of the 1974 War Powers Limitation Act. There was another occasion in which I introduced a similar resolution, and it had to do with the misbegotten diversion of our marines to Beirut. For 14 months I took this podium, I appealed to my colleagues pointing out that our marines were military men; they are warriors, and that there was no clear mission. In order to deploy military, you have to have a clear purpose; a coherent vision. The President finally, not in answer to a letter I had written him at the very outset of his deployment of the 2,000 troops in the autumn of 1982, because this President is the first of six that I have worked with who does not acknowledge a Member of the Congress' letter. Now, I do not think I am the only one; I have heard other of my colleagues say the same thing.

Nevertheless, in answer to a reporter's question, the President finally said that the main purposes of the marines being sent to Beirut were twofold. First, peacekeeping; second, to shore up the so-called Gemayal regime. Where are we today? We have had to clear out of the Middle East. The last instructions after the hijacking of the TWA airplane was that all American citizens were notified to stay away from Lebanon. This hapless area that has been in the throes of convulsions, internecine, fratricidal wars, religious wars, for 2,000 years. The Romans could not do much, and everybody in between. In fact, the French, who had exercised colonial power for 50 continuous years, gladly, the first chance they had, at the height of World War II, in 1943, turned it over to the United States. Britain, France, colonial powers in that area, gladly divested themselves of that immediately after the war.

As a matter of fact, it was Britain's withdrawal in 1970 that gave rise to the so-called Nixon doctrine. That doctrine essentially was that we would, through client states, one, would be the Saudis; the other would be the Shah of Iran. But what we had done, and the American people, I am sure, never quite perceived what we had done through such agencies as the CIA, is exactly what we have been doing with the same calamitous results, ultimately catastrophic for our children, grandchildren, and great grandchildren, if not changed and immediately and soon. This is why I rise to plead because what is being done in our name is something we do not perceive ourselves as doing. But it is being done.

We talk about terror. We are the terrorists of the Caribbean. We have been called almost daily the Nazis of the Caribbean. We are, because we have attempted to assassinate the leaders in some of these countries. We are still trying it. We have armed, financed, and helped with direct military support in violation of the War Powers Limitation Act some of these oppressive, tyrannical regimes.

Now, in the Middle East and specifically in Iran, around the middle of the fifties, through CIA manipulation, we destabilized the so-called Mossadegh regime. It was the Russians and the British that had installed the Shah, Shah Pahlevi. When the Mossadegh regime, which we labeled as leftist, was destabilized—this is a fancy word used for helping to undermine or doing in—the Shah returned. The Nixon doctrine in 1970 said, "We will arm them; they will take care of our interests." This is what we have been doing in Central and South America for 100 years plus. We have willy-nilly, in Nicaragua alone, we have invaded that hapless country 11 times. In fact, nine times in this century alone.

Astoundingly, in the 1980's, a President of the United States retrogresses, recidivates to the bankrupt policies of Calvin Coolidge, the so-called gunboat diplomacy of 1929, which happily had been erased by President Franklin Roosevelt and his pronunciamento of the good neighbor policy.

Then later, John F. Kennedy, with his Alliance for Progress. But that world is gone. Even the world of John F. Kennedy in Latin America is long gone. And we may, through military interference, and I will recall to my colleagues that they voted and reversed themselves and voted some money, which they try to call "nonlethal" humanitarian. I just want do know what in the world is "nonlethal" military aid?

Humanitarian, I assume, would mean food, medicine and the like. But, just as in the case of the misbegotten and tragic diversion of the marines, what is the policy? What is the mission? We have an Ambassador in Managua, Nicaragua. Now, they just cele-

brated the sixth anniversary of what they call the glorious revolution, I believe with great justification. I admire those revolutionaries. They fought and they struggled against the regime that was imposed by our marines beginning in 1929, and that we upheld and helped year after year, with large largesses. The Somoza regime became one of the most—if not the most oppressive, tyrannical, inhuman, unjust, on the face of the globe. It was American-made. It was American-sustained.

We cannot escape that judgment of history any more than we can escape the judgment of history in the Middle East.

□ 1520

In the case of the marines, who would, in his right mind, think that our great system based on the countervailing three basic powers of Government, first and foremost the representative branch, the policymaking, the executive, and the judicial, for the very same reason that the people who wrote that Constitution were the most fearful of, which today, in our day and in our time and in our generation, are tolerating—not only tolerating but approving, not only directly but indirectly.

Who would think that with these plain, clear lessons of history before us, we would have gone so far now as to have completely eroded whatever vestigial remains, scintilla of moral, suasive power of collective leadership in the New World?

This President has opted, with no discussion, with no chance to proceed in a collective fashion, at no time has President Reagan ever attempted to work through the Organization of American States, of which we were one of the biggest instigators in the beginning.

President Eisenhower in 1957 had no such qualms as were expressed by President Reagan through his Secretary of State then, Alexander Haig, and then his successor Shultz, when they said, "We are not going to join this Contadora group. Who do they think they are?" Secretary Haig, in fact, in talking about the Foreign Minister of Mexico, said, "You are not going to tell us what our policy should be." But what was it the Foreign Minister was doing? He was asking as one spokesman of a group of five nations that wanted, through peaceful methods, to intervene and resolve the situation in Central America peacefully, at least an attempt.

We have done everything within our power to undermine that effort. Eisenhower did not think so. In 1957 we had the same thing. We had the outbreak of this long-time traditional hostility between Honduras and Nicaragua over a boundary. They fought a little bit, and then almost the same member nations that now constitute the so-called Contadora group got together, but the United States joined, and in joining took over the leadership of the group and they ended up in even going all together to the World Court, the international tribunal for justice, and there they had a happy solution which had not been disturbed until we intervened a few years ago in the Nicaraguan revolution.

When I say that I admire the revolution and its leaders, I mean it. Whether some of them mouth the jargon and the so-called semantics of Marxist-Leninism, that does not bother me, and there is not one single political being or entity south of the border that gets bothered.

But that seems to be the issue. The President has made this an East-West confrontation, which it is not. He has said that he will not tolerate Marxist-Leninism in any manner, shape, or form. He wants ideological purity. He does not advocate invading France. France has two Communists in its Cabinet. He just announced, with big headlines, a treaty with Cuba. China prides itself in being a Marxist-Leninist society.

He denounces Russia. He has created a war psychosis against Russia amongst us, but he sits cheek by jowl with the Chinese Communists. The Chinese Communists and their regime certainly do not have a record of wordkeeping of treaties and respecting understandings. Russia does. Russia has never fielded a soldier against us. We invaded Russia in 1918 with France and England. We lost 300 soldiers trying to put down the so-called Bolshevik revolution. Russia did not invade us. We invaded them. We did everything we could to stamp out their revolution, just as we are now in Nicaragua, and we are having the same results. I predict they will be worse than ever, because we cannot isolate this issue to Nicaragua. The whole region will be up in flames.

If we cannot, after 4 years and $3 billion, do much in El Salvador, where just recently we had some of our servicemen killed, murdered, and where I predict the meaning of that act was that since we have introduced the Huey attack helicopter, and we talk about the Afghans and the Russian oppression and we see these pictures of the Russian helicopters hovering over these huddled Afghan peasants, we are doing the same thing right now as I am speaking. We are even using American servicemen to go into the area of hostility, in violation of the War Powers Limitation Act. We have lost 17 in Nicaragua, illicitly being deployed as servicemen.

So we go back to Lebanon. Our idea was that only the Congress should have the power to declare war. We were distrustful of the military, so we made the President a civilian, the Commander in Chief, but nobody ever dreamed that the day would come when the civilian could be a lot more bloodthirsty than any soldier. In fact, the least bloodthirsty of human beings are the venerable warriors who have seen and have fought and have been involved in the horrors of war. It was not a pacifist, it was not a demonstrator that said "Vietnam, the wrong war against the wrong people in the wrong place at the wrong time." It was our great, great five-star General Bradley.

But in the case of the marines in Beirut, you would say, would you not, these are warriors. The President is Commander in Chief. Certainly he is going to have the advice and counsel of those professionals for which we divert so much money. What is the use of having West Point and Annapolis and the Air Force Academy to produce these highly trained professionals if the Commander in Chief then says, not for 1 day, not for 24 hours, but for 14 months, "I do not care what you are recommending. I am going to do as I see fit," which is exactly what President Reagan did in the case of the Marines in Beirut, with the consequences as we best know and well know.

The Joint Chiefs of Staff unanimously were advising against, under those conditions. They know a marine is not a politician. A marine is not a diplomat. A marine is a warrior. If you put him in military garb and equipped for combat in an untenable military situation, as they were in Beirut, you do not have to be a military expert to know that the inevitable consequence will be catastrophic, 241 lives.

Have we reached the point like the Asians where life is expendable, or other countries, even in Europe? The German war machine, even the British war machine. Did the British think much of expending Australian lives in Gallipoli? Absolutely not.

□ 1530

Absolutely not, because once we get lost in that jungle of unclear vision, if the trumpet give an uncertain sound, then who is prepared to do battle? And we have an uncertain trumpet now in Latin America, where we are going to have these countries, one by one, popping up like popcorn in a popper.

What are we going to do? What is our policy? We have not even bothered to differentiate, I say to my colleagues, between a purely indigenous civil war and something imposed by an external force such as we have been trying to say the Salvadoran uprising is, or the Nicaraguan uprising. But even the President and his advisers cannot deny that the Nicaraguan revolution was indigenous, it was native, it was spontaneous, and had come from the midst of the people.

I say to my colleagues and Mr. Reagan that we do have the force. We

can use the Treasury and the blood of our youth, but all we will do will be only to delay the inevitable, because those masses of people downtrodden and oppressed for 300 years are not going to take it anymore. Either we line up with them or we line up with their oppressors, as we are now.

I say, let us review this now before it is too late. The hour is late. It may be too late. I do not think so because, happily, the mass of those people admire America, they like Americans. They do not want to be caught fighting and dying against Americans.

I plead with the privileged orders of this day, those tremendous vested interests and corporate heads and those power panjandrums. Franklin Roosevelt called them "malefactors of great wealth," because indeed they are. Indeed they are. They are the ones who are ruling the roost within this administration.

A powerful figure like J. Peter Grace, who owns the conglomerate that in turn now owns what used to be United Fruit, is the one that is deciding for this administration what is and what is not communism, who is and who is not a Communist down there. I know a little bit about that, and I can tell you this: That is a sorry mistake, because we turn our backs on the aspirations of people in a world that has shrunk. They may be illiterate, but have transistor radios, they have television, they have seen visions, they have dreamed dreams, they have gone and fought and suffered.

In Guatemala alone, it is our arms, our bayonets, made in America for U.S. Army use, if you want to know, that are ripping open the bellies of 6-, 7-month-old children, that have practically exterminated the poorest of the poor in the world, the Indian tribes up in the mountains in Guatemala. We are guilty of aiding and abetting the very thing that we know that, if we had that issue confronting us, we would be told by our constituents, "You had better stop. Don't aid or abet, and you had better not vote one penny to continue that."

I appeal to the privileged orders, now is the time. I rise impelled only by the full knowledge and secure certainty that I am correct, and that the United States is only appealing to its tradition and its heritage—which is what? It is revolutionary. It is freedom-seeking. It is justice-seeking. It is the only answer to communism.

We will never bomb communism out of existence. The only answer to it is justice, social justice, as visualized by one of the first great lawgivers in ancient Athens, Solon, who said as much in a period that, if we could compare it with ours, we would say was no different in basic issues than those we confront today.

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

CARGO PREFERENCE

The SPEAKER pro tempore (Mr. GONZALEZ). Under a previous order of the House, the gentleman from Nebraska [Mr. BEREUTER] is recognized for 60 minutes.

Mr. BEREUTER. Mr. Speaker, on Tuesday evening of this week, in another special order, I spoke on the subject of cargo preference and explained what its impact has been on the Public Law 480 Program, the Food-for-Peace Program, on the U.S. agricultural exports, and on the Federal budget.

To summarize just a few of the points I made earlier this week—and there are three—first, cargo preference is a 1954 law that requires one-half of all U.S. food aid shipments to be transported on U.S.-flag vessels. The theory behind cargo preference is that it helps to promote a strong merchant marine for both U.S. trade and national defense. In reality, however, it has permitted price gouging on the part of U.S. shippers, and during recent years it has taken hundreds of millions of dollars from Public Law 480 programs that were appropriated to feed thousands of starving and malnouished people around the globe.

The second point I made was this: The estimated cost of cargo preference requirements for food aid assistance shipments will run approximately $150 million for 1985 alone. That is just the differential in transportation costs between shipping that 50 percent on American-flag ships and foreign-flag ships. The cost of cargo preference this year, which is that $150 million, would buy an additional 815,000 metric tons of wheat. That is enough to feed almost 5 million Ethiopians with 1 pound of wheat, for example, per day for the entire year.

The third point I made in summary was that shipping rates charged by U.S. maritime haulers run anywhere from 120 percent to 250 percent higher than foreign shipping rates.

Finally, I made the point that the funds to pay for cargo preference requirements come not from the Department of Transportation or the Department of Defense—if they are for national security, why not from the Department of Defense?—but, rather, from funds appropriated for the Public Law 480 Program found in the budget of the U.S. Department of Agriculture.

I would also point out that earlier this week the House passed the agricultural appropriations bill. It contained nearly $1.3 billion for the Public Law 480 programs. While I do not object to that amount, not in the slightest—in fact, I have serious doubts whether it is going to be adequate to cope with the continued famine problems in Africa next year—I do object to the fact that nowhere in the bill, H.R. 3037, nor in the committee's report did it mention that over 10 percent of those funds will be used to subsidize U.S. shipowners. These are Public Law 480 funds that will not be used to provide food to feed thousands of starving and malnourished adults and children in Africa and other places around the globe.

Finally, in this initial summary, I would point out that the extension of cargo preference requirements to the USDA's blended credit program by a U.S. district court in February of this year has already cost the farmers of the United States over $500 million in agricultural exports. These losses come at a time when U.S. agricultural producers are having serious economic problems and when the U.S. agricultural exports—and these are our largest net export item—have declined for the fourth year in a row.

Today I would like to continue my special order to discuss three primary additional issues regarding cargo preference.

They are, in summary form, first, a recent report issued by the General Accounting Office which disclosed some of the excessive and needless expenditures by the U.S. Department of Transportation and the Department of Agriculture in chartering U.S. vessels to comply with cargo preference requirements.

□ 1540

The GAO makes some recommendations for controlling those costs, and I will point these out later in my special order.

Second, today a recent proposed compromise agreement on cargo preference between U.S. maritime interests and certain agriculture groups, which in this Member's opinion amount to blanket extortion by the maritime industry of the U.S. agriculture producers and this Congress which will be explained.

And a third element for my special order today is the impact of the financial contributions made by three major maritime political action committees and by major maritime firms and shipbuilding firms. Their impact upon the Congress I think needs to be examined, and I will provide at least some statistical base for such an examination. They are having an impact on our Public Law 480 Program, the way the taxpayers' funds are spent.

First then, on the matter of the General Accounting Office's report to the Secretaries of Agriculture and Transportation regarding Public Law 480 commodities and the experts that are needed to eliminate unnecessary costs. This report is dated June of 1985.

While the GAO report does not make a judgment on whether cargo preference requirements should be eliminated, the study does point out the lack of controls that are in place

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to select U.S. vessels, and the absence of standards which define fair and reasonable rates charged by U.S. shippers.

During its study, the GAO discovered significant problems in three areas. First, agricultural controls over the bidding and the negotiation process for ocean transportation contracts. Second, agriculture ocean freight differential calculations and approval of vessels were subject to criticism. Third, the Maritime Administration's guidelines for rate calculations was also questioned.

The GAO's recommendations are, in summary, as follows:

First, that the USDA require transportation offers to be opened publicly to eliminate or minimize the problems in the bidding and negotiation process.

Second, that the Secretary of Agriculture establish a clear policy to minimize agricultural transportation, that is, USDA's transportation expenditures consistent with cargo preference requirements.

And third, that the Secretary of Transportation direct the Maritime Administrator to devise and institute a method for assessing whether transportation rates for a type of ship called liners represents cost plus a reasonable profit. Also, vessel owners should be required under that recommendation, it is said, to have their independent accountants semiannually certify that vessel costs and operating data are accurate.

GAO recommends further that the Secretary of Agriculture issue regulations to ascertain whether nonliner U.S.-flag vessels did not carry cargo on a return voyage, and whether or not they were scrapped at the end of a voyage.

The regulations also, it is said, should provide that the guideline rate will be recalculated if a vessel obtains cargo on a return voyage or is scrapped or sold overseas.

I will include within my remarks the very specific comments addressed by GAO to the Secretaries of Agriculture and Transportation, and their responses to those suggestions or recommendations from GAO, and an indication in greater detail of the recommendations of GAO in that report itself.

Now I think it is appropriate to take a look at congressional reactions or inactions on the subject of cargo preference. Following the U.S. district court decision by Judge June Green in February of this year, over a dozen legislative bills were introduced in this House to modify the court's decision on cargo preference requirements. Many of the bills would exempt only commercial agricultural export sales while maintaining cargo preference requirements on the Food-for-Peace Program of the Public Law 480 Program.

A bill that this Member has introduced, H.R. 1760, would exempt not only commercial export, but also food-for-peace shipments from the cargo preference requirements. So far, with only minimal effort, I have 25 cosponsors on that legislation. I would again appeal to Members of this body, if they are concerned about providing more food aid to Africa, then they should cosponsor this bill. If Members are concerned about the state of our agricultural economy, then they should support this or similar legislation.

If Members are concerned about declining agricultural exports, then they should support this or another similar bill. And if Members are concerned about the Federal deficit, then they should support the repeal of cargo preferences.

But progress in Congress on this bill, H.R. 1760, or any bill regarding cargo preference is stalled, not because Members are unconcerned about the delivery of food aid, nor unconcerned about declining agricultural exports, nor unconcerned even about the impact on the budget. Rather, there is an impasse or inaction here in the Congress on this issue in significant part I believe because of massive, well-funded campaign chests of three major maritime political action committees, and political action committees from shipbuilding and commercial shipping firms.

Let me give you just a little bit of statistical data to back up that statement on my part. The three major maritime PAC's, including the Maritime Engineers' beneficial political action fund, the Seafarers political activity donation, and the Master, Mates, and Pilots' political action contribution fund, cumulatively these three PAC's gave $2,433,910 to Presidential, Senate and House candidates in the 1983-84 campaign cycle, according to the Federal Election Commission. Of this amount, according to the FEC, $1,976,290 went to Democratic candidates, 80.9 percent, and $467,620, 10.1 percent to Republican candidates.

In a recent article in the Washington Post of July 8, 1985, it was noted that "when it comes to pure political strength, few can outmuscle the maritime unions."

I would like to read for the RECORD some of the points that the Washington Post makes in this article entitled "Disaster at Sea: Our Sinking Maritime Fortunes." I have selected five elements from this more extensive article, and I do this in a way, hopefully, not to embarrass individual Members of this body or the other body.

One, during the 1983-84 election season, the Seafarers' Political Action Committee poured $1.3 million into congressional campaigns, more than all but five other groups. What makes this remarkable is that the Seafarers have only 80,000 members.

By contrast, among the top five money givers, the top five PAC's or political action committees in the country, the National Association of Realtors has 650,000 members, the American Medical Association has 260,000 members, the National Association of Homebuilders has 135,000 members, the United Auto Workers has 1.4 million members and the National Education Association has 1.7 million members.

Coming back again to the Seafarers' Political Action Committee contribution that poured $1.3 million into congressional races, they have 80,000 members.

The next point made in that Washington Post article, the Marine Engineers' Beneficial Association has just 12,000 members, but it is No. 20 on the PAC list with $735,000 in contributions. That is rather amazing.

But then the Philadelphia Inquirer in an article earlier this year said that some master seamen today have a salary in excess of $170,000 a year. No wonder they can afford to support their political action committees in this fashion.

The next point in the Post editorial, other unions like the Masters, Mates and Pilots International to the International Longshoreman's Association also have considerable influence, and major shipping firms and shipbuilders. We are not talking strictly about union members, we are talking about the firms and the builders as well. They also have very large and very attractive political action committees here that impact the political scene. I believe that all Americans, but especially those from agricultural areas, and those concerned with emergency food programs for starving, malnourished humans around the globe, should ask whether these large contributions have served to protect the maritime industry from legitimate reforms that are badly overdue.

□ 1550

I believe that is the case. Citizens should ask why large contributions are routinely sent to Members of Congress from land-locked States in the Great Plains, my own area of the country, or the Rocky Mountain area. Why is that the case?

The third of the three points that I would like to make today in my special order relates to a compromise between agricultural commodity groups and maritime interests which is now in the works, perhaps concluded.

An infamous compromise has supposedly been worked out between some of the agricultural commodity groups, some of them, and the maritime interests. I would ask people who are members of one of the commodity groups to take a look at where their commodity groups stand on this today.

What has the National Wheat Growers Organization done? What have the corn growers done?

This agreement, concluded apparently at this point, has three elements. It exempts commercial export sales from cargo preference. Good. They should not have been under it anyway, and they were not until Judge Green's order last February. But No. 2, the second point in that compromise, it actually increases the minimum amount of Public Law 480 shipments from the current 50 to 75 percent of all cargo, and that extra 25 percent is to be paid for by the U.S. Department of Transportation—translate that, the American taxpayer. The third point of this compromise, in addition, if the funds are not appropriated to the U.S. Department of Agriculture, for whatever reason, by the Congress, then the cost of the additional shipments should come out of the budget of the Commodity Credit Corporation, an element of the U.S. Department of Agriculture. And the maritime lobby would be free once again to pursue and attach cargo preference to the blended credit program or the even larger program, something which approaches $700 million a year in sales, the GSM 102 sales program.

Now what is wrong with that compromise agreement? Well, first it extorts an implicit agreement that agriculture interests must continue to lobby in Congress each year to obtain funds for cargo preference and for maritime interests. The burden falls upon the agriculture interests to find the additional funds.

And second what is wrong with it, if agriculture fails to obtain the money or if there is an across-the-board cut in all budget items, as we do here in the Congress quite often, then commercial agriculture export sales may still be threatened by cargo preference. Agriculture exports have declined the last 4 years and they would plummet even further if cargo preference would apply.

The third difficulty. The cargo preference agreement would increase the amount of money that is already being diverted from the Public Law 480 program to pay the ocean freight differential for U.S.-flag ships. The cost for ocean freight differential for 1985 will approximate $155 million. That represents about 10 percent of the total amount we are spending on our Food-for-Peace Program, including the African emergency aid. And that would, as I told you once before, but for emphasis once again, feed 5 million Ethiopians for a full year.

There is nothing, finally, in this agreement, or anywhere else for that matter, that defines what a fair and reasonable shipping rate really is. Right now the maritime industry has the best of both worlds in terms of cargo preference. The Maritime Administration reviews the rates and approves them and then sends the bill to the U.S. Department of Agriculture and the American taxpayer. There is no incentive on the part of either the maritime industry or the Maritime Administration to be either responsible or competitive.

Now what can Congress do about this situation? I am going to make four suggestions. We can pass legislation which would exempt all commercial agriculture export programs from cargo preference requirements. Agriculture exports are literally the life's blood for farmers because we now export about two-thirds of our wheat, over one-half of our soybeans and nearly one-third of our corn and feed grain. And I am just talking about the things grown in the Grain Belt. Of course, we have tremendous agriculture exports in specialized crops as well.

With agriculture in the fourth year of decline and farm income at near record lows, now is not the time to shackle our agriculture exports with additional cargo preference requirements.

Second point, what can Congress do? We can pass legislation which would exempt Public Law 480 shipments from cargo preference requirements. The first one, take out the commercial sales; this one, take cargo preference off of the Public Law 480 Program. The famine situation in Africa makes it absolutely unconscionable that we continue to take the food from the mouths of hungry starving people to pay the exorbitant shipping rates charged by U.S. shippers.

The third thing we can do short of accomplishing No. 2, that is short of taking it off of the Food-for-Peace Program, standards must be implemented which would increase the bidding competition among U.S. shippers and define more clearly what would be considered to be fair and reasonable rates.

And the fourth thing we can do is we can move the funding for cargo preference requirements out of the budget of the U.S. Department of Agriculture and put it in the U.S. Department of Transportation. Currently the cost of cargo preference is hidden in the USDA budget and most Americans are unaware of the true cost of this differential brought about because of cargo preference requirements.

The battle against cargo preference requirements before us is not just one for votes. It must be viewed, in my judgment, as a battle for the conscience of the American people and the Congress of the United States. Before any victory is possible, the American people must be made aware of the absolutely outrageous nature of cargo preference requirement that has brought us price gouging. The influence of the maritime lobby in Washington is strong and well financed. But an equal pressure can be brought to bear on Congress by those who are concerned about hunger relief in Africa, by those who are concerned about maintaining our overseas commercial markets for agriculture exports and by those who are concerned about holding down the cost to the American taxpayer, the Federal Government, and by holding down the deficit.

In conclusion, there has never been a better or a more appropriate time for eliminating cargo preference requirements for all agricultural exports. I will cite again only three reasons before I end with comments from a recent editorial.

Famine relief is the first. Congress could overnight double the amount of money that was raised through the Live Aid Concert on July 13 simply by eliminating cargo preference requirements on the Food for Peace Program, Public Law 480. The Live Aid Concert raised approximately $75 million, and we are impressed and we are pleased with that effort. But cargo preference this year costs $155 million, twice as much-plus.

Second, farm crisis. With the economic situation facing agriculture, now is the worst time possible to cripple our Commercial Export Promotion Program by subjecting them to cargo preference requirements. U.S. agriculture is heavily dependent on agriculture export sales. If cargo preference is applied to these programs, U.S. Agriculture exports, $35 billion this year estimated, will continue to decline and everyone in those areas, in those agribusiness and agricultural States and then the Nation as a whole will be hurt. Twenty percent of the population of the United States is dependent upon, directly dependent upon, those 2.5 percent that are in-the-field, on-the-range farmers who produce the crops we export.

Third, the budgetary concerns. What better way to trim $155 million from the budget than eliminating cargo preference? Every other item in the budget will likely be frozen at last year's level or cut even further. The budget for the Department of Agriculture is being cut, so why should we ask our farmers to continue to make sacrifices when their markets and incomes are already depressed and, at the same time, increase funding for the maritime industry when seamen are earning up to $170,000 in salaries per year?

□ 1600

To close, I would like to cite portions of an editorial entitled, "The Sinking Maritime Lobby" which appeared in the Washington Post on July 20, 1985. I quote:

Sometimes bad news is good news. Certainly that's true when the bad news is that

the patchwork quilt of maritime subsidies, loan guarantees and cargo preferences is in tatters. That's one of the conclusions of a series by Post reporter Howard Kurtz and Michael Isikoff. But unfortunately the news is not completely bad. There's still a lot of work to be done before the whole rotten structure of maritime regulation is dismantled. And some of the costs will, even then, continue to come due.

The Reagan administration deserves much of the credit for the bright side of the story. In 1981 the administration jettisoned the old ship construction subsidies. This has put a lot of shipyards out of business, at some human cost. But the economic cost of maintaining these facilities was exorbitant.

Ship operators, breaking the longtime solidarity of maritime interests, supported this move because the administration allowed some of them to receive operating subsidies for ships built abroad. Now the administration wants to make this arrangement permanent. That's a bad idea. It would be better to pare down the subsidies, which cost $380 million last year for a U.S. flag fleet of only 400 ships. Other bad ideas: cargo preference, which reserves half of government cargo (food relief, for instance) for U.S. flag ships. . . .

The justification for all this has always been strategic: the United States needs a bigger civilian merchant fleet in case of war. That argument collapses under scrutiny. The Reagan administration has been increasing the Navy's supply of cargo ships, and any U.S. government in time of war would have access to the hundreds of ships owned by U.S. companies and registered under Liberian and Panamanian flags of convenience.

So the argument for maritime subsidies boils down to this: taxpayers and consumers should pay billions of dollars to continue the special and often lavish benefits enjoyed by a dwindling number of merchant seamen, shipyard workers and sharp operators who have figured out how to work the maritime laws. Who in Congress will come forward to take on this fight and earn the credit for completing the job the Reagan administration has begun of unraveling the maritime system?

The Washington Post asks a very appropriate question: How many in Congress are willing to courageously swim against the tide of dollars splashing on this Congress? How many of my colleagues are finally ready to stop the outrageous price gouging and the great expense to the taxpayers now seen in cargo preference requirements on the Public Law 480 Food for Peace Program and our emergency food aid programs for starving people around the world?

JUDGE GEORGE H. WILSON, FORMER REPRESENTATIVE FROM OKLAHOMA

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

Mr. ENGLISH. Mr. Speaker, today, I would like to take a moment to honor one of our former colleagues, Judge George H. Wilson. Judge Wilson died last week at the age of 79 after a long and distinguished career serving the people of western Oklahoma. He served as Congressman representing the people of what was then the Eighth District of Oklahoma during the period starting in 1948 and ending in 1951. Following his time here, he continued his public service ranging from chief of the Oklahoma Crime Bureau to most recently being elected district judge from which he retired in 1977.

Following his retirement, Judge Wilson continued his service to western Oklahoma as president of the YMCA in Enid, OK and as vice president of the Great Salt Plains Council of the Boy Scouts of America. I, Mr. Speaker, as I am sure you and the rest of my colleagues do, join with his family and friends as we mourn his passing and extend my deepest condolences to his wife and children.

BROYHILL COMMENDS PARTICIPANTS IN NATIONAL GUARD EXERCISE

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

● Mr. BROYHILL. Mr. Speaker, it is my privilege to bring to the attention of my colleagues the positive results of a most important test of our National Guard and Reserve capabilities.

In May of this year, the North Carolina National Guard planned and conducted a rapid mobilization of its 52 units from all across the State. This exercise, Hickory Response 85, demonstrated without a doubt the effectiveness of the Reserve component of America's Armed Forces, and their readiness to serve whenever called upon.

In just a few short days, some 11,300 personnel and their equipment were mobilized, moved to their mobilization station at Fort Bragg, NC, processed and returned home. In the case of a real emergency, they could have then been deployed anywhere throughout the world. This tremendously complex procedure was accomplished with speed and precision, and was executed virtually without a hitch.

The lessons gained from Hickory Response 85 are obvious. It not only gave the National Guard preparation for mobilization during an actual state of national emergency, but it also served to educate the general public about the capability of our U.S. Reserve component.

At some point, we as a nation may have reason to call upon the men and women of the National Guard and Reserves from all across the country to take rapid action to help ensure our safety and security. Hickory Response 85 was an invaluable exercise in terms of preparation for an emergency response of that nature.

I want to take this opportunity to commend all those who contributed to Hickory Response 85; Gen. Hubert Leonard, adjutant general of the North Carolina National Guard, and all those responsible for the planning of the exercise; the employers who allow these men and women the time off required for training; and the citizen/soldiers themselves, who work so hard for our protection. Their tremendous skill and dedication made Hickory Response 85 a success, and we owe each of them our thanks.●

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CHAPPELL (at the request of Mr. WRIGHT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. ZSCHAU) to revise and extend his remarks and include extraneous material:)

Mr. PURSELL, for 60 minutes, July 30.

(The following Members (at the request of Mr. HOYER) to revise and extend their remarks and include extraneous material:)

Mr. PEPPER, for 5 minutes, today.

Mr. NELSON of Florida, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GAYDOS, for 60 minutes, July 29.

Mr. BROYHILL (at the request of Mr. BEREUTER), for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ZSCHAU) and to include extraneous matter:)

Mr. KINDNESS in two instances.
Mr. SENSENBRENNER.
Mr. DAVIS
Mr. LAGOMARSINO.
Mr. MADIGAN.
Mr. PURSELL.
Mr. SMITH of New Jersey.
Mr. COURTER.
Ms. FIEDLER.
Mr. CLINGER.
Mr. LIGHTFOOT.
Mr. FAWELL in two instances.

(The following Members (at the request of Mr. HOYER) and to include extraneous matter:)

Mr. PEASE in three instances.
Mr. KILDEE.
Mr. MURTHA.
Mr. GAYDOS in two instances.
Mr. DOWNEY of New York.

Ms. KAPTUR.
Mr. TRAXLER.
Mrs. COLLINS.
Mr. STUDDS.
Mr. LAFALCE.
Mr. RANGEL.
Mr. APPLEGATE.
Mr. LANTOS in two instances.
Mr. DURBIN.
Mr. WILLIAMS.
Mr. LEVINE of California.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1030. An act to authorize appropriations for the Public Buildings Service of the General Services Administration for fiscal year 1986; to the Committee on Public Works and Transportation.

S. 1077. An act to amend the Consumer Product Safety Act (15 U.S.C. 2051 et seq.) to provide authorization of appropriations, and for other purposes; to the Committee on Energy and Commerce.

BILL PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, a bill of the House of the following title:

H.R. 2378. An act to amend section 504 of title 5, United States Code, and section 2412 of title 28, United States Code, with respect to awards of expenses of certain agency and court proceedings, and for other purposes.

ADJOURNMENT

Mr. MINETA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 5 minutes p.m.), under its previous order, the House adjourned until Monday, July 29, 1985, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1773. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed letter of offer to Japan for defense articles estimated to cost $50 million or more, pursuant to 10 U.S.C. 133b (96 Stat. 1288); to the Committee on Armed Services.

1774. A letter from the Director, Defense Security Assistance Agency, transmitting price and availability estimates provided to foreign countries, and requests received for letters of offer for the quarter ending 30 June, pursuant to 22 U.S.C. 2768; to the Committee on Foreign Affairs.

1775. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed letter of offer to Japan for defense articles and services estimated to cost $14 million or more, pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1776. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting a report on political contributions for Frank Shakespeare, of Connecticut, as Ambassador to the Republic of Portugal, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ST GERMAIN: Committee on Banking, Finance and Urban Affairs. H.R. 1. A bill to amend and extend certain laws relating to housing, and for other purposes; with an amendment (Rept. No. 99-230). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 2908. A bill to amend title XI of the Education Amendments of 1978, relating to Indian education programs; with an amendment (Rept. No. 99-231). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOWNEY of New York:

H.R. 3087. A bill to amend the Internal Revenue Code of 1954 to remove certain limitations on charitable contributions of certain items; to the Committee on Ways and Means.

By Mr. KOLTER:

H.R. 3088. A bill to form a Government corporation to revitalize the American steel industry by purchasing and operating steel plants that have been closed and that are situated in communities dependent predominatly on the steel industry for employment; to the Committee on Banking, Finance and Urban Affairs.

By Mr. SMITH of Florida:

H.R. 3089. A bill to amend section 1876 of the Social Security Act with respect to administration of the Medicare Program in enrollments and disenrollments from health maintenance organizations and competitive medical plans and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. WILLIAMS:

H.R. 3090. A bill to provide for the compensation of individuals who are disabled as a result of occupational exposure to toxic substances and processes to regularize the fair, adequate, and equitable compensation of certain occupational disease victims, and for other purposes; to the Committee on Education and Labor.

By Mr. HOYER:

H.R. 3091. A bill to make the theft, embezzlement, or unlawful concealment of a flag of the United States an offense against the United States; to the Committee on the Judiciary.

By Mr. STARK:

H.R. 3092. A bill to amend the Internal Revenue Code of 1954 to deny certain tax benefits in the case of certain moves of sports franchises; to the Committee on Ways and Means.

By Mr. HALL of Ohio (for himself and Mr. JEFFORDS):

H.J. Res. 357. Joint resolution to appeal for the release of Dr. Yury Orlov and other Helsinki Final Act monitors; to the Committee on Foreign Affairs.

By Mr. HANSEN of Utah (for himself, Mr. BARNES, Mr. ACKERMAN, Mr. ADDABBO, Mr. AKAKA, Mr. ALEXANDER, Mr. ANDREWS, Mr. ANTHONY, Mr. APPLEGATE, Mr. ARCHER, Mr. ATKINS, Mr. BADHAM, Mr. BARNARD, Mr. BATEMAN, Mr. BEDELL, Mr. BEILENSON, Mr. BERMAN, Mr. BEVILL, Mr. BIAGGI, Mr. BLILEY, Mr. BOEHLERT, Mr. BOLAND, Mr. BONER of Tennessee, Mr. BONIOR of Michigan, Mr. BOSCO, Mr. BOUCHER, Mrs. BOXER, Mr. BROWN of California, Mr. BROYHILL, Mr. BRUCE, Mr. BRYANT, Mrs. BURTON of California, Mr. BUSTAMANTE, Mrs. BYRON, Mr. CAMPBELL, Mr. CARNEY, Mr. CARR, Mr. CHANDLER, Mr. CHAPPELL, Mr. CHAPPIE, Mr. CHENEY, Mr. CLINGER, Mr. COATS, Mr. COELHO, Mrs. COLLINS, Mr. CONTE, Mr. CONYERS, Mr. COOPER, Mr. COUGHLIN, Mr. COURTER, Mr. CRANE, Mr. CROCKETT, Mr. DANIEL, Mr. DARDEN, Mr. DASCHLE, Mr. DAUB, Mr. DE LA GARZA, Mr. DELAY, Mr. DE LUGO, Mr. DEWINE, Mr. DICKINSON, Mr. DINGELL, Mr. DIOGUARDI, Mr. DIXON, Mr. DOWDY of Mississippi, Mr. DURBIN, Mr. DWYER of New Jersey, Mr. DYMALLY, Mr. DYSON, Mr. EDGAR, Mr. ERDREICH, Mr. EVANS of Iowa, Mr. EVANS of Illinois, Mr. FASCELL, Mr. FAUNTROY, Mr. FAZIO, Mr. FEIGHAN, Mr. FISH, Mr. FLIPPO, Mr. FLORIO, Mr. FOGLIETTA, Mr. FOLEY, Mr. FRANK, Mr. FRENZEL, Mr. FROST, Mr. FUSTER, Mr. GARCIA, Mr. GEKAS, Mr. GEPHARDT, Mr. GILMAN, Mr. GRAY of Illinois, Mr. GRAY of Pennsylvania, Mr. GREEN, Mr. GUARINI, Mr. GUNDERSON, Mr. RALPH M. HALL, Mr. HALL of Ohio, Mr. HAMMERSCHMIDT, Mr. HARTNETT, Mr. HATCHER, Mr. HAWKINS, Mr. HAYES, Mr. HEFNER, Mr. HEFTEL of Hawaii, Mr. HILER, Mrs. HOLT, Mr. HORTON, Mr. HOWARD, Mr. HOYER, Mr. HUGHES, Mr. HUTTO, Mr. IRELAND, Mr. JEFFORDS, Mrs. JOHNSON, Ms. KAPTUR, Mr. KASICH, Mr. KASTENMEIER, Mrs. KENNELLY, Mr. KLECZKA, Mr. KOLTER, Mr. KOSTMAYER, Mr. KRAMER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LANTOS, Mr. LEHMAN of Florida, Mr. LENT, Mr. LEVIN of Michigan, Mr. LEVINE of California, Mr. LEWIS of Florida, Mr. LIGHTFOOT, Mr. LIVINGSTON, Mrs. LLOYD, Mr. LOEFFLER, Mr. LUNGREN, Mr. MCCAIN, Mr. MCCOLLUM, Mr. MCEWEN, Mr. MCGRATH, Mr. MCHUGH, Mr. MADIGAN, Mr. MARKEY, Mr. MARTIN of New York, Mr. MARTINEZ, Mr. MATSUI, Mr. MAVROULES, Mr. MAZZOLI, Mr. MICHEL, Ms. MIKULSKI, Mr. MILLER of California, Mr. MINETA, Mr. MOAKLEY, Mr. MOLINARI, Mr. MOLLOHAN, Mr. MONSON, Mr. MOORE, Mr. MORRISON of Connecticut, Mr. MURPHY, Mr. MURTHA, Mr. NEAL, Mr. NIELSON of Utah, Ms. OAKAR, Mr. OBERSTAR, Mr. O'BRIEN,

Mr. ORTIZ, Mr. OWENS, Mr. PACKARD, Mr. PANETTA, Mr. PASHAYAN, Mr. PEPPER, Mr. PORTER, Mr. PURSELL, Mr. RAHALL, Mr. RANGEL, Mr. REID, Mr. RICHARDSON, Mr. RINALDO, Mr. ROE, Mr. ROTH, Mr. ROWLAND of Georgia, Mr. RUSSO, Mr. SCHEUER, Mr. SEIBERLING, Mr. SHAW, Mr. SHUMWAY, Mr. SIKORSKI, Mr. SKELTON, Mr. SMITH of Florida, Mr. SMITH of Iowa, Mr. SMITH of New Jersey, Mr. DENNY SMITH, Mr. ROBERT F. SMITH, Mr. SNYDER, Mr. SOLARZ, Mr. SPENCE, Mr. STAGGERS, Mr. STALLINGS, Mr. STENHOLM, Mr. STOKES, Mr. STUDDS, Mr. SUNIA, Mr. SYNAR, Mr. TALLON, Mr. TAUKE, Mr. THOMAS of Georgia, Mr. TORRICELLI, Mr. TOWNS, Mr. UDALL, Mr. VENTO, Mr. WALGREN, Mr. WAXMAN, Mr. WEBER, Mr. WEISS, Mr. WHEAT, Mr. WIRTH, Mr. WOLF, Mr. WOLPE, Mr. WORTLEY, Mr. WYLIE, Mr. YATRON, Mr. YOUNG of Alaska, Mr. YOUNG of Florida, and Mr. YOUNG of Missouri):

H.J. Res. 358. Joint resolution to designate the week of December 15, 1985, through December 21, 1985, as "National Drunk and Drugged Driving Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. HERTEL of Michigan:

H.J. Res. 359. Joint resolution designating the week beginning January 5, 1986, as "National Bowling Week"; to the Committee on Post Office and Civil Service.

By Mr. NELSON of Florida (for himself and Mr. WALKER):

H. J. Res. 360. Joint resolution to express the sense of the Congress with respect to the designation of 1992 as "International Space Year," and for other purposes; jointly, to the Committees on Foreign Affairs, Science and Technology, and Post Office and Civil Service.

By Mr. BILIRAKIS:

H. Con. Res. 178. Concurrent resolution expressing the sense of the Congress respecting the provision of emergency care by hospitals and free standing emergency centers to all patients; to the Committee on Energy and Commerce.

By Mr. BENNETT:

H. Res. 238. Resolution to establish the Select Committee on Defense Contracting and Business Procedures; to the Committee on Rules.

By Mr. LELAND (for himself, Mr. RICHARDSON, Mrs. SCHROEDER, Mr. WAXMAN, Mr. CLAY, Mrs. COLLINS, Mr. CONYERS, Mr. CROCKETT, Mr. DIXON, Mr. DELLUMS, Mr. DYMALLY, Mr. FAUNTROY, Mr. FORD of Tennessee, Mr. GRAY of Pennsylvania, Mr. HAYES, Mr. HAWKINS, Mr. MITCHELL, Mr. OWENS, Mr. RANGEL, Mr. SAVAGE, Mr. STOKES, Mr. TOWNS, Mr. WHEAT, Mr. WOLPE, Mr. SOLARZ, Mr. GARCIA, Mr. WEISS, Mr. BERMAN, Mrs. BOXER, and Mr. DE LUGO):

H. Res. 239. Resolution expressing the sense of the House of Representatives that the President should instruct the U.S. Ambassador to the United Nations to vote in favor of the resolution proposed by France and Denmark which calls for, among other things, the immediate imposition of voluntary economic sanctions against the Government of South Africa; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. GUNDERSON:

H.R. 3093. A bill for the relief of Juan Ricardo McRae; to the Committee on the Judiciary.

By Mr. NELSON of Florida:

H.R. 3094. A bill for the relief of Space Systems Laboratories, Inc. of Melbourne, FL; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 4: Mr. CONYERS.

H.R. 6: Mr. VISCLOSKY.

H.R. 580: Mr. LOWRY of Washington and Mr. HAMMERSCHMIDT.

H.R. 602: Mr. COELHO.

H.R. 932: Mr. HOYER, Mr. BOEHLERT, and Mr. DENNY SMITH.

H.R. 1031: Mr. WEAVER.

H.R. 1032: Mr. WEAVER.

H.R. 1140: Mr. BOSCO.

H.R. 1207: Mr. CONTE, Mr. YOUNG of Missouri, and Mr. BROWN of California.

H.R. 1294: Mr. CONYERS.

H.R. 1550: Mr. CHAPPELL.

H.R. 1884: Mr. VALENTINE and Mr. WEAVER.

H.R. 1888: Mr. ARCHER, Mr. MOORHEAD, Mr. STUMP, Mr. TAUKE, Mr. SIKORSKI, Mr. CRANE, Mr. HARTNETT, and Mr. ZSCHAU.

H.R. 1920: Ms. SNOWE, Mr. SEIBERLING, and Mr. MCKERNAN.

H.R. 1963: Mr. MURPHY.

H.R. 1980: Mr. BATES.

H.R. 1992: Mr. RITTER, Mr. DIOGUARDI, Mr. YATRON, Mr. KANJORSKI, Mr. FISH, and Mr. STUDDS.

H.R. 2032: Mr. SLATTERY and Mr. BLILEY.

H.R. 2172: Mr. FUQUA, Mr. LUJAN, and Mrs. LLOYD.

H.R. 2303: Mr. BOLAND.

H.R. 2620: Mr. MARTINEZ, Mr. TORRICELLI, and Mr. MITCHELL.

H.R. 2659: Mr. HAWKINS.

H.R. 2743: Mr. MRAZEK.

H.R. 2795: Mr. BOUCHER, Mr. SHARP, Mr. LEATH of Texas, Mr. GEJDENSON, and Mr. BRUCE.

H.R. 2815: Mr. ARCHER, Mr. EDWARDS of Oklahoma, Mrs. ROUKEMA, Mr. VALENTINE, Mr. HYDE, Mr. WEBER, Mr. BARTON of Texas, Mr. WHITTAKER, Mr. PORTER, Mr. SHUMWAY, Mr. SILJANDER, and Mr. LIGHTFOOT.

H.R. 2857: Mrs. BOXER, Mr. KLECZKA, and Mr. MITCHELL.

H.R. 2860: Mrs. BENTLEY, Mrs. BOXER, Mr. FUSTER, Mr. HOWARD, Mrs. LLOYD, Mr. SMITH of Florida, Mr. STANGELAND, and Mr. STOKES.

H.R. 2867: Mr. COELHO, Mr. CONYERS, Mr. DIXON, Mr. DOWNEY of New York, Mr. FAZIO, Mr. ECKART of Ohio, Mr. FISH, Mr. FROST, Mr. GEJDENSON, Mr. HAMILTON, Mr. HAYES, Mr. HOWARD, Mr. KASTENMEIER, Mr. LANTOS, Mr. LEVIN of Michigan, Mr. MARKEY, Mr. MITCHELL, Mr. MRAZEK, Mr. OWENS, Mr. SAVAGE, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. SUNIA, Mr. STOKES, Mr. TORRES, Mr. WILLIAMS, and Mr. SEIBERLING.

H.R. 2873: Mr. LIPINSKI, Mr. LUNDINE, Mr. MACKAY, Mr. FAWELL, Mrs. BENTLEY, Mr. HOYER, Mr. GLICKMAN, Mr. RIDGE, and Mr. TRAFICANT.

H.R. 3008: Mr. CARPER.

H.R. 3026: Mr. DORGAN of North Dakota, Mr. FRANK, Mr. MCKINNEY, Mr. BATES, Mrs. BOXER, Mr. ATKINS, and Mr. PENNY.

H.R. 3041: Mr. BOSCO, Mr. BEILENSON, Mr. RODINO, Mr. COELHO, Mr. PANETTA, Mr. DAUB, Mr. BOUCHER, Mr. MINETA, Mr. JEFFORDS, Mr. LELAND, Mr. BERMAN, Mr. CROCKETT, Mr. MARTINEZ, Mr. LEVIN of Michigan, and Mr. FRENZEL.

H.R. 3043: Mr. RUDD, Mr. SILJANDER, Mr. LAGOMARSINO, Mr. BLILEY, Mr. KASICH, Mr. KINDNESS, Mr. DORNAN of California, Mr. SOLOMON, Mr. TAUZIN, Mr. WEBER, Mr. HENDON, Mr. BURTON of Indiana, Mr. GROTBERG, Mr. HARTNETT, Mr. ROE, Mr. CRANE, and Ms. MIKULSKI.

H.J. Res. 7: Mr. SWEENEY.

H.J. Res. 20: Mr. WILSON, Mr. REID, Mr. SUNDQUIST, Mrs. BENTLEY, Mr. LANTOS, Mr. HAMMERSCHMIDT, Mr. DANNEMEYER, Mr. MAVROULES, and Mr. DE LUGO.

H.J. Res. 60: Mr. DOWDY of Mississippi, Mr. VALENTINE, Mr. RAHALL, Mr. STANGELAND, Mr. DE LA GARZA, Mr. CAMPBELL, Mr. DYSON, Mr. ADDABBO, Mr. BROOMFIELD, Mr. BOLAND, Mr. BIAGGI, Mr. CONTE, Mr. COUGHLIN, Mr. CHAPPIE, Mr. BEDELL, Mr. CROCKETT, Mr. FAUNTROY, Mr. HENRY, Mr. EMERSON, Mr. JEFFORDS, Mr. MOODY, Mr. MCDADE, Mr. DICKINSON, Mr. MAZZOLI, Mr. CLINGER, Mr. CRAIG, Mr. KASICH, Mr. KOSTMAYER, Mr. FUSTER, Mr. SIKORSKI, Mr. HAMMERSCHMIDT, Mr. MORRISON of Connecticut, Mr. JONES of North Carolina, Mrs. BYRON, Mr. MARTIN of New York, Mr. DEWINE, Mr. MCKINNEY, Mr. PURSELL, Mr. MACK, Mr. BLILEY, Mr. SKEEN, Mr. COBEY, Mr. BROYHILL, Mr. MONSON, Mr. FORD of Michigan, Mr. ROWLAND of Georgia, Mr. WALKER, Mr. SCHAEFER, Mr. MCGRATH, Mr. PORTER, Mr. EVANS of Iowa, Mr. COYNE, Mr. ROGERS, Mr. HANSEN, Mr. HUGHES, Mr. BATES, Mr. SWEENEY, Mr. SPENCE, Mr. DORNAN of California, Mr. FAWELL, Mr. HILER, Mr. PACKARD, Mr. WISE, Mr. STAGGERS, and Mr. GRAY of Illinois.

H.J. Res. 179: Mr. ANDERSON, Mr. BEREUTER, Mr. COLEMAN of Texas, Mr. COLEMAN of Missouri, Mr. COUGHLIN, Mr. COURTER, Mr. DIXON, Mr. HUNTER, Mr. IRELAND, Mrs. KENNELLY, Mr. KOSTMAYER, Mr. LAFALCE, Mr. MATSUI, Mr. MORRISON of Connecticut, Mr. OBERSTAR, Mr. OWENS, Mr. PRICE, Mr. RUSSO, Mr. SMITH of Florida, Mr. SUNDQUIST, Mr. THOMAS of Georgia, and Mr. TRAFICANT.

H.J. Res. 250: Mr. RAY.

H.J. Res. 322: Mr. BATEMAN, Mr. BONIOR of Michigan, Mr. BORSKI, Mr. BRYANT, Mrs. COLLINS, Mr. DANIEL, Mr. DELUGO, Mr. DICKS, Mr. DIXON, Mr. EARLY, Mr. FAUNTROY, Mr. FEIGHAN, Mr. FISH, Mr. FROST, Mr. GRAY of Illinois, Mr. GRAY of Pennsylvania, Mr. HANSEN, Mr. HAYES, Mr. HORTON, Mr. HOWARD, Mr. HYDE, Ms. KAPTUR, Mr. KOLTER, Mr. LELAND, Mr. LOWRY of Washington, Mr. MCGRATH, Mr. MARKEY, Mr. MATSUI, Mr. MAVROULES, Mr. MILLER of Washington, Mr. MINETA, Mr. MITCHELL, Mr. MOAKLEY, Mr. MOODY, Mr. MRAZEK, Mr. NEAL, Mr. O'BRIEN, Mr. ORTIZ, Mr. RAHALL, Mr. RODINO, Mr. ROSTENKOWSKI, Mrs. ROUKEMA, Mr. ROYBAL, Mr. SCHUMER, Mr. SISISKY, Mr. SLATTERY, Mr. STAGGERS, Mr. STARK, Mr. STRATTON, Mr. SUNIA, Mr. TRAXLER, Mr. VOLKMER, Mr. WATKINS, Mr. WYDEN, and Mr. YATRON.

H.J. Res. 326: Mr. HOWARD, Mr. ERDREICH, Mr. SHUMWAY, Mr. TAUKE, Mr. UDALL, Mr. SWINDALL, Mrs. HOLT, Mr. LAFALCE, Mr. SHAW, Mr. DE LA GARZA, Mr. QUILLEN, Mr. GUARINI, Mr. DIOGUARDI, Mr. MADIGAN, Mr. CAMPBELL, Mr. DAUB, Mr. ANDERSON, Mr. LIGHTFOOT, Mr. LEHMAN of California, Mr.

MAZZOLI, Mr. TORRICELLI, Mr. STRANG, and Mr. ROBINSON.

H. Res. 183: Mr. REID, Mr. DYMALLY, Mr. TORRICELLI, Mr. CROCKETT, Mr. BROWN of California, Mr. RANGEL, Mr. SUNIA, and Mr. JEFFORDS.

H. Res. 208: Mr. PORTER, Mr. BARNARD, Mr. GRAY of Illinois, Mr. PACKARD, Mr. SWINDALL, Mr. MADIGAN, and Mr. HENRY.

H. Res. 218: Mr. ADDABBO, Mrs. BOXER, Mr. BURTON of Indiana, Mr. CONYERS, Mr. CROCKETT, Mr. FAZIO, Mr. FROST, Mr. LELAND, Mr. MINETA, Mr. MITCHELL, Mr. NEAL, Mr. STOKES, Mr. WEISS, and Mr. UDALL.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2817: Mr. MRAZEK.

PETITIONS, ETC.

Under clause 1 of rule XXII,

176. The SPEAKER presented a petition of Peter J. Cojanis, relative to the separation of powers; which was referred to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3036

By Mr. COBEY:

—At the end of the bill add the following new section.

SEC. 617. None of the funds appropriated by this Act shall be used for purposes of issuing any regulations which do not comply with the decision of the United States Supreme Court in *Ellis* v. *Brotherhood of Railroad and Airline Clerks* (104 Section 1883).

EXTENSIONS OF REMARKS

EQUALITY OF OPPORTUNITY

HON. RICHARD J. DURBIN
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. DURBIN. Mr. Speaker, the spirit of American freedom is strong. And we find it written across our history and our land.

The dream that has driven our Nation has been equality of opportunity. To one generation this meant the abolition of slavery; to another, bringing down the barriers of segregation. Each succeeding generation of Americans must keep this dream alive.

Last fall, one of my constituents in the 20th District of Illinois delivered an inspiring speech which captured this spirit. I was privileged to be present when this remarkable address was delivered by Jeanelle Norman of Decatur, IL, herself a pathfinder and barrier-breaker in her community. I would like to share that speech with my colleagues and ask that Ms. Norman's heartfelt remarks be printed in the CONGRESSIONAL RECORD.

SPEECH BY JEANELLE NORMAN

Run Jesse! Run! In 1936, Run Jesse! Run! meant that Americans were cheering for Jesse Owens to win the Olympics. And Win He Did! He tied the 100-meter Olympic record, broke the 200-meter world record, broke the Olympic long jump record and ran on the world record-setting 400-meter relay en route to winning four gold medals.

During the Spring of 1984, Governor George Wallace gave $2,500, from his discretionary funds, to aid in building a monument in honor of Jesse Owens. Last month, vandals tried to rip the monument from its foundation. Some thought it was racially motivated. Jesse Owens, a legend, helped to disprove Hitler's supremacy doctrine. Jesse Owens served his country well, in spite of social barriers.

Run Jesse! Run! He's my man, if he can't do it nobody can! In 1984, Run Jesse! Run! took on a different connotation . . . as Rev. Jesse Jackson, looked at America as a land of opportunity, the home of the brave, and the land of the free . . . He shouted out, "I am Somebody!", raised his head with dignity and pride, . . . and let it be known that he was a serious contender for the 1984 Democratic presidential nomination.

Rev. Jackson didn't win the nomination, but America did win! Rev. Jackson provided a service—through his service . . . his achievements can be recognized as having gotten millions of Americans registered to vote—and following through by encouraging them to go to the polls to vote! He revitalized a sense of pride and self-respect for Hispanics, Blacks, the poor, the downtrodden, and disabled. With force and vigor he expressed, "OUR TIME HAS COME!"

The phrase or ideology of "Our time has come," has become self-evident as various groups express themselves. For example, some homemakers who has stayed in the home rearing children and keeping the household in orderly fashion, recently put up picket signs of "on strike" . . . They felt that their time had come to be accepted as valuable persons.

Or look at the laborer who sees corporate managers receive higher raises. The laborers cry out . . ." Our time has come to share in the profits."

For Black Americans who have been ridiculed, lynched, mutilated, ostracized, segregated, then integrated into segregation, and many times denied the right to an equal opportunity . . . Blacks are crying out "Out time has come. . . Time to be a part of the melting pot where Americans share in the goodness of this great country!

Tonight's theme is Achievements Through Service . . . How appropo for the time has come—during the decade of the 1980's—to recognize the achievements of others. . . It is through the services that have been rendered that America has grown and prospered. Jesse Owens and Jesse Jackson represent just a small fraction of the many achievements and accomplishments of minorities.

In recognizing the achievements of any given ethnic group, it is essential to acknowledge the past, for there is no future for a people who deny their past.

Let me take you back for a few minutes to the days of old. . . The Pilgrims came to this land seeking freedom and having new hope. . . This was their promised land . . . They came on their own volition . . . ready to make America different from their homeland. For all who came to these shores, America was a land of freedom, hope and opportunity. For all, except the Negro . . . who was brought to America in 1619 as a slave . . . With the clear intent that slaves were not to share in the American dream of human dignity and justice for all.

But in spite of the conditions of slavery—Blacks fought for this country with dedication as did any other free man.

In 1747, South Carolina officially thanked its colored militiamen who "in times of war, behaved themselves with great faithfulness and courage, in repelling the attacks of his Majesty's enemies." It was during the same time that the South Carolina Legislature passed a law limiting the number of Blacks who could serve. So that there would always be more whites with guns than Blacks.

There were abolitionists who spoke against slavery, Benjamin Franklin, Alexander Hamilton, and George Washington . . . George Washington once wrote, "Among my first wishes is to see some plan adopted by which slavery in this country may be abolished." But slavery prevailed!

During the War of 1812, Richard Allen and Absalom Jones, at that time leaders of America's first Negro church, raised a force of 2,500 men to protect Philadelphia from the British. Shortly before his death in 1831 Allen wrote, "This land, which we have watered with our tears and our blood, is now our mother country."

Still there were others who spoke out against slavery, Frederick Douglas, Sojourner Truth, and Harriet Tubman who rendered the service of being the Black Moses of her people . . . She once said, "There were two things she had a right to—liberty or death . . . and if she could not have one, then she would have the other . . . She said, "I will fight for my liberty as long as my strength lasts" . . . We can relate to her feelings . . . for even Patrick Henry said, "Give me liberty or give me death."

Although slavery was eminent, Blacks had very positive feelings toward America. The feeling can best be summed up by those who attended a meeting in New York in 1831:

"We do not believe that things will always continue the same. The time must come when the Declaration of Independence will be felt in the heart, as well as uttered from the mouth, and when the rights of all shall be properly acknowledged and appreciated. God hasten that time. This is our home, and this is our country. Beneath its sod lie the bones of our fathers; for it, some of them fought, bled, and died. Here we were born, and here we will die."

In 1863, President Lincoln signed the Emancipation Proclamation. Freeing the slaves from bondage.

As we continue to acknowledge our past, let's leave the 1800's and go to the turn of the century. America was aroused with racial violence. Between 1889 and 1918, it was revealed that more than 2,500 blacks had met their deaths at the hands of lynch mobs. Springfield, Illinois had a race riot that rocked the nation . . . Two blacks died and over 70 others were injured before peace was restored.

And yet, Blacks struggled . . . helping to make America a better place to live . . . providing services in this great land . . . During this time in history James Healy was serving as the first Negro Catholic Bishop; Ida B. Wells was devoting her time to journalism and the exposure of crime and injustice; Brigadier General Benjamin O. Davis Sr. was serving his country in the United States Army; Mary Church Terrell was serving as a United States delegate to several international conferences . . . everywhere she went her theme was always the same: Equal rights for women and the Negro wherever they may be found; . . . Whitney Young was organizing the Urban League to assist Negroes moving into northern cities to find jobs and housing.

Also occurring was the formation of the NAACP which was born out of desperation to right wrongs against black America, on one hand, and quell the racial turbulence that ripped at the seams of American democracy, on the other hand. Concerned whites and blacks came together to form the NAACP. An organization formed to render a service, not just for Blacks, but for this country.

For almost a generation, Walter Francis White was the voice of the NAACP. Under his leadership the organization fought forcefully for equality in voting rights, turned the eyes of America to the real evil and horror of lynching, and moved against segregation and discrimination in travel and education. There were those who said that White was moving too fast, that he was trying to do too many things at one time, trying to handle too many problems.

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

Nonetheless, White's fight for freedom was one that consumed his every waking hour. In matters that were racial, his theme was always, "Now is the time."

The NAACP's achievements are many. There have been moments of despair and disappointment. There have been some hard fights and some hard won victories.

In the 1960's, America was still torn with racial strife. The year 1963 may be remembered as the year of the "Negro Revolt!" There were peaceful demonstrations all over America. They were held even where police used great force to try to stop them. Television was, by then, in tens of millions of homes. Americans were able to see what was happening and realized that stronger civil rights laws were needed.

In August, 1963, more than 200,000 people—many of them white—gathered at the Lincoln Memorial in Washington. They gathered to make a peaceful plea for equal rights and justice. Millions watched on television as speakers called for "Freedom Now!"

Dr. King in his speech of "I Have A Dream" stated, "Now is the time to make real promises of democracy—Now is the time to make justice a reality for all of God's children."

Simultaneously, Pres. Kennedy was stressing the need for a new civil rights law. He was brave enough to render a service to Black Americans during racial disharmony . . . He gallantly coerced, "Our country . . . for all its boasts, will not be fully free until all its citizens are free . . . Now the time has come for the nation to fulfill its promises . . . It is a time to act in Congress, in your state, and local legislative body, and above all, in all of our daily lives."

Shortly after the march . . . Medgar Evers was killed in Mississippi, four children were murdered in a bombing of a Birmingham Church, and then our beloved Pres. Kennedy was assassinated. Violence seemed to rule.

Many Black Americans thought the death of the President would end any chance of a strong civil rights law . . . They were beginning to give up their faith, hopes and dreams . . . Dr. King persisted, "We will reach the goal of freedom . . . all over the nation, because the goal of America is freedom."

True enough, like a knight in shining armor . . . in stepped Lyndon B. Johnson, a southerner to serve our country. As President, he made it clear that he wanted Congress to pass a civil rights bill. As a result the Civil Rights Act of 1964 became a reality!

Twenty years later . . . 1984.

Several laws such as the Voting Rights Act and numerous landmark court decisions have been made. Today, Blacks have achieved a measure of equality, yet much remains to be done. The task is to make equality in this nation a reality for all 26.5 million Black Americans . . . True, there are some blacks we can point to and say they have fine homes, cars, education, can fly to the Bahamas, eat in the finest restaurants . . . We can actually point to those who have made it in spite of societal obstacles. We even have blacks who point to themselves and say I have made it, we don't need welfare, we don't need food stamps . . . We just need to pull ourselves up from the bootstraps . . . The question is how do you pull yourselves up when the opportunity doesn't avail itself?

As long as there is hunger, disproportionate unemployment, discrimination in the overt or covert form, inequalities for one of us, or even the least of us, then there is no equality and freedom is not a reality!

For you see, a race is either free or it is not free . . . there cannot be any apprenticeship for freedom.

Freedom-equality—economic breakthroughs can become a true reality IF our time has come . . . Victor Hugo put it best when he explained that Nothing—neither army, not a legislature, nor an armed sheriff—can withstand the strength of an idea whose time has come. We have witnessed this throughout the acknowledgment of our past.

Today, the idea of "OUR time has come" as espoused by Rev. Jackson is—our political time has come. Black Americans exploded in 1983-84 in the most intense wave of political fever since the first Reconstruction period of 100 years ago. There was an upsurge of black political activity on the federal, state, and local levels. As a result black elected officials increased from 5,160 to 5,606. The sharpest increase since 1976 and one of the largest numerial increases in the past ten years.

It is clear from all this that Black Americans have decided for the 1980's politics is the new road to Freedom!

Backing up a step before we get involved in politics, the first step is to get involved in our community . . . to render services to our community—so that we can achieve . . . and be recognized for our accomplishments. There should be black involvement in every aspect of community life, not just Black related activities, but involvement in the Chamber of Commerce, PIC, involvement on advisory committees for the city. Mayor Anderson announced he will appoint minorities to committees. He needs involvement for that to take place.

Black involvement is needed in the Decatur Advantage Plan which will help to improve the quality of life and the standard of living. The plan is designed to help this city . . . to provide jobs. Don't we need jobs, especially since Black youth represent a high rate of unemployment.

Blacks should be involved in all the other service oriented clubs. Much can be learned by being involved.

If politics is the New Road to Freedom—then Blacks better be well informed about the mileu, surroundings, and understand the political climate and ramifications. With political power, there are responsibilities. People who have power are prone not to want to give it up! Blacks must be well informed in order to keep whatever political gains are made.

Although the Democrats' and Republicans' political ideologies are different, Blacks should be involved in both parties. Surely, one or the other party will win and it is essential that Blacks are always a part of the winning party. Everywhere we look there ought to be black involvement . . . on the City Council, Boy's Club Board, CHELP Board, United Way Board . . . and many more—not just the same faces . . . Have you ever noticed that in this community everywhere you see the same faces of Councilman and Mrs. Bill Oliver, Annie Williams, Rosa Hood, Jonnie Taylor, Elvert Adams, David Livingston, Rev. Coates, Joe Slaw, Ingrid Cravens, Al Dobbins, Charlie Jackson, Mr. and Mrs. Dave Travis and perhaps about 40 others . . . There is a reason why the same ones appear everywhere. It's because they are involved in this community. Involvement is needed, so that there is a representative voice. Special interest groups are a reality! The community can be responsive to the needs of the Black community only when those needs are made known.

When I first learned my own political party affiliation had sent 36 delegates to the state convention—and that not one black had been chosen, I was upset, disturbed, and just plain irate! Can you imagine in this town, we have 15 predominantly black precincts, and nobody thought about us! We have always been given the courtesy of a token, but even a token didn't get to go to the state convention.

I soon calmed down when I realized that we didn't have a gatekeeper. Someone, let me rephrase that, some black man or woman should have been involved enough to know what was happening and to say to the party chairman, "How many Blacks are going?"

Incidents of this nature will occur frequently unless more and more blacks become involved and willing to render their services for the good of this community.

There are those in our community who have begun to grow tired of the struggle, tired of the battle . . . tired of the fight for freedom. The one time that I'm glad somebody got tired was when Rosa Parks got tired, and when she was told to go to the back of the bus, she said, "No, sir!"

What a beautiful tiredness, for it started the Civil Rights Movement . . . an idea whose time had come.

But for those who have grown tired in our community, it saddens my heart . . . the other day I met a friend on the street and he was expressing how tired he had become. He said, "You know that Democrats have taken us for granted, and the Republicans don't really want to be bothered. . . ." He said disgustingly, "I just don't care anymore. I don't want to do anything." He continued to suggest that blacks ought not to even vote for certain candidates, because they assume we're going to vote for them. My other friend who was with us, immediately spoke and lamented, "Oh, don't say that, this is an important election year. We have to VOTE!"

And we really do have to vote in this year's election if politics is the road to freedom! It's a fact that Affirmative Action is being rolled back, in light of the recent Supreme Court ruling that the last hired can be the first fired.

I understand the despair, the agony, and the frustration of my friend . . . and yet we have to realize that we have come a long way, a lot of blood and tears have been shed, many agonies of defeat, and the sweet joys of victories have been felt . . . and we can't give up now . . . not now . . . we have to vote and make sure that all of our relatives and friends vote. We must vote for our time has come! Life has its ups and downs. Langston Hughes told us "Life ain't never been no crystal stairs. . . ."

For those of you who feel like you just can't go on any longer, for those of you who feel like you want to become involved, and for those of you who are undecided about whether or not to become involved; remember, we have to look to the future, so that life will be better for our children in the 1990's. Keep in mind, a struggle is destined to be hard. I want you to know that nobody told us it would be easy. And my testimony to you is:

I don't feel no way tired;
For I've come too far from where I started from;
Nobody told me that the road would be easy.

But I don't believe,
I just don't believe, I can't believe.
That He brought me this far just to leave me.●

"SEEING IS BELIEVING" IN LAB RESEARCH ABUSE OF ANIMALS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. LANTOS. Mr. Speaker, the recent decision by Secretary Heckler to suspend funding of the University of Pennsylvania Head Injury Clinical Research Center at last lends credibility to those of us who were shocked by what we saw in the video tapes of research activities in that laboratory. Both cruelty and carelessness were rampant.

Emotions run high when the issue turns to the use of animals in research. Those who insist upon accountability for human treatment of animals are frequently considered to be either dangerous fanatics or harmless fools. Secretary Heckler did not capitulate to threats or pressures from fringe groups. She did respond to reasoned requests to investigate improprieties that were documented by video tapes recorded by the researchers themselves. Unfortunately, this evidence alone did not compel her to suspend funding; rather, she waited months to begin an investigation. She did not halt the research until preliminary findings by the investigating team corroborated the charges made against the lab almost 1 year earlier.

Of equal concern, is the possibility that funding for this research will be quietly continued shortly after Congress goes into August recess. I am told that only assurances of corrective action by the University are needed in order to establish "business as usual" at the laboratory. This action will not satisfy those of us who have been outraged by the continuation of funding for a research project with blatant improprieties. The public will not be satisfied with a suspension followed by a "whitewash."

Mr. Speaker, I call upon my colleagues in the House to join me in calling for sanctions to be placed on this research, including the debarment of the co-investigators of this project from further Government funding. A history of noncompliance is clear. Promises to correct deficiencies will not suffice at this late date.

An editorial in the Palo Alto Times Tribune, a paper known for its responsible editorial policy, spells out the implications of this yearlong scenario. Federal funds for research must not be awarded year after year without rigorous monitoring of procedures. The video tape of the procedures of the lab in question clearly violated standards of scientific efficacy as well as Government regulations for humane care of animals. The embarrassment this exposure has created for the Department of Health and Human Services, inevitably, will send a message throughout the university research world. I include the Times Tribune editorial of July 23, 1985, as an example of rational reaction.

[From Palo Alto (CA) Times Tribune, July 23, 1985]

HECKLER'S MESSAGE

The outcry against the laboratory conditions at the University of Pennsylvania's Head Injury Clinical Research Center is not just the hysterical ranting of anti-vivisectionists. Margaret Heckler, secretary of the Department of Health and Human Services has ordered an immediate suspension of federal funding for the research lab, pending the final report of an investigation.

The decsion has implications for any federally funded research laboratory that receives federal funds.

Animal-welfare organizations have been circulating a bal-bour videotape of excerpts from 60 hours of tapes the researchers made of each other's experiments. We cannot condone the method by which the tapes were obtained—during a break-in at the lab in May 1984—but the tapes are revealing. And it wasn't until the tapes were circulated that a half-dozen congressmen, including Rep. Tom Lantos, D-San Mateo, urged Heckler to suspend the lab's funding and launch an independent investigation.

At the clinic, baboons are strapped to an operating table, their heads in helmets anached to a hydraulic device. The device suddenly snaps the head forward inflicting the head injury. The baboons' behavior is studied; some undergo neurosurgery, others are put to death and their brain tissue studied.

Any useful research to improve medical treatment for head injury must involve cruel-sounding experimentation. It is also difficult for lay observers to distinguish between necessary research and incompetence or unnecessary cruelty. But the videotapes show some obvious lapses.

In one segment a researcher is operating on a baboon. Not only is a surgical mask not being worn but a lighted cigarette is dangling from the surgeon's lips. In another the researchers can't get the helmet off the baboon's head so they pry it off with hammer and screwdriver. What do those blows do to the validiry of the research?

In another segment a baboon, supposedly anesthetized, writhes as a confused and frustrated novice attempts to saw into its skull.

The tapes "indicate material failure to comply with the Public Health Service policy for the care and use of laboratory animals." NIH Director James Wyngaarden reported last week. The lab clearly deserves to have its funding suspended.

Does similar abuse happen elsewhere? It's difficult to know. Considerable animal research takes place at Stanford University, but the university has just completed a $30 million, state-of-the-art animal care facility and employs a rigid self-monitoring system for animal care. We were encouraged to learn nonethless that the committee that reviews animal care and experiments at Stanford has recently been expanded to include more off-campus members.

This kind of monitoring is essential. If the Head Injury Clinic is any indication, the federal government isn't monitoring conditions in even the labs that are federally-funded. The clinic, after all, has received $12 milion in federal grants over the last 12 years.

The use of animals in medical research is necesssary, its benefits are obvious. But abusive treatment is not necessary to scientific advancement, and shoddy techniques yield worthless results. We hope that Heckler's message will be heard in any other labs where sloppy or abusive conditions exist.●

THE HAPPY WARRIOR

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. O'NEILL. Mr. Speaker, a few weeks ago, at the Meridian House in Washington, a special ceremony took place honoring a noble and compassionate American. A bust of the late Hubert H. Humphrey was dedicated at that time. Many of his former colleagues, friends, and members of the Humphrey family were present for this meaningful tribute.

Among those who had been scheduled to deliver remarks in honor of that occasion was Secretary of Health and Human Services Margaret Heckler. Unfortunately, unavoidable conflicts prevented her from participating. Nevertheless, in order that her intended remarks might be included among the others offered at the event by Hubert Humphrey's former colleagues, I am pleased to submit them for the RECORD.

STATEMENT OF SECRETARY MARGARET M. HECKLER AT DEDICATION OF BUST OF HUBERT H. HUMPHREY

I send my love and good wishes to all of the family and friends gathered today to pay tribute to the "Happy Warrior," to my dear friend and colleague, Hubert Humphrey. How fortunate we all were to have shared some time with a man like Hubert, who made everyone a part of his life. He loved people and they, in turn, loved him. Love to Hubert was a unique thing. When he loved you, he loved your family, your business associates, and, of course, he loved your friends.

One could say that Hubert Humphrey practiced the politics of joy, using his endless energy to demonstrate how much he cared for all Americans, but especially those who were the most vulnerable: the sick, the needy, the very young and the very old. As a spokesman for the less fortunate, he was without peer.

It was Hubert who fathered many of the programs from which we all benefit, such as Medicare, which I now administer in his house on Independence Avenue.

He wanted all Americans to have the opportunity to develop their full potential and to live a life of independence and serenity. And at the dedication of the Hubert H. Humphrey Building he talked about those qualities and said that the celebration should not be about a man, but about those commitments to America. I know that we all strive toward his goals. "Never give up and

never give in," was a motto of Hubert's. It could be a motto for all America.

A giant has gone and we are all the poorer for his going. But a giant casts a long shadow and there can be no real leave-taking between him and the people he served.

Great men are commemorated not only in stone monuments but in unwritten memories etched not in stone but in the hearts of men.

Thank you.●

LABOR RIGHTS VIOLATIONS IN HAITI

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. PEASE. Mr. Speaker, following is the testimony offered by officials with the Council on Hemispheric Affairs in June before the USTR regarding labor rights in Haiti. Again, they recommend suspending trade preferences until the plight of impoverished Haitian workers improves:

TESTIMONY OF COUNCIL ON HEMISPHERIC AFFAIRS

When the U.S. Congress renewed the Generalized System of Preferences (GSP) in late 1984, it enacted important new guidelines to help insure that the system does not adversely affect the welfare of workers in the U.S. It also sought to provide inducements for beneficiary countries to upgrade their own labor conditions, so that these conditions do not by their inadequacy give the exports from these countries an unfair advantage in the American market.

Specifically, before the U.S. President declares a country eligible for GSP benefits, he must certify that it abides by the following internationally recognized rights of workers:

1. The right of association;
2. The right to organize and bargain collectively;
3. A prohibition on the use of any form of forced or compulsory labor;
4. A minimum age for the employment of children; and
5. Acceptable conditions of wcrk with respect to minimum wages, hours of work, and occupational safety and health.

This testimony presents evidence that the Government of Haiti does not meet the above standards and argues that it should therefore be suspended from eligibility for GSP benefits. We believe that it should never have received CBI benefits either, but that is not the subject of our testimony today.

The Government of Haiti has ratified 23 conventions of the International Labor Organization (ILO), including Convention #87, Freedom of Association and Protection of the Right to Organize. However, it has never paid more than lip service to the Conventions it has ratified, including #87. This Government is very nearly the most corrupt and repressive in the Western Hemisphere, although it will from time to time yield to outside pressure (usually in an effort to impress potential donors of aid) and make temporary and cosmetic changes in its practices.

In July 1982 the US Department of Labor reported on the trade union situation in Haiti as follows:

"The organized labor movement in Haiti is almost non-existent. All unions, except one which is directly (controlled by the government, are outlawed. Little in the way of trade or collective bargaining exists and strikes are extremely rare. Unions must obtain recognition from the Ministry of Labor and conform to the labor code, which provides for a direct governmental role in labor disputes. There is a long history of government repression of the labor movement in Haiti."

The last independent trade union to exist for any period of time in Haiti was the Union Nationale d'Ouvriers d'Haiti (UNOH). The government of then dictator Francois "Papa Doc" Duvalier raided its headquarters and destroyed all records of the union in January 1958. Its General Secretary was imprisoned. UNOH was then converted into an official government union called Force Ouvriere et Paysanne d'Haiti (FOPH).

The independent labor union movement attempted to re-assert itself in 1959, with the establishment of the Federation Haitienne des Syndicats Chretiens (FHSC). At this time, a few unions and rural cooperatives were established before the leaders were exiled to Venezuela. Other attempts to organize trade unions in the 1960's resulted in the arrest and lengthy imprisonment of the organizers.

In the summer of 1979, an international delegation composed of trade union representatives from Venezuela, the Dominican Republic, and Canada visited Haiti to encourage the development of a labor movement. Through this encouragement, the Autonomous Confederation of Haitian Workers (CATH) was established. Taking advantage of a temporary relaxation of the dictatorship of Jean-Claude (Baby Doc) Duvalier (the successor to his father), CATH began to organize in the many assembly industries, mostly U.S. owned through Haitian partners, which had been established in the 1970's. In September 1980, workers called their first strike at four assembly plants. In November 1980, as part of a general crackdown on political dissidents, journalists, and other critics of the regime, the strike was crushed and the union disbanded. In this sweep, 60 trade union leaders were detained (many have not been seen since) and approximately 250 workers discharged.

In order to gain designation for benefits under the Caribbean Basin Initiative (CBI), the Government of Haiti had to agree to amend its labor code so that, on paper at least, it would accommodate expanded labor rights. The authorities in fact agreed to modify their law or practices in twenty respects, including three relating to the conditions under which Haitians go seasonally to the Dominican Republic to cut sugar cane—conditions described in the past as bordering upon slavery.

Reporting to Congress on August 9, 1984, in his capacity as chairman of the Congressional Black Caucus Task Force on Haitian Refugees, Delegate Walter Fauntroy of the District of Columbia noted that the Haitian Government had, on paper, fulfilled a number of these agreements, but added:

"However, the test of a government is not what it says but what it does in practice. In practice, there are still no labor unions operating today in Haiti in the export-oriented assembly industry."

The Government did permit the founding, in January 1984, of the Federation of Union Workers, uniting nine small unions in the Port au Prince areas, with a membership totalling about 2500. Last summer the President of the Federation attended the annual ILO general meeting, the first time a labor leader had represented Haiti there for many years. As Delegate Fauntroy noted, however, none of these unions were in the export-oriented assembly industry. Overall, less than one per cent of Haitian workers are in unions of any kind.

A mission of three trade unionists sponsored by the ORIT/ICFTU visited Haiti in March 1985 and reported that "international pressure has . . . prompted the Duvalier dictatorship to nominally address gross violations of human and trade union rights," but added: "The mission observed little significant free trade union presence in the country and noted that a climate of fear continues to exist."

The mission urged "a concentrated campaign to condemn human and trade union rights violations in Haiti . . . Such a campaign should include vigorous action at all levels of international institutions and a major lobbying effort in those countries whose commercial sectors are co-operating with Haiti in its attempt to attract foreign investment."

Effective trade union organization is certainly urgently needed. The Haitian government, encouraged by its CBI status, has embarked upon a major campaign to attract foreign investment, stressing its abundant supply of low-wage, unorganized lablor. The current minimum wage is $3.00 a day, lower than anywhere else in the Western hemisphere and lower than the cost of living. It is lower than anywhere else in the Western Hemisphere and lower than in Taiwan, Malaysia, or Singapore. The lack of labor and work-safety legislation means that Haitian workers, according to CBI officials, are not only cheaper than their East Asian counterparts, but 10% more productive. In addition, experience over the years has shown that the government is prepared to break any strike by force.

The U.S. government takes action against susidized exports. It is the suffering of the Haitian workers which is subsidizing that Country's exports to the United States. Accordingly, GSP concessions should be suspended until the Government of Haiti moves to establish basic and permanent improvement in the status of its workers, rather than transparently temporary and cosmetic ones.●

WE MUST OPPOSE BIGOTRY AND RACISM AT HOME—AS WELL AS IN SOUTH AFRICA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. LANTOS. Mr. Speaker, all Americans are united in denouncing the philosophy and practice of bigotry and discrimination pursued as official policy by the Government of South Africa. The entire civilized world stands against the hateful practice of apartheid and is opposed to the increased repression that has marked South African policy toward its black majority in recent weeks.

We in the United States, however, are not immune from individuals and

groups who advocate bigotry, racism, and discrimination. We have too many appalling examples of individuals and organizations, even in America, for us to become complacent or selfrighteous.

In our Nation's capital, those same sickening sounds are heard. Last Monday, Louis Farrakhan delivered one of his hate-filled diatribes to 10,000 people jammed into the Washington Convention Center. The Washington Post called this latest performance "bigtime bigotry for the masses." Columnist Courtland Milloy said "he even makes the audience laugh when he mocks the Holocaust."

Another sickening incident in Los Angeles was also reported recently in the press. A neo-Nazi organization in Los Angeles, the Legion for Survival of Freedom and its subsidiary the Liberty Lobby, declared the Holocaust to be a myth, and claimed that at the Auschwitz Concentration Camp in Nazi-occupied Poland deadly Zyklon-B cyanide gas was used to fumigate clothing and that crematoriums were used only for inmates who died of natural causes. Los Angeles businessman Mel Mermelstein—a survivor of the Auschwitz camp with his camp number still tattooed on his arm whose mother and two sisters were killed there—challenged these fascist organizations in court. This week he won an unprecedened settlement requiring the organizations and their leadership to acknowledge the fact of the Holocaust and officially and formally to apologize to Mr. Mermelstein.

Mr. Speaker, the peddling of racism and hate, the mocking of the Holocaust, and similar examples of bigotry are perpetrated under the umbrella of free speech. Although Farrakhan, neo-Nazis, and others with similar views exploit the privilege of free speech, all Americans—but particularly those of us in public office—have a moral obligation to use that precious right of free speech to denounce and reject the psychological cancer that merchants of hate are marketing in our land.

As chairman of the congressional human rights caucus, I am confident that my friends and colleagues in this body will speak out without delay and without reservations in pointing out the common roots of hate and bigotry.

Mr. Speaker, an editorial in today's Washington Post and the column of Richard Cohn, also in today's Post, on this topic are extremely relevant. I insert the material in the RECORD for the benefit of my colleagues:

WHY THE SILENCE ON FARRAKHAN?

The other night, the Rev. Louis Farrakhan, head of the Nation of Islam and once a ubiquitous presence at Jesse Jackson campaign rallies, came to town. With little advance publicity, he was able to draw anywhere from 10,000 to 15,000 persons to the Washington Convention Center to say, in the manner of the late Mr. Hitler, that "Jews know their wickedness."

Farrakhan had other things to say. We are told he mocked the Holocaust. We are told that he said, "Blacks will not be controlled by Jews" and that he declared blacks the chosen people—"the people of God." We are told these things in a newspaper column by Courtland Milloy in The District Weekly—not in The Washington Post's news account of the same event. That story did not mention Farrakhan's anti-Semitic remarks at all.

A troubling thing has happened with Farrakhan. The man is no longer controversial, and what he says is no longer considered news. Where once he was dogged by reporters asking him to justify himself, now he can fill a hall in the nation's capital, rant racism and not even have it mentioned in news accounts of the speech. Farrakhan's anti-Semitism has become something like his bow tie—just another personal and maybe quirky characteristic.

It goes without saying that someone named Cohen is not going to change any minds about Farrakhan. But that hardly means that others are not welcome to try. I refer, in fact, to those black leaders and journalists who have, in their discomfort, ignored what Farrakhan preaches, preferring not to deal with either him or his message, reserving their moral outrage instead for Ronald Reagan and his appointees to the Justice Department. Presumably they think Farrakhan will, like demagogues before him, simply go away. So far, though, he has not. And so far the relative silence of the black leadership (some have condemned him) has neither dampened Farrakhan's popularity nor muted his message.

When it comes to Farrakhan, we are told that we ought to ignore the man and concentrate instead on his audience. They are the poor, the downtrodden, the alienated. True. But demagogues always preach to these people. The Klan is not composed of orthodontists, the lynch mob of the Old South was not usually composed of the town elite and the Germans Hitler preached to were not without their grievances. But when violence is finally committed by people full of hate, it hardly matters that they have other, genuine grievances. What matters is that the innocent get hurt for no good reason.

The true tragedy of Farrakhan is that he is a digression. He has no program to make life better for ghetto dwellers. They are hardly poor because of something Jews have done, and the crisis in the Middle East has nothing to do with the job situation in the United States. Zionism is hardly "an outgrowth of Jewish transgression," as Farrakhan says, but even if Israel were to disappear tomorrow, Harlem would still be a slum and poor black teen-age girls would still be having babies. The sacrifice of the scapegoat solves nothing.

Anyone who can pull an audience of 10,000 without the benefit of an electric guitar is worthy of some attention. Anyone who preaches hate to that many people ought to be answered. This is particularly the case with Farrakhan because he comes credentialed by his erstwhile affiliation with Jackson. Like a combination Ed McMahon and Al Capone, he both warmed up the audience and supplied the bouncers. For that reason and because of his formidable personality and charisma, the man should not be ignored. That would smack of acquiescence, agreement—the notion that tolerance and justice are a luxury that's too rich for poor people, especially poor black people. History teaches, though, that it's not wise to patronize a hater.

The news media and the individuals they cover become infatuated with their own sense of importance. They all tend to think that reality exists only on television or the newspapers—that trees that fall unrecorded by video tape make no noise. But Farrakhan makes plenty of noise. His voice is still heard. Unfortunately, sometimes it's the only voice heard.

FARRAKHAN BIGOTRY UNCHALLENGED

Call it religious freedom, but Louis Farrakhan is into bigtime bigotry for the masses—and too many people who know better are looking the other way. His garbage is drawing crowds too; some 10,000 people jammed into the Washington Convention Center on Monday night to hear—and cheer—his stream of vicious anti-Semitic comments and his attacks against any and all leaders of blacks who might challenge his disgusting sermons. And judging from the sounds of silence in too many corners, Minister Farrakhan's preaching of hatred are effective. Where are the responsible and respected leaders who can recognize a Hitler in any color, who can be most ineffective in calling bigotry when they hear it?

Much of what Mr. Farrakhan spews could be coming from under a pointed hood of white linen: "Jews know their wickedness. . . . Whenever you put a black man in office and he betrays the best interest of the people who put him there, take him out, and if he does not repent . . . we will tar and feather them, hang them by a limb, chop off their heads." According to columnist Courtland Milloy, "he even makes the audience laugh when he mocks the Holocaust."

There are people of good will who suggest that if the press just ignores this man and his messages, he will disappear. Yet without a single well-publicized advance word of Mr. Farrakhan's latest visit—just posters and the spoken word along the streets—10,000 people show up to hear and cheer. He is news. He also is free to say what he wants, just as others are free to listen if they choose. But where are those who are free to refute hatred? What happens to a society that blesses bigotry with official silence?●

THE AFGHAN COMMUNISTS AND THE SANDINISTAS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. RICHARDSON. Mr. Speaker, I invite the attention of my colleagues to a message of solidarity sent to the Nicaraguan Government by Moscow's puppet regime in Afghanistan, a Communist dictatorship which remains in power only because of Soviet military occupation and oppression of that country. I think it is significant that the Afghan leaders who control the Government in Kabul thanks to massive Soviet bombing of their own people would send "comradely greetings" to Daniel Ortega, the President of Nicaragua. Ortega claims the Sandinistas are nonaligned. The truth is that the Sandinistas are not nonaligned between right and wrong in

Afghanistan. They are solidly aligned on the side of wrong.

I insert the following Afghan (Bakhter) press report of the Kabul Government's solidarity message into the RECORD and I urge all my colleagues to read it carefully. I cannot believe that a single Member of Congress would approve or defend such an alliance between Managua and Kabul. I am sending a copy of this statement to the Nicaraguan Ambassador in Washington.

KARMAL GREETS ORTEGA ON NICARAGUA ANNIVERSARY

KABUL, July 18.—Babrak Karmal, general secretary of the PDPA CC and president of the Revolutionary Council of the Dra, has sent a congratulatory message to Daniel Ortega, president of the Republic of Nicaragua, on the occasion of the sixth anniversary of the victory of the Sandinist revolution. The message conveys the comradely greetings and reiterates support to the victory of July 19, Sandinist revolution, as a turning point in the history of the courageous struggles of the Nicaraguan people and as the beginning of profound transformation brought about in all spheres under the leadership of Sandinist front. The message condemned the shameless undeclared war launched by the aggressive U.S. imperialism and its regional accomplices against Nicaragua as well as in other parts of the world.

The message reiterates the militant and anti-imperialist solidarity of the Peoples' Democratic Party of Afghanistan, the government and the people of the DRA with the heroic struggles of the fraternal people of Nicaragua headed by Sandinist Front for scoring ever more successes in the defence of the revolution and its achievements and for constructing a developed and constructive society based on social justice.

DRA GROUP MESSAGE

KABUL, July 18.—The Peace Solidarity and Friendship Organization of the DRA (PSFO) has issued a message on the occasion of July 19, the international day of solidarity with the people of Nicaragua which coincides with the sixth anniversary of the Sandinist revolution. The message reads that the peace-loving mankind including the Afghan people mark this occasion at a time when the U.S. imperialism and its regional accomplices are feverishly preparing to launch an all-out armed onslaught against Nicaragua. The incessant reconnaissance flights carried out by the U.S. aircraft on the air space of Nicaragua, mining the latter's frontiers, terrorizing the Sandinist leaders, and banning the Nicaraguan diplomatic corps in the U.S. to enjoy diplomatic immunities and imposing economic blockade on Nicaragua are but a few of the clear manifestations of the hostile U.S. policy against the people and revolution of Nicaragua.

The PSFO, voicing the sentiment of the peaceloving Afghan people, expresses its full support to the just struggle of the Nicaraguan people to defend their independence, national sovereignty and territorial integrity vis-a-vis the plots and conspiracies hatched by the imperialist forces.●

CONTINUING THE ANTI-APARTHEID STRUGGLE

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. RANGEL. Mr. Speaker, I rise to commend the efforts to Transafrica in initiating the free South Africa movement. In particular, I would like to thank Randall Robinson for his leadership.

International sentiment against apartheid is steadily increasing. France's decision to recall its ambassador to protest Pretoria's security crackdown is very encouraging. Political and economic persuasion is a powerful tool, and France's precedent may signal the beginning of South Africa's isolation in the Western community.

And yet, it is the United States which can best rally the world community by example. White South Africans need the West, and they especially need United States markets and investment. A withdrawal of this support just might bring the whites of that country to their collective senses.

Randall Robinson and Transafrica are indeed educating the American public and government about what our role should be in the antiapartheid movement. He has been remarkably successful thus far, and will in all likelihood turn the full moral weight of public opinion against constructive engagement. I wish him the best of luck in this important work.

I would like to submit the following article for inclusion in the CONGRESSIONAL RECORD.

[From the Washington Post, July 24, 1985]

PICKETING HELPS PROD CONGRESS INTO VOTING

(By Barry Sussman)

Current congressional moves toward economic sanctions against South Africa offer evidence of what a band of dedicated activists can accomplish when it knows how to attract and rally public opinion.

On July 11, the Senate voted 80 to 12 for a bill banning new bank loans and exports of nuclear technology to South Africa, and requiring American companies with interests in South Africa to take an active role in opposing its apartheid policy of racial segregation.

The legislation is seen by many as sending a strong message to Pretoria and to the Reagan administration, which continues to oppose sanctions while adhering to a policy of "constructive engagement" with the South African government.

In June, the House voted 295 to 127 for a tougher measure that also would halt importation of krugerrands into the United States. Last year $600 million worth of those South African gold coins were sold to Americans, more than half the total exported. One-third of the Republicans joined almost all the Democrats in the House vote.

The bills are now in Senate-House conference, and what will emerge is not certain. But what does seem apparent is that there would have been no action at all except for the work over the past eight months of a group known as the "Free South Africa Movement."

The group began picketing near the South African Embassy in Washington last November, protesting the jailing of a number of labor leaders. The protests drew a good bit of television coverage, and similar protests sprang up in other cities.

After 16 days, the labor leaders were released but the picketing continued, shifting focus to the larger problem of apartheid. Emerging as a spokesman for the movement was Randall Robinson, the executive director of a foreign policy lobby, TransAfrica.

By last week, 2,000 people had been arrested in Washington and more than 4,000 at demonstrations at 26 other cities or college campuses.

So far, 22 members of Congress have chosen to be arrested and so have a number of mayors, and union and religious leaders. The most recent celebrity arrest was that of Coretta Scott King, widow of a slain civil right leader. The picketing takes place every weekday, and Robinson is not yet short of picketers. On holidays like Mother's Day, there has been Sunday protesting as well.

Herbert Beukes, South Africa's ambassador to the United States, contends that his government will not be intimidated by protests "half a world away," and says the motives of Robinson's group are domestic, political ones.

Whether or not that is true, the activists' domestic success is beyond dispute. Aside from the large number of arrests and congressional action, evidence gathered from two Washington Post-ABC News opinion polls shows growing support for the protests.

In January, when the protests were two months old, the Post-ABC News poll asked a random sample of Americans if they had heard about the picketing in Washington and elsewhere. About half (52 percent) said they had. Among them, 46 percent said they approved of the protests and 21 percent said they opposed them.

In mid-June, the Post-ABC News poll found a 10-point increase in the number of people aware of the protests, up to 62 percent. Among that larger group, virtually the same proportion as in the earlier survey—46 to 22 percent this time—said they approved.

In June the survey also showed a strong relationship between support for what Congress was doing and awareness of the protests.

The poll put this question to the public:

"Congress is working to take economic action aimed at forcing South Africa to end or reduce racial segregation. Reagan opposes such economic action, saying it would not help the situation there. Whom do you tend to side with, Congress or Reagan?"

Overall, the public was about evenly divided, with 46 percent siding with Congress, 44 percent with Reagan and 10 percent undecided.

Among the 38 percent who had not heard of the protests, 49 percent supported Reagan's view, 40 percent Congress'.

Among the 62 percent who had heard of the protests, 50 percent sided with Congress, 41 percent with Reagan, 9 percent were undecided.

Robinson sees three factors that have propelled the economic sanctions to the threshold of congressional enactment. Together, they serve as a model for any activist movement.

First is consistency. "The people involved are prepared to go on as many months or years as necessary," Robinson said.

Second is what Robinson called a consumable message. "We felt that if we could put the message before the American people, they would make the right decision. The issue is what is fair and what is unfair."

Third is hard lobbying from within," he said, and the protests and "other kinds of public pressures are needed to make them more responsive."

Asked whether there would have been any legislation at all if not for the embassy protests, Senate Majority Leader Robert J. Dole (R.-Kan.) said, "Well, it focused on the problem. And I think from that standpoint, those who had the responsibility, [Senate Foreign Relations Committee] Chairman [Richard G.] Lugar [R.-Ind.] and others at the hearings, made modifications.

". . . Not only the focus, not being arrested and all that, but the fact that they were very actively visiting the different people on the Hill. Let's face it: Some see it as a big civil rights issue that's important down the road. . . . All that has an impact."●

ACID RAIN DEBATE CHANGING

HON. EDWARD R. MADIGAN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. MADIGAN. Mr. Speaker, I recently read with great interest a column written by the editor of Environmental Forum, Bud Ward. In his "Reflections" column for the June issue of the magazine, Mr. Ward has identified a significant change in the attitude of environmental scientists toward the acid rain debate. Many of us have argued that controls on Midwest utilities are not a panacea for solving the problems associated with acid deposition in the Northeast. In response, Congress has prudently resisted acid rain control legislation, deciding instead to commit our resources to seeking a scientific consensus. A consensus to move the debate away from sulfur-only controls appears to be developing. In fact, Mr. Ward states that such a strategy is "unfit for human intellectual consumption." I commend his column to my colleagues.

[From the Environmental Forum, June 1985]

REFLECTIONS: FROM "SAUER REGEN" TO AIR POLLUTION?

(By Bud Ward)

In West Germany, the term "sauer regen" is heard less and less often. That despite the obvious political appeal for some of any term's both translating to "acid rain" and conveniently being pronounced as if it were "sour Reagan."

It's not a declining public interest in or concern with the well-being of the Black Forest that is leading Europeans away from a concern for acid rain. Far from it. The growing number of "Drive Slow. Save a Tree" bumper stickers are testimony both to the concern for the forests' serious ills and to the belief, or at least the suspicion, that something more than acidity may be involved.

The phenomenon in this case is trans-Atlantic. In the U.S. too there are signs of profound changes in the "acid rain" debate.

Item—One of the U.S.'s most well-respected "acid rain" researchers, Ellis B. Cowling of North Carolina State University's School of Forestry, recently told a conference, "I'm not an acid rain specialist any longer. I'm now an air quality specialist." Focusing on forestry impacts of atmospheric chemicals, Cowling now says that possible suspects range well beyond power plants to include transportation and other industrial sources of air pollutants related to ozone, nitrogen oxides, and volatile organic compounds. When it comes to recorded tree damages, "the likelihood of sulfur's playing a major role is diminishing in the scientific consciousness," Cowling says. "That's quite a change from what we would have said just a year ago."

Item—One more straw in the wind, just one of many. The Boston-based Center for Negotiation and Public Policy's ongoing and generally behind-the-scenes "Ad Hoc Acid Rain Committee" is undergoing a change of heart . . . and perhaps also of name. You guessed it: The "Ad Hoc Committee on Air Pollution," it is thinking of calling itself. Again, it's the emergence of forests as *the* issue and of non-sulfur atmospheric chemicals as *a* or *the* primary suspect that is driving the name change.

At this point, it clearly is too early to predict the eventual fate of the "acid rain" debate—shorthand for all that is implied and inferred in the field of aquatic and terrestrial effects associated with airborne chemicals.

But going it surely is. It's clear at this stage that the fundamental nature of the entire issue has changed profoundly over the past year, first from lakes to trees . . . and then the associated change from sulfur to all the above, including acidity in some capacity.

What is not at all clear, yet, is where the issue may settle a year from now or five years from now. Or how many turns and twists it may take en route.

For now, leave it be that any sulfur-only controls legislation or strategy is an anachronism, and one unfit for human intellectual consumption.

While the short-term downplaying of lake effects and therefore of sulfur may be good news to the high-sulfur coal industry and to utilities, it is not at all certain that the rest of the regulated community can share in the satisfaction. Nor, in fact, that coal's and utilities' joy won't itself be shortlived.

Any increasing scientific consensus about 1) the fact of forests damage and 2) the role of ozone and its precursors can only lead in Washington to increased sentiment for across-the-board emission reductions both of sulfur emissions, to protect lakes, and of ozone and its precursors, to protect forests.

From a political and policy standpoint, the evolution of the "acid rain" debate from its tunnel vision focus on sulfur only to a more wide-angled view of a broad range of air pollutants in the short run will further complicate and delay consensus on legislative air quality reforms. In the end, however, Congress in its wisdom may well decide that what is called for is additional controls not only on utilities and their sulfur dioxide emissions, but also on motor vehicle and other stationary sources of pollutants associated with ozone formation and transport.

Both technically and, especially, politically, that is a far more difficult field to sow. But the public and the Congress may well ultimately decide it is a richer harvest.●

FAIR AND ACCURATE REPORTING

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. LaFALCE. Mr. Speaker, there has been considerable confusion about the plans and intentions of the Environmental Protection Agency with respect to the Love Canal. But an article written by Douglas Turner of the Buffalo News serves as a model of fair and accurate reporting. Anyone interested in truth and accuracy with respect to Love Canal should read Mr. Turner's article. And for that reason it is herewith submitted.

[From the Buffalo News, July 25, 1985]

EPA CHIEF VOWS TO COMPLETE HABITABILITY STUDY AT CANAL

(By Douglas Turner)

WASHINGTON.—Lee M. Thomas, head of the Environmental Protection Agency, Wednesday affirmed that the EPA is "committed" to seeing that a Love Canal-area habitability study is completed as promised.

Thomas also said the EPA will not, as was suggested by a consultant to the agency, "buy out residents and leave" the area around the toxic waste dump in southeastern Niagara Falls.

The suggestion, one of several options offered by CH2M Hill Inc., a Reston, Va., company, caused an uproar at a briefing of residents in Niagara Falls Tuesday night.

With Rep. John J. LaFalce, D-Town of Tonawanda, at his side, Thomas said his personal preference is that the habitability study, "when it is completed 2 to 2½ years from now, will say, 'yes, it is habitable.'"

Thomas noted that the state Health Department, using its own data plus information from the EPA and the federal Centers for Disease Control, will have the responsibility of deciding whether the area can be made safe to live in again.

Thomas said the deterioration of closed or abandoned buildings is a continuing problem, and said he is willing to reconsider an earlier EPA decision to reject LaFalce's recommendation that the agency buy out owners of 29 non-residential structures in the area.

The decision as to whether to buy the buildings will be made within a year, Thomas said.

At the briefing called by LaFalce, Thomas said he has directed his staff to review the earlier rejection to determine whether new legislation should be written into the Superfund law that will recognize the "uniqueness" of the problem of residents and property owners at Love Canal.

Toxic wastes were discovered to be oozing from a dump there eight years ago. Initially residents were promised a habitability study by 1980s. The EPA declaration that the area could be made safe, issued just two years ago, was discredited almost immediately.

Asked what advice he would offer residents there, Thomas said:

"I could only imagine the level of frustration that they have felt. As far as I'm concerned, our agency is committed to deal with them as long as is necessary to try to resolve the problems and to try to do so as openly as possible.

"I certainly can't suggest there are short-term solutions to this. I don't think that there are."

The EPA, he said, "is committed to deal with the Love Canal problem for the long-term, not the short-term."

Thomas said that all of the remediation programs, including cleaning up conduits and streams, "will continue to their conclusions, a permanent conclusion. Long-term solution is a major component of dealing with this problem."

Thomas said we did not disagree with the presentation of the option of buying out residents, abandoning the project and leaving the area. Referring indirectly to the consulting firm, CH2M Hill, Thomas said developing a wide range of options is what a consultant should do.

But the "option to buy out and leave is no option at all," he said.

LaFalce said he was briefed on the CH2M Hill report on June 27 at EPA headquarters here, and that he immediately said, "That's a totally unacceptable option, and it ought not to be even considered."

LaFalce said the EPA administrator told him in June, "You're right; that's a totally unacceptable option."

"It was clear to me when I left that room (on June 27)," LaFalce said, "that abandonment of Love Canal, so far as there being no habitability study, would not be considered."

At Wednesday's briefing, LaFalce vehemently denied that he urged the EPA not to make the CH2M Hill report public. He said that at the June 27 briefing the EPA asked him not to reveal the contents of the report until the EPA had discussed it with the Love Canal Technical Advisory Committee.

LaFalce said the Congressional Office of Technology Assessment would soon issue a report recommending that incineration be used to dispose of Love Canal wastes permanently.

When that report is issued, LaFalce said, he plans to ask the EPA to move its incinerator to Love Canal, or ask that a contractor be engaged to build one, depending on an assessment of environmental hazards of such a process of disposal.

"Incineration may indeed be a viable option." Thomas said, noting that the EPA has used the process at a number of cleanup sites.

LaFalce noted that Thomas is the first EPA administrator willing to appear at a press briefing to answer questions about Love Canal or promise to visit the site.

The congressman called Thomas the most responsive EPA boss he has ever worked with, including Douglas Costle, appointed during the Carter Administration. LaFalce said Thomas has promised to visit Love Canal in the near future.

"I think it is absolutely shameful." LaFalce said "that EPA heads have gone around the world talking about Love Canal, yet none has ever visited the place. That will soon be corrected by Mr. Thomas."●

USIA: TELLING MICHIGAN'S STORY TO THE WORLD

HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. TRAXLER. Mr. Speaker, the U.S. Information Agency has the simple but important function of telling the truth to the world about our country. One important truth is the story of Michigan's economic comeback.

I would like to take this opportunity today to commend the U.S. Information Agency and Director Charles Z. Wick on the fine publication "Economic Impact, Innovative Adjustment Strategies." This publication, which is a quarterly review of world economics, is prohibited from being circulated in the United States. However, complimentary copies are sent to Members of Congress.

In the "Economic Impact" publication, the USIA looks at the shifting dynamics of the American economy. The publication contains several articles from various authors who explore the economy from New England to the heartland to the high-tech silicone valley. Of particular interest is the article entitled "A New Heartland?" where authors James Botkin, Dan Dimancescu, and Ray Stata discuss the new-found spirit of economic partnership in Michigan.

The article is a chapter from the authors' book "The Innovators." It begins by looking at the shift from Michigan's dependence on heavy manufacturing to a varied economic base which draws on the State's bountiful resources of farms and forest. This shift was brought about by the downturn of the America auto industry which forced the State to carefully plan and plot its uncertain economic future. Industries with growth potential were identified by a newly formed State task force, and the revitalization of the manufacturing and natural resources began. However this revitalization had a new twist. Private industry got into the act by providing foundation money for research, new business startups, and the adoption of revolutionary manufacturing techniques.

The article terms the economic partnership formed by State government, higher education and private industry as "conscious intervention." Under Gov. James Blanchard, this intervention became the No. 1 priority. The authors states that the Governor's creation of a strategic fund providing capital for industry, and the creation of various councils and commissions, has begun an era of business and government working together to bring about jobs and economic development.

The authors also note a balancing of economic power from the traditional industrial urban areas to out-of-State Michigan where businesses and industry continue to expand in agriculture, food processing, high-tech, and wood-related business. This is not to say that our large industrial cities have not contributed to Michigan's recovery in the past few years, rather other economic interests in the State have moved to equalize the singular economic power of the heavy manufacturing concerns located in Michigan's big cities.

Another one of Governor Blanchard's creations, according to the authors, is the Economic Alliance for Michigan, which focuses on improving the State's business climate. This alliance found the importance of investing the State's wealth locally and the need for increased venture capital to finance new business. The authors also note that in Massachusetts, which also faced economic downturn, rejuvenation was left to the whims of the marketplace. In Michigan, the comeback involved an aggressive and innovative policy fashioned by Governor Blanchard, industry, labor, and Michigan's fine university system. The following quote from this article sums up the spirit of cooperation and partnership:

> There is a sense of urgency in this part of the country, a longing to bridge the chasms between city and suburb, rich and poor, management and labor.

Mr. Speaker, I commend the USIA for telling the world about Michigan's comeback. While the USIA is prohibited by law from distributing this publication in the United States, we are fortunate that this worthwhile article is a chapter in the book "The Innovators." I would highly recommend this article and book to my colleagues.

I would like to finish by saying that this article is a fair representation of the Michigan story, which the authors call " * * * turning adversity to advantage."●

NATIONAL REPUBLICAN INSTITUTE HOSTS INTERNATIONAL DEMOCRAT UNION

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. COURTER. Mr. Speaker, the National Republican Institute for International Affairs, which like its Democratic Party counterpart operates independently but on small Federal funds, has been host this week to the prestigious International Democrat Union. Prime Ministers and party leaders from several continents and innumerable countries are conferring on international strategies for strengthening democratic parties everywhere.

I believe such efforts should draw the approving attentions of all the Members in this House, and therefore ask that the RECORD include an excellent report on the conference by the Wall Street Journal's Suzanne Garment, which follows:

[From the Wall Street Journal, July 26, 1985]

CAPITAL CHRONICLE

(By Suzanne Garment)

"We would like to cut down on government spending. We would like to see the United States take a more active role in the international scene vis-a-vis the Soviet Union." Was this some American neoconservative hawk chanting the faction's party line? No, it was a leader of one of the nine Latin American political parties that sent representatives this week to the International Democrat Union conference in Washington. To hear major Latin politicians talk this way was startling. So is the fact that our country's Republican Party is playing host to such a thoroughly internationalist gathering.

In 1983 both the Republican and Democratic parties set up institutes to use congressional money for promoting democracy through cooperation with political parties abroad. From the first the program was controversial, mainly because of Americans' deep mistrust of the idea of international party cooperation. We still think of our U.S. parties as innocently nonideological and do not like the idea of their corrupting themselves by consorting with more-ideological parties abroad. Moreover, the tradition of international party cooperation is strongest among the socialists, and this association is also suspect among us.

The Republicans not only joined the IDU, but under Party Chairman Frank Fahrenkopf have become very active members. The union was set up in London in 1983 with a push from Margaret Thatcher's Conservative Party organization. It was meant to be more secular and more explicitly conservative than the already-existing international organizations of the Christian Democratic parties.

The founding contingents from Europe and the Pacific are attending this second conference, including Mrs. Thatcher, members of the Canadian and Japanese ruling parties, and the prime ministers of Norway and Denmark. And present for the first time, with a big assist from the U.S. Republicans, are the Latin party leaders who have come as either new IDU members or observers. They include the prime ministers of Jamaica, Grenada, Dominica and Belize. Some of the parties out of power face grim electoral prospects, as in Mexico. Others, like the Costa Ricans, are fielding extremely strong candidates in coming national elections.

These are men and women of striking talent, whose words jolt preconceptions about the current political discourse in Latin America. Here is Joaquin Ricardo, political secretary of the Reformist Party of the Dominican Republic: "We have had democracy since 1961. Now it is beginning to crumble, because the social democrats in power are increasing public spending and public indebtedness. . . . Under these circumstances you usually get huge inflation—like what we have today in the Dominican Republic. Also, our sovereignty has been compromised: The IMF now has an office right in our central bank."

And here is Ambassador Alvaro Gomez of Colombia's Conservative Party: "Our party has been continuously democratic since 1849 and has always been a free-market party. We have frankly adopted the idea of "planning"—not to constrain the market but to liberate a certain amount of free enterprise and limit government intervention. As of now, you see, Latin American countries are suffering from 'epileptic' government interventions, with no rules at all."

The delegates think it is self-evident why international meetings like this are important to them. As one of them explained, "The word that works magic today is 'solidarity.' We must have an exchange so that people who, like us, will be in government a few months from now will know those already in government elsewhere." Another delegate went deeper: "This is our first chance to establish personal relations that will enable us to get reliable information. Information about world events is so dispersed and so influenced by others' ideologies that it is hard to get an account of things with the coherence necessary for political action."

For the Republicans to associate themselves with this sort of international movement is new. We are more familiar with the opposite tendency that still governs large parts of American conservatism.

This past April in Kingston, Jamaica, the U.S. took part in a conference of democratic youth that not only excluded the expected regimes of the right but also—this was the change—kept out movements of the nondemocratic left like the Palestine Liberation Organization and the African National Congress. The conference generated a fair amount of political energy, and the Soviets, until now almost the sole proprietors of the political device of international youth politics, have been fuming audibly ever since. But a commentator in the conservative magazine National Review condemned the lack of purity in the Caribbean meeting's final resolutions and judged, "By comparison, at least Club Med has some sort of integrity."

A Republican Party of this general tendency would not have been embracing all its varied brethren so enthusiastically in Washington this week. By the same token, a party with a liberal foreign-policy wing as powerful as the Republican Party once had surely would not have joined up with an international conservative movement; our U.S. Democrats, precisely because of this sort of internal diversity, will join no international party grouping.

The Democrats, too, probably will be growing more active on the international scene. But the Republicans are in the forefront for now, just beginning to cope with the source of one of our greatest foreign-policy weaknesses. And the parties' general foreign-policy positions of 50 years ago are on the verge of reversing themselves more thoroughly than anyone would have expected.●

NATIONAL HERITAGE RESOURCE ACT

HON. THOMAS J. DOWNEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. DOWNEY of New York. Mr. Speaker, the bill I am introducing today is designed to enlarge significantly the ability of museums and public libraries to acquire major collections of original works by artists, writers and composers, and ensure the preservation of these works for future generations. This legislation—the National Heritage Resource Act—ensures that America's cultural heritage will remain in this country and will always be available to the public in our museums, libraries, and archives.

The National Heritage Resource Act would remedy a present inequity in the tax law, the result of a 1969 change which specifically denied living authors, poets, musicians, scientists, and other artists a tax deduction for the fair market value of any works they personally donate to a museum, library, or archive. The current law is unfair because it still allows owners of these same works to receive a tax deduction at the fair market value of a donated item.

Since the 1969 change, artists no longer have an incentive to donate their works to public institutions. As a result, gifts by artists to museums and libraries of their creative efforts have virtually ceased.

According to Daniel Boorstin, Librarian of Congress, prior to the enactment of the 1969 Tax Reform Act, the Manuscript Division of the Library of Congress was receiving collections totaling nearly 200,000 manuscripts each year. Since 1969, the Library has received only one major gift of self-created material by a living literary figure.

The Library's Music Division has experienced a similar decline in donations. Some 1,200 manuscripts had been donated to the Division's collection between 1963 and 1970, but in recent years only 30 had been received. A group of 35 well-known composers—including Samuel Barber, Aaron Copland, Walter Piston, and Igor Stravinsky—ceased making gifts to the Library following the tax change. In particular, the Stravinsky papers, which were to be given originally to the Library the month the Tax Reform Act was signed into law, were sold to a private foundation in Switzerland.

University libraries from all regions of our country can also trace a decline in donations to this change in the tax structure. The lengthy list includes the University of California at Berkeley, University of Connecticut, University of Florida, Northwestern University, Purdue University, Iowa State University, University of Kansas, Harvard University, University of Minnesota, Washington University, Princeton University, Temple University, University of Texas, University of Utah, and University of Virginia.

Examples in my home State are numerous. New York University has experienced a decrease of from 80 to 90 percent of donations by artists or authors since 1969, while the New York State Library also estimates an 80-percent reduction in gifts of manuscripts. Furthermore, the Museum of Modern Art reported that it received donations of 52 works of art from the creators

between 1967 and 1969, but since 1972, only 13 were donated.

In response to this national decline of donations to our museums and libraries, a 1981 Presidential Task Force on the Arts and Humanities specifically recommended that the 1969 amendment to the Tax Code governing charitable gifts of creative works by artists, writers, and composers be amended. According to the task force, the immediate benefits of this change would be: First, the museums and libraries would be able to acquire important works directly from the creators (of the works) without cost; second, artists, authors, and composers would be able to choose the institutions which they believe would benefit the most from their gift; and, third, the public would benefit by having the works of living artists and writers available to them in public institutions. The legislation I am introducing is designed to make these benefits a reality.

Stipulations in my bill, limiting what may or may not be claimed as a deduction, are specific enough to prevent its abuse by donors. For example, the bill requires that the property for which deductions are taken must be in existence for 1 year prior to its donation in order to prevent property quickly produced and donated at tax time. Moreover, donors are required to have a written appraisal of the fair market value of their gift and to include the appraisal with their tax return. Also, the donated property must directly relate to the primary purpose of the institution. Finally, public officials may not take a deduction for donations of their papers if the papers were produced while the officials were officers or employees of the United States or of any State, or if the papers were created out of the performance of any duties as officers or employees of the Government.

Supporters for the bill include the Council of Creative Artists, the American Library Association, the American Council on Education, the National Association of Independent Colleges and Universities, the American Association of State Colleges and Universities, the Association of American Universities, the National Association of State Universities and Land Grant Colleges, the American Arts Alliance, the American Association of Museums, and the Research Library Association.

Mr. Speaker, the cost of the legislation to the U.S. Treasury would be approximately $5 to $15 million. For this comparatively small amount, we can end the 15-year drought in acquisitions the Nation's great institutions have suffered and demonstrate once and for all that the Nation's cultural heritage is important to us.

In view of the catastrophic effect that inflation and shrinking tax dollars have had on libraries and museums in recent years, this legislation to reinstate the tax incentive for the donation of materials by their creators to the Nation's public institutions is timely. Its enactment would not only help remedy the present tax inequity between the creators and owners of donated works but, more importantly, would enrich our Nation's cultural resources. In the words of Dr. Boorstin, "We thrive on our heritage. Positive action by Congress to restore the tax incentive for gifts of self-generated artistic and literary works will remind us that we all have a share in this heritage and we are nourished by it. To garner works of artists, musicians, and authors by enacting legislation will help preserve a precious part of us." Your support today for the National Heritage Resource Act will help ensure that our past will always have a place in the future.

In order to provide the widest possible opportunity for my colleagues to review this bill, I insert it here:

THE NATIONAL HERITAGE RESOURCE ACT

A bill to amend the Internal Revenue Code of 1954 to remove certain limitations on charitable contributions for certain items

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

SEC. 2. CHARITABLE CONTRIBUTIONS OF CERTAIN ITEMS CREATED BY THE TAXPAYER.

Subsection (e) of section 170 of the Internal Revenue Code of 1954 (relating to certain contributions of ordinary income and capital gain property) is amended by adding at the end thereof the following new paragraph:

"(5) Special rule for certain contributions of literary, musical, or artistic compositions.—

"(A) IN GENERAL.—In the case of a qualified artistic charitable contribution—

"(i) the amount of such contribution shall be the fair market value of the property contributed (determined at the time of such contribution), and

"(ii) no reduction in the amount of such contribution shall be made under subparagraph (A) or (B) of paragraph (1).

"(B) QUALIFIED ARTISTIC CHARITABLE CONTRIBUTION.—For purposes of this paragraph the term 'qualified artistic charitable contribution' means a charitable contribution of any literary, music, artistic or scholarly composition, any letter or memorandum, or similar property, but only if—

"(i) such property was created by the personal efforts of the taxpayer making such contribution no less than 1 year prior to such contribution.

"(ii) the taxpayer—

(I) has received a written appraisal of the fair market value of such property by a person qualified to make such appraisal (other than the taxpayer, donee, or any related person (within the meaning of section 168(e)(4)(D))) which is made within 1 year of the date of such contribution.

"(II) attaches to the taxpayer's income tax return for the taxable year in which such contribution was made a copy of such appraisal, and

"(III) the appraisal takes into account but is not limited to the factors described in clause (vi),

"(iii) the donee is an organization described in subparagraph (A) of subsection (b)(1).

"(iv) the use of such property by the donee is related to the purpose or function constituting the basis for the donee's exemption under section 501 (or, in the case of a governmental unit, to any purpose or function described under subsection (c)),

"(v) the taxpayer receives from the donee a written statement representing that the donee's use of the property will be in accordance with the provisions of clause (iv), and

"(vi) a written appraisal shall include evidence of the extent to which property described in subparagraph (B) that is created by the personal efforts of the taxpayer is or has been

"(I) owned, maintained and displayed by organizations described in subparagraph (A) of subsection (b)(1), and

"(II) sold to or exchanged by persons other than the taxpayer, donee, or any related person (within the meaning of section 168(e)(4)(D)).

"(C) MAXIMUM DOLLAR LIMITATION.—The aggregate amount of qualified artistic charitable contributions allowable to any taxpayer as a deduction under subsection (a) for any taxable year shall not exceed the artistic adjusted gross income of the taxpayer for such taxable year.

"(D) ARTISTIC ADJUSTED GROSS INCOME.—For purposes of this paragraph, the term 'artistic adjusted gross income' means that portion of the adjusted gross income of the taxpayer for the taxable year attributable to—

"(i) income with respect to the type of property described in subparagraph (B) that is created by the taxpayer, and

"(ii) income from teaching, lecturing, performing or similar activity with respect to such property or to similar property created by individuals other than the taxpayer.

"(E) PARAGRAPH NOT TO APPLY TO CERTAIN CONTRIBUTIONS BY PUBLIC OFFICIALS.—Subparagraph (A) shall not apply in the case of any charitable contribution of any letter, memorandum, or similar property which was written, prepared, or produced by or for an individual while such individual was an officer or employee of the United States or of any State (or political subdivision thereof) if the writing, preparation, or production of such property was related to, or arose out of, the performance of such individual's duties as such an officer or employee".

SEC. 3. TREATMENT OF EXCESS DEDUCTION FOR PURPOSES OF MINIMUM TAX.

Subparagraph (B) of section 55(e)(1) of such Code (relating to alternative itemized deductions) is amended by inserting "determined without regard to section 170(e)(5)" after "deductions)".

SEC. 4. EFFECTIVE DATE.

The amendments made by this section shall apply to contributions made after December 31, 1984 in taxable years ending after such date.●

FEDERAL OCCUPATIONAL DISEASE COMPENSATION ACT OF 1985

HON. PAT WILLIAMS
OF MONTANA
IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. WILLIAMS. Mr. Speaker, today I am introducing the Federal Occupational Disease Compensation Act of 1985.

This year at least 23,000 Americans will die from cancer which they contracted because of their workplace. The tragedy may reach many more, perhaps 60,000 American workers will die of cancer this year, because of their jobs. The variation in the number of deaths, between 23,000 and 60,000 can be linked to the latency of disease coupled with the fact that doctors diagnose disease but not necessarily its origin.

The cancer exposed worker populations in the United States include at least 11 million workers exposed to some 2,400 known or suspected cancer-causing substances or processes including:

Two million workers exposed to benzene with an increased risk of leukemia five times greater than normal.

One million six hundred thousand workers exposed to asbestos with an increased risk of lung cancer five times greater than normal.

One million five hundred thousand workers exposed to arsenic with an increased risk of lung cancer 2 to 5 times greater than normal.

One million five hundred thousand workers exposed to chromium with an increased risk of cancer 5 to 9 times greater than normal.

One million four hundred thousand workers exposed to nickel with an increased risk of cancer 5 to 10 times greater than normal.

Examples of other noncancer, but nevertheless dangerous, workplace exposures include:

Seven million workers exposed to industrial noise and hearing loss.

Two million workers exposed to carbon monoxide poisoning.

One million women workers of childbearing age exposed to chemicals that cause miscarriage and birth defects.

One million workers exposed to silica dust and lung disease.

Eight hundred thousand workers exposed to cotton dust and brown lung disease.

These and many other hazardous workplace exposures take a terrible toll on American workers. Some 100,000 die each year from occupational disease, while another 500,000 annually contract an occupational disease.

Given the multicausal nature of many occupational diseases, it is often impossible to link a specific exposure to a given toxic substance at a particular point in time and prove that it was the sole determining cause of the disease.

In addition, many States have added to the burden of proving cause by including in their workers' compensation laws a number of artificial barriers to compensation. Some States, for example, bar compensation for "ordinary disease of life," such as lung cancer, no matter what the cause. Others impose very limited statutes of limitations that prevent the filing of claims for diseases with long latency periods.

In the face of such legal requirements, most occupational disease victims don't even bother filing workers' compensation claims. The burdens of proof are so overwhelming that very few lawyers will take these cases on a contingency and their set fees are often beyond the means of diseased workers. Thus most occupational disease victims suffer and die with little or no assistance except what they can provide for themselves or what might be available from the public welfare system.

The magnitude of this tragedy is witnessed by the extent of occupational exposure to toxic substances and the disease which results.

Millions of workers are regularly and needlessly exposed to toxic chemicals wastes, fumes, dusts, and industrial processes as an integral part of their job. Over time, such exposures cause a variety of occupational diseases such as cancer, heart disease, nervous and brain disorders, reproductive damage, miscarriages, birth defects in workers' children, and a host of other diseases.

The need for this legislation is clear. Many American workers, victims of occupational disease, have been denied adequate workers' compensation for far too long. The current State-based workers compensation system has repeatedly proven itself inadequate to effectively compensate workers who contract occupational disease. The States simply cannot carry the load. America's workers need definitive Federal action.

As originally conceived in the early 1900's, workers' compensation was to be a no-fault insurance program by which employers assumed financial responsibility for injuries to workers due to "personal injury by accident arising in the course of employment." The idea was to move away from the legal problems of attempting to determine negligence, and to simply provide wage replacement, medical care, and rehabilitation benefits to workers and their families to overcome the economic hardships of work-related injuries or death.

However, occupational disease has only been partially recognized as compensable. Less than 10 percent of all occupational disease cases are compensated by State workers' compensation programs and of those 10 percent, most are not serious cases such as dermatitis. As for the serious cases, more than 90 percent of the serious cases are litigated before compensation is awarded.

In nearly every occupational disease case, the question of compensability centers on whether the disease arose out of and in the course of employment, which in every State requires proof of a direct causal relationship between a given workplace exposure and disease.

Unlike traumatic injuries, where the cause and effect relationships are clear and immediate, it is often difficult, if not impossible, to prove a direct causal link for many occupational diseases. Occupational cancers, for example, often have very long latency periods from the time of toxic workplace exposures to the onset of diseases. In the case of asbestos-related diseases, this latency period can be as long as 30 years.

Tragically, family members of exposed workers also suffer higher rates of disease. For example, the children of paper workers suffer higher rates of brain cancer than children of nonpaper workers, and family members of asbestos workers suffer high rates of mesothelioma, a cancer of the chest and stomach lining that is extremely rare in nonasbestos exposed populations.

Because the State-based workers' compensation system has not responded adequately to occupational disease, these statistics represent a true American tragedy. Not only have workers and their families suffered the agony of disease and pain of death, most have been further insulted by near exclusion from workers' compensation.

Nowhere has the system failed more miserably than in the area of asbestos-related disease. For decades, the producers of asbestos and asbestos products have known of the health hazards associated with asbestos. The resultant diseases, most of which have long latency periods, include: asbestosis—a scarring of the lung that eventually leads to death; mesothelioma—a rare cancer of the chest and stomach lining; lung cancer; and gastrointestinal cancer.

Rather than confront the very uncertain arena of State workers' compensation laws, with its overburdensome legal barriers to compensation and largely inadequate benefits, many workers have selected to exercise their rights under tort law and have brought some 20,000 suits against asbestos producers and product manufacturers.

Before its chapter 11 petition effectively halted all asbestos litigation, the Manville Corp.—the industry's largest—was paying an average of $19,000 per claimant. In some jury cases, a few claimants won very large awards,

while others got nothing. Out of the average award, the lawyers collected as much as 40 percent, leaving the average victim with a measly $12,000 for the rest of his life.

In an analysis of its 4,130 claims prior to its chapter 11 petition, Manville found that: 21 percent of the claimants received nothing; 13 percent received less than $4,000; 33 percent received $5,000-$14,000; 14 percent received $15,000-$24,000; 16 percent received $25,000-$99,000; and 2.5 percent received $100,000-plus. All of this, of course, was before the claimants paid the high costs of litigation.

In terms of cancer alone, the magnitude of the asbestos tragedy is large and continuing. According to the best studies available, between 4,000 and 12,000 asbestos-related cancer deaths per year are expected for the next 20 years. Unless effective legislative action is taken now, by this Congress, most of these victims will receive very little or nothing at all from either the tort or State workers' compensation systems.

The bill that I am introducing today contains five important parts: First the bill recognizes that the existing State-based workers' compensation is inadequate to deal with the modern dimensions of occupational disease and therefore creates a new Federal occupational disease compensation program. In doing this, we are not—in a very real sense—reducing State efforts because, for all practical purposes, few, if any, of them are compensating for occupational disease. To make the point again, less than 10 percent of all occupational disease is compensated under the State program and then only after protracted litigation.

Second, the bill immediately establishes a compensation system for asbestos victims based upon a series of medical presumptions of disease if certain medically based criteria are met. The benefit levels provided are similar to those available to workers covered by the Federal Longshoremens' and Harbor Workers Compensation Act.

Third, workers retain their common law rights to sue responsible third parties. However, the bill provides that any third party award is offset, dollar for dollar, against the total value of the workers compensation award. Given the relatively small amounts that the average victim actually gets from an average asbestos suit, we believe that this offset will serve as a disincentive to sue since most third party awards would be more than offset by the workers compensation benefit provided by this bill.

Fourth, the bill provides for an administrative trigger whereby the Secretary of Labor, based upon medical and epidemiological research conducted by the Secretary of Health and Human Services, engages in rulemaking to add additional diseases to the Federal Compensation Program. The Government is directed to immediately begin such rulemaking on those substances and/or processes on which there already exist OSHA standards.

Finally, the bill creates an exclusive Federal occupational disease compensation insurance fund whereby covered employers must purchase insurance to cover their liability under the law. This insurance fund would function much like existing workers compensation insurance, except that it is operated exclusively by the Federal Government. This is a practice proven by experience. The Federal Government already operates a number of insurance programs covering bank deposits, housing, flood and other disasters, and various agriculture lending programs. The Government also operates the costs of taking care of the victims of occupational disease and their families are already being borne in our society. The tragedy is that they are borne by the victims and to a lesser degree by the public.

We know that employers are not paying for the costs of occupational disease, except as they become defendants in tort law. We know that despite the public intention, the costs of production are not bearing the costs of occupational disease.

We also know that the public welfare system—Medicare, Medicaid, Social Security disability—is bearing much of the costs of uncompensated occupational disease. We also know that the victims themselves—in addition to their pain and suffering—are paying for their own diseases through their life's savings and lost wages. Indeed, according to one Department of Labor study, occupational disease costs workers some $11 billion a year in lost wages alone.

What this all adds up to is a massive public and personal subsidy of American industry. Occupational disease compensation, like occupational injury compensation, should be a cost of production, a cost of doing business. But the cost of workplace disease has been shifted onto the victim. My bill places those costs back where they belong—the workplace or production process that caused the disease in the first place. Only then, I believe, will employers begin to take the serious steps necessary to protect workers from the insidious exposures which cause these terrible, life shortening diseases.

Mr. Speaker, the time for this legislation has come. The demands of the American workers for a humane system of occupational disease compensation must be met. Justice and human dignity require nothing less.

I have included herein a section-by-section analysis of my bill. I commend it to my colleagues in the House.

SECTION-BY-SECTION ANALYSIS OF THE OCCUPATIONAL DISEASE ACT OF 1985

Section 1—Short Title. Sets forth the title of the bill.

Section 2—Findings and Purposes. This section sets forth the congressional findings relating to the extent of toxic exposure in the United States, the relationship to occupational disease from that exposure, the need for adequate and equitable compensation of workers with occupational disease exposure and the lack of adequate remedy under existing workers compensation programs to provide equitable compensation. The purpose of the Act is defined to include a compensation program for those workers disabled by certain occupational diseases or compensation for their dependants if they die from such exposure.

Section 3—Definitions. This section defines various terms used in the Act.

Section 4—Applicability and Exclusivity. This section provides that compensation to a claimant under this Act is compulsory, non-elective and constitutes the claimants exclusive remedy with respect to the claimant's employer, insurance carrier, collective bargaining agent or agent and related persons or agents. This section further provides that the compensation for a claimant is not the exclusive remedy with respect to third parties.

This section permits lawsuits brought against employers where the employer exposed his employees intentionally or with reckless indifference to unsafe levels of asbestos or other toxic substances.

The section also provides for claims to be filed which predate the effective date of the Act including retroactive claimants. There is a provision for claims filed after the effective date of the act and there are certain provisions limiting liability for the parties immune from suit under this section. The section further provides for an offset against a third party claim. The bill does not cover actions brought under the Longshore Federal Employees Compensation Act or the Federal Employers Liability Act.

Section 5—Compensation for Disability or Death. This section sets forth the benefit levels payable with respect to claims brought under the Act for permanent disability, death or partial disability cases.

Section 6—Eligibility for Compensation. This section describes the circumstances under which a claimant is eligible for compensation under this Act including the requirement of exposure to a toxic substance in the course of employment and the relationship of the disease to the employment. This section also contains special presumptions relating to exposure to asbestos.

Section 7—Procedure for Making Claims. This section sets forth a description of the claims process, the relevant statutes of limitations and certain other limitations on claims filing.

Section 8—Procedure for Adjudication of Claims. This section sets forth the procedure to be followed by the OWCP with respect to handling of claims including investigations, determinations, medical reviews and hearings.

Section 9—Appeals. This section sets forth the procedures for a review of claims under this Act.

Section 10—Exclusive Federal Occupational Disease—Workers Compensation Insurance Fund.

This section describes the federal fund to be administered by the Secretary of Labor for the purposes of providing an insurance

process for employers and manufacturers so that claims for occupational disease and death that are compensable under this Act can be paid.

This section contains details of the method for participating in the fund and for the secretary's determining the level of participation each year.

Section 11—Payment of Compensation. This section provides the procedure by which claims are paid, the necessary recording requirements from the Fund and the appropriate appeals procedure if payments are suspended.

Section 12—Representation Fees. This section provides for reasonable representation fees and the various standards for such fee arrangements.

Section 13—Employment or Coverage Discrimination. This section prohibits discrimination or discharge against employees who file claims under the Act, or bring proceedings under the Act. This section includes the various investigation and hearing procedures including appropriate remedies. This section also provides protection against those covered under this Act from denial of health care coverage.

Section 14—Surveillance and Medical Treatment Research. This section provides for the Secretary of Health and Human Services in coordination with the Secretary of Labor to conduct appropriate research into improving the means of surveillance of workers exposed to occupational health hazards and related research regarding treatment of such workers. This section provides detailed programs for such research activities.

Section 15—Additional Coverage of Occupational Diseases. This section provides the mechanism for the regulatory process by which workers suffering from occupational exposure to toxic substances in addition to asbestos may be brought under the protection of the Act.

This section establishes a Risk Assessment Panel to do review of scientific studies and reports related to occupational disease and to recommend inclusion of such exposures as compensable under this Act.

Section 16—Administration by OWCP and the BRB. This section provides for the procedure for OWCP to handle the claims process and to set up a separate operation for such claims handling.

Similarly, the section provides for the BRB to set up appropriate rules for handling appeals under this Act.

Section 17—Administrative Provisions for Insurance Fund.

This section provides the requirements and procedures for operating the compensation Fund under this statute. This section permits certain contracting arrangements and procedures for contractor liability.

Section 18—Enforcement Authority. This section authorizes the Secretary of Labor to bring actions in the federal district courts relating to violations of the Act.

Section 19—Record Keeping. This section provides for appropriate record-keeping requirements under the Act.

Section 20—Education Grants. This section provides for grant authority for educational activities under Act as well as for an appropriate advisory committee.

Section 21—Separability. This provides for the continuation of the Act if a section is determined invalid except for certain provisions.

Section 22—Effective Date. This provides for the Act to become effective six months after the date of enactment.●

THE BLACKBOARD SHUTTLE

HON. GERRY E. STUDDS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. STUDDS. Mr. Speaker, the announcement last Friday that Christa McAuliffe, a high school teacher from Concord, NH, would be the first private citizen launched into space has served to remind all Americans of the important place educators hold in our society.

This important role was perhaps best described in an essay written by New Bedford High School teacher Richard Methia, who wrote eloquently of the importance the shuttle mission will play in helping restore to teaching the prestige it rightly deserves. Mr. Methia, himself one of 10 finalists from a field of more then 10,000 applicants, represented the pioneering seaport of New Bedford with distinction. While everyone in the 10th Congressional District shares his disappointment, we shall not forget the pride he has brought not only to his community but to the entire teaching profession. In the following essay which appeared in Newsweek magazine on July 8, 1985, Richard Methia captures the symbolism and idealism of what he calls the "Blackboard Shuttle."

RIDING THE BLACKBOARD SHUTTLE

Next January an American teacher will become the first truly private citizen to experience spaceflight. Yet when President Reagan first announced that NASA would draw an astronaut from the classroom, his decision was dismissed by the National Education Association, an organization that claims to speak for most of America's teachers. "We don't need gimmicks," its president said.

The NEA missed the point entirely. No one expects that one teacher's cosmic joy ride will raise another teacher's pay or reduce the size of the class. But it's an extravagant gesture nonetheless, from the President of the United States to the teachers of America. It is graceless to demean it and shortsighted to ignore it, for in classrooms across the nation this simple gesture can work much good.

Teaching is arguably the world's oldest profession, but of late it has fallen on hard times. Teachers are hassled by students and get failing grades from their parents. Those who run the schools seem out of sync with those who pay for them. Beleaguered by graying Yippies on the left and reborn Yahoos on the right, America's teachers have retreated into Fortress Academia. Meanwhile, on street corners and in statehouses, the search for a path "back to basics" goes on without them.

SYMBOL

The problem is essentially spiritual. The man in the street has simply lost faith with the man and woman in the classroom. So teachers wait, holed up in their schools like so many inmates on death row waiting for a reprieve. It may already have come in the gesture the NEA derided.

NASA's teacher-in-space project offers the teaching profession the opportunity it sorely needs—a chance to glimmer in the national limelight and bask in the good will that is certain to follow next winter's shuttle flight. In January a teacher will become the futurist symbol of the new American frontiersman. From that vantage point he or she can help restore to teaching some of the prestige that two decades of disenchantment have worn away.

By his choice of a teacher symbolically to open the ultimate frontier to civilians, President Reagan has placed teachers squarely at the crossroads of history. Such symbolic acts are potent forces in America's public life. They fire the imagination and command the public eye. They garner support for causes and focus attention on problems. They help us judge what is important and what is not. Magnified by the media, they become the icons of America's secular faith. So it is significant indeed that a teacher will be chosen for this historic venture.

That an ordinary citizen can aspire to such status speaks movingly of our democratic society. That that citizen is a teacher speaks eloquently of the importance of learning in our society. It symbolizes our faith in education as the great leveler. And it testifies to our enduring belief that the words on blackboard walls speak more convincingly than the words on subway halls.

It is sobering to realize that to most young people America's space success is history. Not a single high schooler today, for example, was alive when President Kennedy propelled us to the moon on the wings of his vision. To most teens, Shepard, Glenn and Armstrong are only names in a textbook. The blackboard shuttle then can spark the imagination of an entire school-age population and help them reclaim their legacy among the stars.

The colonization of near space is our fantasy, but it may be our children's livelihood. They must be taught how to look skyward, to engage their skills and their spirits for the awesome tasks ahead. For one week next January the cabin of the space shuttle will become the most dramatic teaching tool in pedagogical history. Currently, NASA's plans call for the teacher in space to broadcast daily lessons from the shuttle to a plant-size class. But the most vital lessons he or she will teach transcend traditional academics.

Subtler than science and loftier than literature, the lessons implied by the teacher's presence aboard the shuttle are powerful affirmations of our national values. That one teacher will become a visible witness to a free and open society where the least advantaged can aspire to the greatest achievements. He or she will remind us that the ultimate goal of technology is the betterment of mankind's lot on earth. Traveling at an unimaginable 18,000 miles an hour, unarmed and defenseless in the flights across the continents, a teacher will be a striking symbol of our benign presence in space.

IDEALISM

That voyage will spotlight teaching as the finest art and teachers as a national treasure. It will recognize the importance of America's greatest natural resource—its youth. It can also provide them with a fitting role model. In contrast to the aberrant and bizarre personalities that parade through teen-age life, the attention paid one of their teachers can only be salutary. To honor a practitioner of the classroom arts instead of the bedroom arts is a sign that mature success rests in using the brain

more than the body beautiful. Rather than downplay its significance, then, shouldn't we look forward with delight to the days ahead when a teacher will nudge the likes of Cindy Lauper and Boy George off the pages of America's tabloids?

The teacher-in-space project can also play an important role for us all in nurturing a renascence of the American spirit. If it sparks idealism in even a few young minds, if it frees from the dreary sameness of commonplace ideas even a few older minds, if it entices adults to believe once more in their own dreams, if it reminds us that progress is the conquest of the ordinary by the marvelous, then this single adventure for one of us will feed the hungry human spirit in all of us.

Furthermore, if that symbolic event focuses benign attention on a dispirited profession, if it recaptures for teachers a hold on a nation's heart, if it moves students to greater respect of the learned, or if by some "rough magic" it encourages a single youth to become a teacher, then far from being a gimmick, the designation of a teacher/astronaut will be a priceless gift.●

DON'T KILL THE U.S. SYNTHETIC FUELS CORPORATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. CLINGER. Mr. Speaker, I rise in support of the Synthetic Fuels Corporation [SFC] and against efforts in Congress to abolish this program. Those who oppose SFC seek to offer an amendment to the Interior appropriations bill, H.R. 3011, which would kill the Corporation. It would rescind the appropriations currently available to SFC.

Mr. Speaker, this action is premature with regard to the course of the legislative process and dangerous with regard to the energy security of the United States.

The major arguments we hear against the SFC is that it has been wasteful and that abolishing it will cut the deficit by $6 billion. No one can deny that there have been flaws in the program in the past but two important events have occurred which have put the program back on track. First, last year Congress took the initiative to cut the program by 45 percent. This has led to a significant scaling back of projects supported by the Corporation. Congress further provided that 50 percent of the savings from scaling down those projects would be returned to the Treasury. The point is that we have already used a scalpel to carve a more efficient U.S. synthetic fuels program. That action was less than 1 year ago. Abolishing the SFC before those reforms have been allowed to work would be wielding a butcher knife on the energy security of our Nation.

The second factor in SFC's reform is the new Board of Directors and their comprehensive strategy for the Corporation. The Board has cut their staff, exercised more direct control over the operations of the Corporation, and has shown a hands-on determination to approve projects to get a visible, operating synthetic fuels program in place.

In addition, the comprehensive strategy plan is designed to provide a diversity of synfuels technology on a commercial scale, but at more cost-effective and efficient levels than ever before. The comprehensive strategy plan was submitted to Congress on June 28 of this year, and I urge my colleagues to examine this document before acting hastily to kill the SFC. The Board is taking a responsible and effective approach to our synthetic fuels program at the explicit direction of Congress by our actions last year.

The major argument we hear against SFC is that it is a budget buster, and that abolishing it will yield an immediate effect on the budget deficit. Do not be deceived by claims of an immediate $6 billion savings. The CBO reports that abolishing the SFC now would yield a savings in fiscal year 1986 of only $14 million. On the other hand, if we do abolish SFC now, the Department of Energy would have to seek $1.5 billion immediately to pay off the loan to the Great Plains project which DOE guaranteed. I emphasize that this $1.5 billion would show up immediately on the budget accounts, contributing directly to our soaring deficits. I submit that from a strictly current dollar analysis, abolishing SFC now would be fiscally irresponsible. Further, the assistance SFC gives to projects is not an immediate outlay. It would occur in most cases over a period of years. Those who claim an immediate $6 billion deficit savings are simply not correct. I urge my colleagues to make their decisions based on the full facts, not fragments of the truth.

Finally, if anyone doubts the necessity for a viable, commercial scale synfuels program in the United States, you need only look at the increases in U.S. domestic consumption of petroleum products in 1984—they were up 5 percent. In addition, U.S. oil imports were up 8 percent. We cannot afford the luxury of waiting until another crisis occurs. Oil experts conclude that by 1990 we can expect over half of our oil imports to once again come from OPEC nations, and most of that is produced in the Middle East. Mr. Speaker. I need not belabor the high degree of risk associated with that region of the world. We can be proactive rather than reactive by supporting a leaner, meaner, more efficient SFC. A responsible, cost-effective program is now in place and I urge my colleagues to reflect carefully and vote down efforts to gut the SFC.

The time to act is now and the vote to make is in favor of our current synthetic fuels program.●

AN ADDITIONAL CLARIFICATION IN H.R. 8

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. ROE. Mr. Speaker, on Tuesday, July 23, 1985, the House passed H.R. 8 the Water Quality Renewal Act of 1985. A number of provisions in the bill require some additional explanation and clarification beyond what occurred on the House floor or in the committee report. Accordingly, Water Resources Subcommittee ranking Republican ARLAN STANGELAND and I, as H.R. 8's floor managers, have agreed to make this additional clarification, as follows, part of the official record pertaining to floor passage of the bill.

SECTION 19: POTW FILING DEADLINES

Section 19 of H.R. 8 as passed by the House amends subsection 301(i) of the Federal Water Pollution Control Act to remove the filing deadline in the act for applications for extensions of the date by which secondary treatment must be achieved. Section 19 provides, however, that removal of the filing deadline does not apply to treatment works which are subject to a compliance schedule established before the date of enactment of the 1985 Water Quality Renewal Act by a court order or a final agency order.

The committee amendment does not disrupt existing compliance schedules. These schedules are of two types: Those imposed by a court, or those imposed by a final agency order. The term "final agency order" includes any administrative order issued in final form by the date of enactment of these amendments, including any order which has been upheld by a court.

SECTION 28: CRIMINAL PENALTIES

H.R. 8 strengthens existing law by authorizing, in section 28 (section 22 of the committee-reported version of the bill), felony penalties for knowing violations of statutory or regulatory requirements. This authority should be used with the same prudence, restraint, and sound discretion that is exercised in bringing charges carrying serious penalties under other criminal laws. The committee's report on H.R. 8, on page 31, identifies a number of factors relevant to the exercise of prosecutorial discretion concerning felony charges under the bill. These include the culpability of a defendant, the commission of repeated or protracted violations, and the extent of harm to public health or the environment resulting from a violation.

It should be emphasized, however, that the committee's remarks on this point were only meant to provide examples which may be useful to enforcement officals in exercising pros-

ecutorial discretion, and were not meant to read additional requirements or elements into the felony offenses defined by the bill. The complete standard of felony liability is provided by section 28's express authorization of more severe penalties for any knowing violations of the specified statutes, conditions, or requirements.

The committee report language relating to the bill's authorization of felony penalties for knowing violations of statutory or regulatory requirements is as follows:

Presently the Federal Water Pollution Control Act has no provision that deals with knowing violations of major statutory or regulatory requirements. Section 22 is intended to be used primarily to address intentional violations of the act occurring on a regular basis over an extended period of time that result in significant harm to public health or the environment. The section is intended to provide for imposition of severe penalties for such actions.

Superficially, this statement might be taken as suggesting three or four normal requirements for a felony prosecution in addition to the bills express requirement of a knowing violation—the report language refers to violations which are intentional; which occur regularly, and over an extended period of time; and which result in significant harm to public health or the environment. It was not, however, the committee's intent that a felony prosecution could be brought only where some or all of these additional factors are present. Rather, the purpose of the quoted report language is to provide examples for the responsible enforcement agencies by identifying a number of relevant factors which may be considered in the exercise of prosecutorial discretion concerning the bringing of felony charges to a grand jury under the bill. As a matter or common sense and sound practice, such factors as the culpability of a defendant, regular or repeated violations, and the extent of public harm resulting from a violation should also be considered in decisions concerning criminal charges carrying serious penalties. Other factors could also be considered that are not mentioned in the report language. This point applies to the purposed felony provisions of the Water Pollution Control Act to the same extent as to other criminal laws.

The remarks on this point in the report were only meant to provide some examples to enforcement officials in their discretionary decisions concerning criminal charges and the most productive use of enforcement resources. The factors referred to in the report should not be useable by felony defendants in making a defense to a prosecution under the bill. Rather, the standard of liability is expressly set out in the legislation—the commission of a knowing violation as described in section 28 of the bill. For example, the bill would not preclude enforcement for a single incident, such as occurred in Louisville, KY, in February of 1981, where a single discharge of flammable and explosive industrial solvent was released in the sewer system where it exploded causing extensive damage and threats to life and property if it could be proved that it was a knowing violation.

SECTION 34: LOG TRANSFER FACILITIES

One of the provisions of H.R. 8, section 34, addresses the regulation of those log transfer facilities which require, under existing law, both a permit from the Environmental Protection Agency under section 402 of the Federal Water Pollution Control Act and a permit from the Corps of Engineers under section 404.

Section 34 provides that such a facility which has been issued a section 404 permit is not required to apply for a section 402 amendment. The Administrator of EPA is directed to determine whether a permit issued under section 404 for a log transfer facility satisfies the requirements of the act which a section 402 permit must satisfy. If the Administrator determines that these requirements are met, then a section 402 permit is not required. If it is determined that the section 404 permit terms do not satisfy these requirements, the Administrator may propose to the Corps of Engineers modifications to this permit. If the permit is not modified, EPA is directed to require a section 402 permit.

In providing a new provision for log transfer facilities, the committee recognizes the need for the regulation of the discharge of bark, log debris, leachates, and other pollutants from such facilities. Under the new provision EPA retains its authority under section 402 to regulate the discharge of these pollutants.

However, to ensure maximum administrative efficiency in carrying out the requirements of sections 404 and 402, the new provision gives EPA the authority to rely on terms and conditions in section 404 permits whenever EPA determines, after a public hearing, that those terms and conditions satisfy the requirements of section 402. If, after an opportunity for a public hearing, EPA determines that the terms and conditions in section 404 do not satisfy all of the requirements of section 402, EPA has two options. First, it may propose new terms and conditions to be incorporated by the corps in the section 404 permit. If the permit is not modified, EPA must require a separate 402 permit. Under either option, EPA will continue to have enforcement responsibility for section 402 requirements. The new provision does not affect EPA's enforcement power, regardless of whether EPA opts to issue a new section 402 pemit. The purpose of this amendment is to streamline the permitting process for log transfer facilities and not to diminish EPA's regulatory authority in any way. It is also the committee's intention that section 505's citizen enforcement power be available under either option.

SECTION 38: CITIZEN SUITS

Section 38 of H.R. 8 as passed by the House amends section 505 of the act regarding citizen suits to provide better notice to the United States of citizen enforcement actions. The amendment requires that copies of compliants be provided to both the Administrator and the Attorney General. This provision is needed because at present there is no systematic way for the Federal Government to keep track of suits that actually have been filed. The United States needs this notice so that it can determine whether intervention is necessary and so that it can follow a case to point out to a court where some ruling or decree would be inconsistent with the Government's enforcement program or interpetation of the law. A similar provision was included in recent amendments to the Resource Conservation and Recovery Act.

The amendment also requires that copies of proposed consent decrees be provided to the Attorney General and to the administrator. The notice of proposed consent decrees will help to encourage more consistent enforcement settlements.

This amendment was originally proposed in the administration's Clean Water Act amendments bill, H.R. 2090, but was inadvertently omitted from the committee-reported bill. The administration bill contained a clause, now included in the House-passed version of H.R. 8, which specifically disclaimed that the United States could be bound by judgments in cases to which it is not a party. That provision merely restates current law and is necessary to protect the public against abusive, collusive or inadequate settlements, and to maintain the ability of the Government to set its own enforcement priorities.●

UNIVERSITY-HIGH SCHOOL PARTNERSHIP

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. DYMALLY. Mr. Speaker, I speak in support of the university-high school partnership bill, H.R. 2557, which, if enacted, promises to reverse one of the most alarming and dangerous trends now threatening this Nation's future: The escalating number of young adults who drop out of high school having earned neither the traditional diploma nor its equiva-

lent. It is not a new problem but it is a rapidly growing one.

In fact, the dropout rate in America has reached crisis proportions. This is confirmed by statistics from sources as diverse as President Reagan's Commission on Industrial Competitiveness, the National Center for Educational Statistics, and the Los Angeles Times. According to the most recent figures issued by the Reagan administration, the average dropout rate for this country's 16,000 school districts is between 25 and 26 percent. I am certain that my colleagues in this body share my shock and dismay at the realization that one-fourth of all young adults do not complete their high school education.

Even more troubling is the fact that the large majority of these dropouts are students often described as "nontraditional" or "at risk." They include pregnant adolescents and teen parents, the educationally disadvantaged, students from low-income families, and the gifted and talented.

Let me insist on the bipartisan nature of this crisis. The State of California has a dropout rate of 14.7 percent. In two of my district's largest cities, Compton and Bellflower, the rate is even higher at 18.4 percent and 17.1 percent respectively. Just north of me in Los Angeles where the student population is 52-percent Latino, one in five students—19.5 percent—drop out of school. In Oregon, the rate is 15.4 percent and in Salem, the State capital, almost one-fourth of all high school students—23.7 percent—leave school before completing their diploma. Texas has a State rate of 17.6 percent, but San Antonio's is 19 percent and Houston's 22.2 percent. I could continue for quite some time, but I think you understand. We urgently need to set political differences aside and deal with the problem.

The program outlined in H.R. 2557 represents a merger of successful approaches utilized in the past. What it does, basically, is to establish grants to fund partnerships between an institution of higher education and a local education agency. Based on a signed contract, the partnership would develop activities enabling secondary students to improve their academic skills, increase their opportunities to continue their education beyond the high school level, and improve their prospects for employment after high school. Recent research conducted at Stanford University indicates that this method—peer tutoring—is the most cost-effective of several leading ways to improve reading, writing, and mathematical skills.

In addition to this primary association between the high school and college, the partnership might very well include businesses, labor organizations, professional associations, community-based organizations, or other private or public agencies or associations. Their roles would vary according to the contract specifications and could include anything from the providing of space to work experience and career advice. Hundreds of corporations have already become active in similar endeavors through the Adopt-a-School Program championed by the presidents of several large corporations.

The program would yield multiple benefits for students, schools—both secondary and postsecondary—and communities by accomplishing several important objectives. It would give high schools a way to keep students in school through new activities which take advantage of college and community resources; help students gain a better understanding of their academic and employment needs and potential; a means of increasing student achievement levels by giving them a better appreciation of what they learn and of the context in which it would be useful to them; make the transition from high school to work or college a smoother one; enable constructive relationships between high schools, colleges, and businesses to develop; and, provide students with greater opportunities for employment and further education through the new ties created between their high schools and colleges and/or businesses.

I assure you that the alternative to fighting the dropout problem—passivity—will cost us a great deal more in the not-so-distant future than passage of the high school-university partnership bill. The price of continued negligence will become more and more evident in all its various forms: Crime in the streets, overcrowded prisons, and unacceptably high unemployment rates.

Though perhaps trite, the old jingle, "Pay me now or pay me later" has never been more appropriate. The dropout crisis will take more than kind words and sympathy to reverse. My bill does not promise to wipe out the problem entirely, but it does commit this country to massive reductions in the number of young adults whose futures are mortgaged long before they ever begin. I urge you to join me in this effort by supporting the inclusion of this crucial legislation in the reauthorization of the Higher Education Act.●

THE NEED TO PASS PAY EQUITY LEGISLATION

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mrs. COLLINS. Mr. Speaker, I rise today in support of H.R. 3008, the amended version of the the Federal Pay Equity Act of 1985, originally introduced as H.R. 27 by my colleague, Ms. OAKAR of Ohio.

H.R. 3008 would provide for a study of the Federal pay and classification systems to determine whether they are marred by wage discrimination, based on sex, race, and ethnicity. I am an original cosponsor of this bill, as I feel it contains the most-needed ingredients to find discrimination in the Federal work force, should it exist.

I am well aware that H.R. 3008 is the result of extensive testimony given before Ms. OAKAR's Subcommittee on Compensation and Employee Benefits of the Post Office and Civil Service Committee. Numerous hearings focused on H.R. 27 and the General Accounting Office report entitled "Options for Conducting a Pay Equity Study for Federal Pay and Classification Systems." The GAO study highlighted many important elements which affected pay equity that are worth noting.

Women in the Federal work force earn an average of 62.8 cents for every dollar a federally employed man does. Furthermore, black women in the Federal Government earn only an average of 62.2 cents when compared to a man. In looking at all sectors—Federal, State, and local government, as well as private—white women bring in 59.2 cents for every dollar paid to a man, black women earn 54.7, and Hispanic women earn 51.2 cents.

Despite the fact that almost half of the people in the Federal work force are women, about 70 percent of the female employees are grouped in grades 1 to 6. A full 85 percent of the males are in grades 10 to 15.

Forty-five States have taken some type of action with regard to pay equity, either through studies or wages and classification systems, legislation, or collective bargaining.

Many civil rights advocacy groups rightfully brought to the attention of the subcommittee that the difference in wage was even greater for blacks and Hispanics than for white women.

H.R. 3008 creates an 11-member bipartisan commission made up of Government officials and members of Federal labor unions which represent a number of federally employed women. Also, one member from women's organizations who promotes them in the Federal Government work force, and one member from civil rights groups who represents Federal employees are also part of the 11 on the Commission. The Commission will select the consultant that will conduct the 18-month study and provide guidance to that person.

The group will disband once it has sent its final report to the President and the Congress. Federally regulated wages for employees will not result from this study.

Mr. Speaker, pay equity is a concrete, solid practice taking place all over this great Nation. Pay equity plans are being initiated in moderate terms at very minimal costs to State and local governments. The Federal Government should follow the example taken by these governments. I urge my colleagues to support H.R. 3008 which will demonstrate that we on the Federal level have made a commitment to identifying and eradicating possible discrimination in the Federal work force.●

AN ADDITIONAL CLARIFICATION IN H.R. 8

HON. ARLAN STANGELAND
OF MINNESOTA
IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. STANGELAND. Mr. Speaker, on Tuesday, July 23, 1985, the House passed H.R. 8, the Water Quality Renewal Act of 1985. A number of provisions in the bill require some additional explanation and clarification beyond what occurred on the House floor or in the committee report. Accordingly, Water Resources Subcommittee Chairman BOB ROE and I, as H.R. 8's floor managers, have agreed to make this additional clarification, as follows, part of the official record pertaining to floor passage of the bill.

SECTION 19: POTW FILING DEADLINES

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SECTION 28: CRIMINAL PENALTIES

H.R. 8 strengthens existing law by authorizing, in section 28 (section 22 of the committee-reported version of the bill), felony penalties for knowing violations of statutory or regulatory requirements. This authority should be used with the same prudence, restraint, and sound discretion that is exercised in bringing charges carrying serious penalties under other criminal laws. The committee's report on H.R. 8, on page 31, identifies a number of factors relevant to the exercise of prosecutorial discretion concerning felony charges under the bill. These include the culpability of a defendant, the commission of repeated or protracted violations, and the extent of harm to public health or the environment resulting from a violation.

It should be emphasized, however, that the committee's remarks on this point were only meant to provide examples which may be useful to enforcement officials in exercising prosecutorial discretion, and were not meant to read additional requirements or elements into the felony offenses defined by the bill. The complete standard of felony liability is provided by section 28's express authorization of more severe penalties for any knowing violations of the specified statutes, conditions, or requirements.

The committee report language relating to the bill's authorization of felony penalties for knowing violations of statutory or regulatory requirements is as follows:

> Presently the Federal Water Pollution Control Act has no provision that deals with knowing violations of major statutory or regulatory requirements. Section 22 is intended to be used primarily to address intentional violations of the act occurring on a regular basis over an extended period of time that result in significant harm to public health or the environment. The section is intended to provide for imposition of severe penalties for such actions.

Superficially, this statement might be taken as suggesting three or four normal requirements for a felony prosecution in addition to the bills express requirement of a knowing violation—the report language refers to violations which are intentional; which occur regularly, and over an extended period of time; and which result in significant harm to public health or the environment. It was not, however, the committee's intent that a felony prosecution could be brought only where some or all of these additional factors are present. Rather, the purpose of the quoted report language is to provide examples for the responsible enforcement agencies by identifying a number of relevant factors which may be considered in the exercise of prosecutorial discretion concerning the bringing of felony charges to a grand jury under the bill. As a matter or common sense and sound practice, such factors as the culpability of a defendant, regular or repeated violations, and the extent of public harm resulting from a violation should also be considered in decisions concerning criminal charges carrying serious penalties. Other factors could also be considered that are not mentioned in the report language. This point applies to the purposed felony provisions of the Water Pollution Control Act to the same extent as to other criminal laws.

The remarks on this point in the report were only meant to provide some examples to enforcement officials in their discretionary decisions concerning criminal charges and the most productive use of enforcement resources. The factors referred to in the report should not be usable by felony defendants in making a defense to a prosecution under the bill. Rather, the standard of liability is expressly set out in the legislation—the commission of a knowing violation as described in section 28 of the bill. For example, the bill would not preclude enforcement for a single incident, such as occured in Louisville, KY, in February 1981, where a single discharge of flammable and explosive industrial solvent was released in the sewer system where it exploded causing extensive damage and threats to life and property if it could be proved that it was a knowing violation.

SECTION 34: LOG TRANSFER FACILITIES

One of the provisions of H.R. 8, section 34, addresses the regulation of those log transfer facilities which require, under existing law, both a permit from the Environmental Protection Agency under section 402 of the Federal Water Pollution Control Act and a permit from the Corps of Engineers under section 404.

Section 34 provides that such a facility which has been issued a section 404 permit is not required to apply for a section 402 amendment. The Administrator of EPA is directed to determine whether a permit issued under section 404 for a log transfer facility satisfies the requirements of the act which a section 402 permit must satisfy. If the Administrator determines that these requirements are met, then a section 402 permit is not required. If it is determined that the section 404 permit terms do not satisfy these requirements, the Administrator may propose to the Corps of Engineers modifications to this permit. If the permit is not modified, EPA is directed to require a section 402 permit.

In providing a new provision for log transfer facilities, the committee recognizes the need for the regulation of the discharge of bark, log debris, leachates, and other pollutants from such facilities. Under the new provision EPA retains its authority under section 402 to regulate the discharge of these pollutants.

However, to ensure maximum administrative efficiency in carrying out the requirements of sections 404 and 402, the new provision gives EPA the authority to rely on terms and conditions in section 404 permits whenever EPA determines, after a public hearing, that those terms and conditions satisfy the requirements of section 402. If, after an opportunity for a public hearing, EPA determines that the terms and conditions in a section

404 do not satisfy all of the requirements of section 402, EPA has two options. First, it may propose new terms and conditions to be incorporated by the corps in the section 404 permit. If the permit is not modified, EPA must require a separate 402 permit. Upon either option, EPA will continue to have enforcement responsibility for section 402 requirements. The new provision does not affect EPA's enforcement power, regardless of whether EPA opts to issue a new section 402 permit. The purpose of this amendment is to streamline the permitting process for log transfer facilities and not to diminish EPA's regulatory authority in any way. It is also the committee's intention that section 505's citizen enforcement power be available under either option.

SECTION 38: CITIZEN SUITS

Section 38 of H.R. 8 as passed by the House amends section 505 of the act regarding citizen suits to provide better notice to the United States of citizen enforcement actions. The amendment requires that copies of complaints be provided to both the Administrator and the Attorney General. This provision is needed because at present there is no systematic way for the Federal Government to keep track of suits that actually have been filled. The United States needs this notice so that it can determine whether intervention is necessary and so that it can follow a case to point out to a court where some ruling or decree would be inconsistent with the Government's enforcement program or interpetation of the law. A similar provision was included in recent amendments to the Resource Conservation and Recovery Act.

The amendment also requires that copies of proposed consent decrees be provided to the Attorney General and to the Administrator. The notice of proposed consent decrees will help to encourage more consistent enforcement settlements.

This amendment was originally proposed in the administration's Clean Water Act amendments bill, H.R. 2090, but was inadvertently omitted from the committee-reported bill. The administration bill contained a clause, now included in the House-passed version of H.R. 8, which specifically disclaimed that the United States could be bound by judgments in cases to which it is not a party. That provision merely restates current law and is necessary to protect the public against abusive, collusive or inadequate settlements, and to maintain the ability of the Government to set its own enforcement priorities.●

LINE-ITEM VETO

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. LAGOMARSINO. Mr. Speaker, if we are truly serious about bringing the Federal budget under control, we must consider new ways to restrain spending. One proven method is already used in 43 States, including my home State of California—the line-item veto. Congress clearly needs to do a much better job in controlling spending in light of the projected Federal budget deficits. One problem is that Presidents must sign or veto bills in their entirety. If a President vetoes an entire bill because of inappropriate items which probably won't stand up to the test of individual votes, he may place himself in the unenviable position of killing a law which he and the majority of Americans favor, one which the Nation may need. Currently, Presidents can't pick and chose among various provisions as 43 Governors can. Those same States manage to keep spending and taxation in balance and out of the red.

Mr. Speaker, those who oppose the line-item veto argue that this would give Presidents more power than was envisioned by the framers of the Constitution. I do not feel that this argument holds water. Since Congress would always retain the power to override a line-item veto by a two-thirds vote, this would not add to the "Imperial Presidency" but simply permit a process of fine-tuning that can only serve the taxpayers. Furthermore, considering that the entire Federal budget in 1802, not long after the Constitution was adopted, was $8 million, I doubt that the Founding Fathers foresaw the size and complexities of modern day budgeting, let alone provided for it. Furthermore, there are those who point out that while serving as Governor of California this President was only able to line-item veto an average of 2 percent per year of total State spending. Even if we were only able to accomplish this same modest amount at the Federal level, we could reduce the Federal deficit by approximately $20 billion just this year.

Mr. Speaker, as the following Reader's Digest article points out, the line-item veto has broad bipartisan support in Congress, among the Nation's Governors and the general public. The deficit for 1985 is projected to be $213 billion and interest on the national debt is costing taxpayers $130 billion just this year. I urge my colleagues to review the following article on the line-item veto and allow the President a more active role in cutting away at the deficit:

AVAILABLE: A PROVEN WAY TO REDUCE THE DEFICIT

(By Donald Lambro)

When the Massachusetts legislature sent Gov. Michael Dukakis a dangerously unbalanced 1985 budget, he deleted $58 million in dubious expenditures—from recreational boat ramps to grants for the state's wealthiest communities. Then, having balanced the budget, Dukakis signed it into law.

Similarly, Illinois Gov. James R. Thompson eliminated $136 million of less-than-vital items from his state's 1983 budget, and California Gov. George Deukmejian blue-penciled a whopping $1.3 billion from his 1984 and 1985 budgets. In so doing, they helped keep their treasuries out of the red.

These governors—and 40 others throughout the country—wield an immensely powerful weapon, the line-item veto, which allows them to delete or reduce individual budget items from appropriations bills sent them by their legislatures. The veto may be overridden by a legislative vote, but surprisingly, this seldom occurs. Over the past decade the line-item veto has saved state taxpayers billions of dollars.

Yet, at a time of $200-billion federal deficits, it is a tool denied the President of the United States by the Constitution. If Congress sends him a spending package loaded with unnecessary appropriations and pork-barrel projects, he has only two options: either veto the entire bill, or spend the additional money and drive taxpayers deeper into debt.

This "like it or lump it" choice faced President Reagan last October when Congress dropped a $458-billion appropriations bill on his desk, the largest appropriations package in American history. Designed to keep hundreds of federal agencies—from the Defense Department to health and welfare programs—running through the current fiscal year, the bill also included hundreds of wasteful expenditures that cried out for a Presidential veto: among them, $400,000 to study the 1932-33 famine in the Ukraine and $2 million to "reconstruct in its original form" a lighthouse at Nantucket, Mass. The President had little choice but to sign. A full veto might have shut down vital programs for weeks until Congress hammered out a new bill.

The line-item veto has been sought by Presidents since the days of Ulysses S. Grant, Franklin Roosevelt, Harry Truman and Dwight Eisenhower all asked for it, to no avail. Yet it may be an idea whose time has come. The deficit for 1985 is expected to hit $213 billion, and the national debt is costing taxpayers $130 billion this year in interest alone.

All of this has fueled a bipartisan movement to find new ways to pound the deficit into submission. *At the National Governor's Association meeting in February, Democratic and Republican governors gave solid approval to a resolution urging Congress to grant the President the line-item veto. It's not a panacea for "erasing the deficit, cautions Dukakis, a liberal Democrat, but a vital weapon "to ensure fiscal stability."*

No one agrees more than Sen. Mack Mattingly (R., Ga). "The full veto worked fine in a bygone era when budget bills were relatively small and dealt with only a few programs," he says. "But nowadays the President needs a modern precision tool to trim the fat."

Mattingly has introduced legislation to give the President the line-item authority possessed by most governors. Mattingly's

proposal specifies that each spending item within an appropriations package would be a separate bill, thus skirting the constitutional obstacle that prohibits a President from vetoing sections of a single bill. The law would also retain Congress's authority to override each item veto with a two-thirds vote. Finally, to assuage Congressional fears that the line-item veto could be abused, the law would expire in two years unless extended by the Congress.

Mattingly's bill, which has 47 cosponsors, including six Democrats, appears headed for Senate passage. But prospects in the House, where the Democratic leadership opposes the bill, remain uncertain.

This year Congress will send the White House a federal budget approaching $1 trillion in a grand total of 13 appropriations bills. Unless the Mattingly bill is enacted, the President will have to sign bills containing unnecessary and wasteful items, or use the veto and bring worthwhile programs to a halt.

Here are a few of the programs that cry out for a line-item veto. These alone would save an estimated total of nearly $30 billion in just three years:

Buried in the $36 billion Agriculture and Rural Development appropriations bill are school-lunch subsidies for non-needy children. Deleting this item would not touch free and reduced price-lunches for poor and low-income students. Savings: $2 billion.

2. The Rural Electrification Administration is an outdated Depression-era program that dishes up heavily susidized loans—at interest rates as low as two percent—including some wealthy electric cooperatives and telephone utilities.* Phasing out REA's direct loans and loan guarantees would save $1.6 billion.

3. Nearly 40,000 localities (most of which, unlike the federal government, maintain healthy budget surpluses or balanced budgets) receive revenue-sharing largesse from the U.S. Treasury. Uncle Sam also gives money away to such wealthy communities as Beverly Hills, Calif., which gets more than $200,000 a year, and Palm Beach, Fla., which received $73,478 in 1985. Revenue-sharing grants account for only 2.5 percent of all local expenditures, and their elimination would still leave states and localities with about $100 billion a year in federal grants-in-aid. Savings: $12.5 billion.

4. Although founded to help small businesses get started, the Small Business Administration grants most of its loans to established businesses or to entrepreneurs who could raise private capital. In fact, a minuscule 0.2 percent of America's 14.3 million small businesses are getting SBA credit. Elimination of this program would save $5.3 billion.

5. Buried in foreign-economic-aid bills, which include vital humanitarian aid to the world's hungry, are funds for the Export-Import Bank. The Ex-Im Bank is a prime example of corporate welfare. Many of its subsidized loans, which go to foreign customers to buy U.S. products, benefit a handful of corporate giants, including Boeing and General Electric. Economic-trade analysts say such loans have a "negligible" effect on the U.S. balance of trade. Abolishing Ex-Im's direct loans would save $3.9 billion.

6. Begun under Lyndon Johnson's Great Society, the Job Corps is the government's costliest training program. Each slot costs taxpayers $15,200 a year—more than the cost of tuition, room and board at Yale. Nearly two-thirds of all trainees do not finish the program, and of those who do, only a third are employed a year fter leaving. Without a line-item veto, the President will most likely have to swallow this program as part of the huge labor, health and human services, and education bill. Shutting down the program would save $1.3 billion.

7. Health-professions training subsidies were established in 1963 to alleviate a serious nationwide shortage of doctors, nurses and other health specialists. Today, however, there is an oversupply of such personnel. In fact, a federal advisory panel predicts that in five years the United States will have an excess of surgeons, neurosurgeons, eye specialists and general practitioners. Terminating any further health-profession school subsidies would save $512 million.

8. The U.S. Army's $5-million DIVAD Air Defense Gun is so inaccurate that its primary mission has been changed from shooting down maneuvering airplanes, which it has had trouble doing, to knocking out hovering helicopters, which it hasn't been able to do very well either. Yet the Army wants to purchase a total of 614 DIVADs for more than $4 billion. Vetoing further funds for the DIVAD could save $2 billion.

Until Congress gives the President the same authority exercised by the vast majority of the nation's governors, he will continue to be boxed in by wasteful, catchall appropriations bills. Says Sen. Joseph R. Biden, Jr. (D., Del.), "The line-item veto is intended to let the President out of that box so he can begin to play a more active role in cutting away at the deficit."

A majority of governors want the President to have line-item-veto power, and an October 1983 Gallup poll shows that 67 percent of the public does too. If you agree, then write your Senators and Representative and tell them to vote for this proven, waste-cutting tool.●

*See "Power Play on the Potomac," Reader's Digest, September '84.

ACTION IS DEMANDED TO ADDRESS TRADE DIFFICULTIES

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. KINDNESS. Mr. Speaker, I am dismayed and concerned by reports indicating that the Japanese Government has recently decided to decrease their imports of U.S. corn. The market share for U.S. corn declined from about 97 percent of all Japan's corn imports last year to around 85 percent in the first 5 months of this year, with most of the lost market share going to the People's Republic of China.

While there are a number of factors involved in the decrease of U.S. market share, action is demanded to address the trade difficulties between our two countries and to enhance the competitiveness of U.S. agricultural exports to Japan. This decrease in U.S. market share comes at a time when there is increasing concern in the United States that Japan is not willing to open its market to U.S. goods even while Japanese exports continue to flood our market.

As trade discussions continue with our friends in Japan and with others, I would hope that attention will be focused on the importance of U.S. agricultural exports to the economic health of the United States and the free world as a whole. We, as a nation, must deal with the shortcomings in our agricultural and trade policies that impair our ability to export more successfully, but it is of the utmost importance that nations of the free world work together to resolve our trade problems and to enhance the economic strength and security of all of the free world.●

WORKER RIGHTS IN THE GLOBAL FACTORY

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. PEASE. Mr. Speaker, in his radio address of October 9, 1982, to the American people on solidarity and U.S. relations with Poland, President Reagan made the following statement:

By outlawing Solidarity, a free trade organization to which an overwhelming majority of Polish workers and farmers belong, they—the Polish Government—have made it clear that they never had any intention of restoring one of the most elemental human rights—the right to belong to a free trade union.

The President was absolutely correct in making that observation, but I wonder if he realizes the extent to which many other countries, including those which currently enjoy huge trade surpluses with our country, are just as guilty of denying fundamental worker rights as the Polish junta. In fact, every day we aid and abet this injustice by extending to countries like South Korea and the Philippines special trade preferences that allows these countries, dominated by undemocratic regimes, to export assorted products, including manufactures, to the American marketplace duty free. Steadily, Americans are waking up to the fact that millions of American manufacturing jobs are being lost as employers relocate plants overseas to take advantage of cheap foreign labor.

Last month, something important and unprecedented occurred in the conduct of U.S. trade policy. Numerous witnesses appeared before the U.S. Trade Representative to offer detailed testimony on the degree to which various countries that now enjoy duty-free access to our market trample internationally recognized worker rights as defined in the Trade Act of 1974. It is long overdue that trade policymakers take seriously the degree to which exploitation of cheap, unprotected labor provides an unfair advantage to major trade competitors of the United

States. This issue needs to be raised directly with officials in each of these countries as they seek continuation of preferential access to our market for their products.

Today and in the future I will have reprinted in the RECORD the testimony presented to the U.S. Trade Representative. I urge my colleagues to take the time to reflect on the importance of building incentives into U.S. law to raise international labor rights to a minimum level of decency at the same time that we are scrambling to find ways in which to improve American competitiveness.●

DR. MARK DELAY

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. FAWELL. Mr. Speaker, I would like to pay special tribute to Dr. Mark DeLay upon his retirement for his outstanding contribution to the community of Darien, IL during his 22 years of leadership as superintendent of school district 61.

When Mark DeLay first came to the community of Darien, it had only 2 schools, 500 students and 29 teachers. Today, district 61 has 2,600 students and 220 staff members in its 5 schools. By carefully planning for growth, acquiring school sites, and working closely with the community, Dr. DeLay was able to build three schools and make four additions to existing buildings without even having to operate with a deficit or to sell tax anticipation warrants.

More importantly, Dr. DeLay has supervised the development of an outstanding program of academics and extracurricular activities. His extraordinary ability to employ an excellent staff and to maintain high morale have enabled children to make remarkable gains. The district's most recent test scores show that the students' average scores are 96 percentile in reading and math in grades 2 through 8. District 61's band recently won several national awards, and its athletic program is one of the best in the area. When Dr. DeLay began as superintendent, only two sports were offered. Currently, boys and girls may participate in 15 sports and over 30 extracurricular activities at the elementary and junior high levels.

Perhaps the greatest tribute to Dr. DeLay is the fact that the community has grown up around the schools and receives full support of the parents. Darien was not incorporated until 1969, and the schools are used all summer and nearly every evening by community groups.

Dr DeLay has held several distinguished offices during his years as superintendent: President of DuPage County Division of Illinois Association of School Administrators, president of the Southeast DuPage Superintendent's Group, membership chairman of DuPage County Northern Illinois Superintendent's Roundtable, and member of governing board of the LaGrange Area Department of Special Education.

In addition, Dr. DeLay has received several community honors: Jaycees Distinguished Service Award, Darien Lions Club "Lion of the Year," and the Honorary Citizen of Darien Award.

I am proud to be able to recognize such an educational leader in my congressional district. I am sure my colleagues will join me in wishing Dr. Mark DeLay a full and rewarding retirement so richly deserved after 22 years of outstanding service to district 61.●

HUMANITY GOES TO TOP OF CLASS

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mrs. KENNELLY. Mr. Speaker, I'd like to draw the attention of my colleagues to an article that appeared in the Hartford Courant today. The piece describes the efforts of some dedicated teachers from several high schools in my district. These educators held a week-long seminar to discuss ways to bring human rights issues to the classroom.

In a speech opening the seminar, Lorraine Waido, Windsor High School's English Supervisor, spoke of the commonly held belief that human rights should be an integral part of "what we teach in the classrooms and what we teach in the hallways." I want to commend the efforts of these teachers to broaden the educational experience of their students.

The text of the article follows:

HUMANITY GOES TO TOP OF CLASS

(By Deborah Petersen)

"It's easy to convince people that children need to learn the alphabet and numbers. . . . What really matters is whether he uses the alphabet for the declaration of war or for the description of a sunrise, and his numbers for the final count at Buchenwald or the specifics of a brand new bridge."—Mr. (Fred) Rogers

WINDSOR.—With those words, Windsor High School English Supervisor Lorraine Waido opened a teaching workshop Thursday illustrating her belief that human rights should be part of "what we teach in the classrooms and what we teach in the hallways."

Waido was speaking to 25 teachers from public schools throughout the state, who have been attending a week-long session on bringing human rights issues into the classroom. The program, which has been held at Windsor High, ends today.

Whether it is discussing the morality of fighting a war they do not believe in or learning to recognize signs of racism or totalitarianism, more students are being exposed to the sensitive nuances behind the facts in their classrooms, workshop leaders said.

Waido is one of five teachers conducting the human rights workshop, one of 50 seminars for teachers sponsored by the state Department of Education. The series is financed by $1.7 million appropriated by the General Assembly, said Arthur E. Soderlind, social studies consultant for the state education department.

In 1981 the five teachers developed a guide for the state education department to help teachers instruct their students about the Holocaust, Soderlind said. They are working on a broader curriculum guide, to be finished this fall, that will encompass human rights in general, he said.

Schulz said she believes school systems have shied away from human rights issues until recent years, partly because the issues often are controversial.

Some of the potential conflicts can be eased by giving students enough information to ask questions without providing the answers, said Eve Soumerai, another workshop leader, who has taught human rights classes at Conard High School in West Hartford.

"Answers are divisive, questions are not," she said.

The workshops help teachers find ways to teach students that schoolwork is "not just facts, it's feeling and caring and taking action," said Lauren Cass, a social studies teacher at Chalk Hill Middle School in Monroe. Cass, one of the workshop leaders, said she hopes teachers can help students "make a commitment that social action be part of life."

No teacher can tell students how they should feel, but teachers can help students learn to question the world around them, said Carol Schulz, a teacher who became one of the workshop leaders before she moved to Northfield, Vt., where she now lives. "We're not brainwashing anyone . . . We don't have the answers either," she said.

Instead of giving the answers, Schulz wants to persuade students to keep asking questions. "For me, the most important thing is that the kids just start to care what's going on in the world," she said.●

FISCAL YEAR 1986 FOREIGN AID BILL AND POPULATION ASSISTANCE

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. SMITH of New Jersey. Mr. Speaker, late last night the House-Senate conference dropped all language in the foreign aid bill relevant to population aid.

The conference addressed two main issues: first, whether or not the Congress should preserve or reverse the administration's policy announced at Mexico City last year to deny funding to nongovernment organizations that perform or promote abortion and

second, the conference dealt with House- and Senate-passed language dealing with coerced abortion and infanticide in the People's Republic of China.

The conferees were in deadlock. The Senate felt obliged to stick with their provisions reversing the so-called Mexico City policy and tough anticoercion language; the House stood firm, in defending what was essentially my two amendments.

I would say parenthetically that I applaud Chairman FASCELL's leadership and integrity in defending the House position.

Having been permitted to debate the issue at the conference, I concurred with Chairman FASCELL on dropping all language in the bill. By doing this, we achieved two significant objectives.

First, we effectively preserved the administration policy of denying funding to nongovernment organizations that perform or promote abortion, that is International Planned Parenthood Federation of London.

Second, we eliminated the earmark for the United Nations Fund for Population Activities [UNFPA] which thus affords the administration the ability to determine what level of funding, if any, UNFPA will receive in light of its comanagement of the coercion in the People's Republic of China.

Mr. Speaker, let me just say that it would be a gross misreading of the convictions of the conferees—and the Congress—for the Government of the People's Republic of China to assume any dimunition of our outrage over coerced abortion, sterilization, and infanticide in the People's Republic of China.

This House, I would remind them, voted 289 to 130 to condemn these atrocities as crimes against humanity. We therefore are solidly on record in recognizing and condemning these repugnant practices.

Absent sweeping reforms in the People's Republic of China, the authorities in Beijing should be on notice that the Congress has really just begun to address this issue and will persist with diligence in focusing on these human rights abuses. We will take whatever action necessary to end these heinous crimes.●

A WELCOME TO OUR JAPANESE VISITORS

HON. JIM ROSS LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. LIGHTFOOT. Mr. Speaker, we have visiting with us today in Washington a group of young people from Japan.

This is not just another tourist group here to see the sights and collect picture postcards.

Some 20 years ago the President of Minaminihan Broadcasting Co. in Kogoshima City, Japan, had a vision that the young people of the world could best serve the effort for peace if they had an opportunity to meet their peers in other countries.

Through his efforts a program was started wherein, following a very stringent testing program, a small number of young people from Japan would make an annual pilgrimage to the United States. They stay in private homes, travel the full width of our country by bus and leave behind many friends and a deeper understanding of our good neighbors in Japan.

The group visiting this year is comprised of six girls and seven boys. They will stay in private homes in Athens, GA; Plymouth, MI; Shenandoah, IA; and Santa Rosa, CA.

To them I say welcome and remember, the future of the world is in the dreams of its young people.●

IN HONOR OF SALLIE FYLLING

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. LEVINE of California. Mr. Speaker, I rise today on behalf of Sallie Fylling, a constituent of the 27th District of California, who deserves to be recognized for her distinguished record of public service to our community.

Sallie was selected as the 1985 44th assembly district woman Democrat of the year. She received this award for her tireless efforts in the United Westside Democratic Campaign and for the many years of service she has given the Democratic Party. Sallie is currently the first vice president of the Westside Democratic Club and has volunteered her efforts on behalf of several State and local campaigns since the mid-1950's.

In addition, Sallie has served as a member of the Mildred Ferry Educational Fund, the Torrance Women's Club, which sponsors scholarships for children, and the Quota Club, which acquires dogs for the hearing impaired. Sallie is a strong-minded, persistent, and reliable woman. She has contributed without the slightest hesitation to the needs of her community, and her significant contributions are an example of excellence in civic leadership.

It is a pleasure to share Sallie's achievements with my colleagues in the House of Representatives and I ask that they join me in commending Sallie for her dedicated record of public service.●

LEGION POST HONORS TWO FOR SERVICE

HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. GAYDOS. Mr. Speaker, last month two members of American Legion Post 443 in Glassport, PA, were singled out for public recognition of their service on behalf of veterans and the community.

Members of Post 443 cited Edmund E. Wojciechowski, Sr. as "Legionnaire of the Year" for 1985 and awarded a special certificate of appreciation to Police Chief Lawrence E. Oley.

Mr. Wojciechowski, a resident of Glassport since 1947 and a prominent businessman in the community, has been an active member of the post. He has served it as both junior and senior vice commander and currently is chairman of the Graves Registration Committee. In addition, Mr. Wojciechowski has been an energetic leader in civic affairs, serving as president of the Glassport Lions Club and developer of a Blind Bowlers League in the community.

Chief Oley is a 27-year veteran of the local police force, serving as chief since 1982. He is a member of various law enforcement organizations on the county, State, and national levels. Chief Oley also has demonstrated his interest in community activities. He was instrumental in forming the Glass port Youth Bowling League and has served as president of that group for the past 10 years.

Both honorees are military veterans and members of Post 443. Mr. Wojciechowski enlisted in the Navy in 1942 and served as a pharmacist's mate in an amphibious unit. Chief Oley entered the Army in 1945 and spent 11 months overseas with the 334th Engineers.

Mr. Speaker, on behalf of my colleagues in the Congress of the United States, I congratulate Mr. Wojciechowski and Chief Oley for their service to their country and community and I commend Glassport American Legion Post 443 for once again bringing public recognition to two outstanding citizens.●

KILDEE SPEAKS AGAINST END OF LOW-INCOME AND SENIOR HOUSING

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. KILDEE. Mr. Speaker, a disturbing fact is coming to light as a result of a proposal in President Rea-

gan's tax simplification plan which would prohibit the sale of tax-exempt bonds for housing development. This proposal would seriously jeapordize the Michigan State Housing Development Authority's ability to generate funds for low- and modern-income families and senior citizens housing.

I want to take this opportunity to bring to Members' attention an article which recently appeared in the Flint Journal. The article describes the negative effect on the Michigan State Housing Development Authority if the proposal to prohibit the sale of tax-exempt bonds for housing development becomes law.

The article follows:

[From the Flint Journal, June 1, 1985]

HOUSING OFFICIALS SAY REAGAN REFORM WOULD END PROGRAM

(By Vanessa Waters)

LANSING.—A state agency's ability to finance low-income housing would be hamstrung by a proposal in President Reagan's income tax simplification plan that would prohibit the sale of tax exempt bonds for housing development, state officials say.

The Michigan State Housing Development Authority depends on revenue from the sale of tax exempt bonds to finance housing projects and home mortgages for low- and moderate-income families.

Officials say that without the tax-exempt status there would be no incentive for private investors to buy the MSHDA bonds.

Congress is considering several proposals, including the one submitted by the president.

Since MSHDA began operating in 1970, the agency has sold more than $1.7 billion in revenue bonds and notes and financed construction of 52,500 apartments and houses across the state.

"Without the ability to produce new housing, we would not be able to finance new development," said Lawrence R. Duvernay, MSHDA executive director.

"If we go to zero in terms of our ability to produce new housing we will create a housing crisis in Michigan. We're barely keeping up with the need." he said.

MSHDA earmarks $2 million annually to help reduce interest rates for the construction of rental properties, which in turn allows developers to hold down rent. The agency sets aside another $1 million to provide rental subsidies in about 8 percent of its new apartments.

"We would not be able to continue to generate additional funds and therefore be able to innovate, like writing down rent and interest rates," said Duvernay.

The authority could continue to function, if for no other reason than to manage existing developments, said Duvernay.

"But we will not be meeting the mission set for us in the (1966) legislation. We would not be producing the housing needed for low- and medium-income individuals," he said.

In 1980, there were 350,000 low- to moderate-income families in need of housing, according to Duvernay. Since then, MSHDA and other groups have financed housing for more than 100,000 families.

In the past, both individuals and institutions have purchased the tax-exempt bonds for development, according to MSHDA spokeswoman Ann Harrison.

"Lots of people buy municipal bonds. What the president's proposal would do would be to retain municipal bonds for things that are owned by the government," Harrison said.

Of the $1.7 billion in funding over the years, $67.9 million was spent in the Flint area on 1,284 units and 716 homes. There were 615 home improvement loans.●

HONORING G. ELMER LITTLE

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. MURTHA. Mr. Speaker, on August 11, 1985, Mr. G. Elmer Little will be honored at the banquet of the AAABA held in Johnstown. It is an honor richly deserved and in the spirit that makes America great.

Mr. Little has given his time, energy, and commitment over the years to sports activities that have affected the lives of thousands of citizens in Pennsylvania. He is responsible for promoting and sponsoring numerous Little League, softball, hockey, and bowling teams in Johnstown and Cambria County.

The work he has put into the Big 33 and Lantzy football games has promoted enjoyment for thousands of citizens. He was instrumental in the donation of the score boards for Johnstown's Point Stadium, and has been instrumental in raising funds for amateur sports activities throughout the Cambria County area.

But beyond those games and facilities that can be seen, it is impossible to place an estimate on what the work of Mr. Little has done to affect the lives of thousands of young men and women who have participated in these activities. The family sports event is a hallmark of Cambria County and western Pennsylvania, and it has served for decades to bring families together, teach young people the thrill of competition and help them to develop their skills and character, and provided family oriented entertainment for the young people of the area.

It is through the countless activities and continuing loyalty and dedication of people like G. Elmer Little that these events can go forward. And it is that kind of spirit and dedication that is truly the hallmark of America. It is that concern for others and that community spirit that lays the foundation for our national principles of self-sacrifice and helping others, and that sits at the heart of America's great stature in the world.

It is in that spirit that it is a great honor to join in honoring Mr. G. Elmer Little.●

BOB POWERS

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. FAWELL. Mr. Speaker, I want to take a moment to congratulate Bob Powers, a member of the President's Private Sector Survey on Cost Control, and the board of directors of Citizens Against Waste [CAW]. Bob just completed a 12-day 8-State journey from Illinois collecting signatures on a petition supporting the Grace Commission recommendations.

The efforts of Bob and CAW have been aided by several other outstanding supporters in the Chicago area, including Bob Galvin, chairman of the board of Motorola, Inc., and Charlie Lubin, founder of Sara Lee Kitchens.

Yesterday I met Bob on the steps on the Capitol to welcome him to Washington after his cross-country journey. He is not only a constituent of mine, but is chairman of my citizens advisory committee on the deficit.

Bob is the former chairman of NALCO Chemical Co. While he could be out on the golf course, enjoying his well-deserved retirement, he instead, drove 12-days in a truck, without air-conditioning, to gather support for cutting the Federal deficit.

There is no question that our country's fiscal problems are our No. 1 problem. Bob Powers, and the many others who contributed their time and considerable expertise to the Grace report, have shown Congress what hard choices must be made to cut Federal spending. Congress must now make these hard choices.

The consequences of not changing this reckless course are unthinkable. If we continue on our current course, by the turn of the century our annual deficits will be $2 trillion, and our national debt will be $13 trillion.

Again, my congratulations to Bob Powers and Citizens Against Waste.●

PHASING OUT THE DEDUCTIBILITY OF STATE AND LOCAL TAXES

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. SENSENBRENNER. Mr. Speaker, last week I was afforded the opportunity to speak before the House Ways and Means Committee on a very controversial aspect of Treasury II—repealing the deductibility of State and local taxes. I would like to introduce into the record my testimony, which proposes phasing out the de-

ductibility of State and local taxes over a 5-year period.

As we are all aware, there are still questions to be resolved regarding the President's tax reform package. Among these is the State and local tax deductibility issue which has become polarized by those who claim they will never give up the State and local deduction and those who insist upon its elimination. The "high-tax States" are pitted against the "low-tax States."

Studies show the cost of any proposal eliminating the State and local tax deductions would create a severe distributional shift, placing the Federal tax burden on high-tax States. For example, according to a recent Congressional Research Service study, the increased Federal tax liability per itemizer in Wisconsin would be approximately $1,128 a year, while the average itemizer in Wyoming—the State least affected—would experience an increase of only $322.81. This means itemizers in Wisconsin would be paying $805.63 more per year than those in Wyoming. Those of you who represent New York and California will be interested to know that your constituents would experience a tax increase of $1,646.15 and $1,009.82, respectively. Appendix A shows what effect this would have on other high-tax States.

Because of its adverse effects upon my State of Wisconsin, I personally would like to see the Federal deduction for State and local taxes maintained. However, the repeal of the State and local deductions is by far the largest revenue raiser from individuals in the White House package. Without the $33 to $40 billion this repeal would generate yearly, Treasury Secretary James Baker has informed me it would be virtually impossible to lower individual tax rates, increase personal exemptions, and increase the zero bracket amount—all commendable goals—if this deduction is retained.

Under the President's plan, the deduction for State and local taxes would be repealed on January 1, 1986. In all fairness, a change as far reaching and costly as eliminating the State and local deduction should be gradual. We need a plan that will give Wisconsin and other States time to adjust to the realities of the marketplace and national sentiment.

This national sentiment was echoed in a June 14, 1985, report by Kendrick Anderson, municipal bond division of the Harris Bank of Chicago, which said:

> Loss of the Federal tax subsidy for State and local governments would also rekindle the tax revolt, embodied by the passage of proposition 13 in California and proposition 2½ in Massachusetts, at a time when tax cutting fever appears to be waning. The increased sensitivity of taxpayers to the level of State and local taxes would almost certainly result in great resistance to increases in these taxes.

A May 1985 Advisory Commission on Intergovernmental Relations [ACIR] study entitled, "Tax Capacity of the Fifty States," found that Wisconsin tax revenue far exceeds Wisconsin tax capacity or "ability to pay." I have supplied the committee appendix B, a chart detailing the study's result on Wisconsin. However, let me give you an example. This study found that Wisconsin's tax capacity for personal income was $192.66 per capita, whereas total revenue effect for personal income taxes was $354.14 per capita. This study shows in vivid terms Wisconsin can not afford to have it's economic base taxed additionally.

Therefore, I have devised an alternative plan to insulate Wisconsin and other high-tax States from an outright repeal by providing a transitional period in which this deduction would be phased out. This would put States on a 5-year notice, encouraging them to first assess the impact of eliminating this deduction and allow them to take appropriate action. States determining that it is in their interest to remain high-tax States can do so. Other States can reduce taxes. By 1990, State and local governments should have cut spending and increased efficiency to a point where residents in high-tax States will be minimally impacted by losing this deduction.

Under this proposal, the deductions for State and local taxes, as currently allowed under section 164 of the Internal Revenue Code of 1954, would be phased out over a 5-year period beginning with the taxable year 1986. My plan would allow full deduction for State and local taxes to be taken in 1986, 75 percent of the full deduction in 1987, 50 percent in 1988, and 25 percent in 1989, and a complete repeal in 1990.

I understand the difficult task your committee is engaged in. The problems of interrelations with tax policy is complex and the question of finding foregone revenue then becomes an issue.

In the 1981 tax reform package, the tax cuts were phased in over 3 years, the so called "Kemp-Roth method." In order to fully fund the phaseout of the State and local deduction, the three flat tax brackets proposed by the President could be phased in over the term of the phaseout of the State and local deductions. Therefore, this technique is not without precedent. This action, I believe, would minimize the impact on State and local governments, the Federal Government, and most importantly, the taxpayer.

However, let me emphasize that in order for this plan to be effective, full cooperation will be needed between the Federal, the State, and local levels. The reaction of some has cast an unfortunate light on efforts to constructively achieve a revenue neutral and simplified tax plan.

Governor Cuomo, who when asked by Congressman JOSEPH DIOGUARDI of New York to "work with the President to reach an acceptable compromise" by supporting such a plan, was referred to by Governor Cuomo's office as "doing a disservice to his own constituents in a transparent attempt to protect his Republican President."

As another example, Gov. Tony Earl of Wisconsin, hastily called a press conference moments after I released my plan last May in Madison, WI, for the sole purpose of rejecting the idea on the spot. Recently, the Governor endorsed a State budget which increased spending by 18 percent over last year's biennial budget. Wisconsin and New York may have been better served had their Governors determined the effects on jobs, opportunities, and economic development with a State tax reduction.

People across America have reacted in a positive manner to the idea of tax reform. Congress now has the opportunity—the obligation—to reevaluate our system and develop legislation which will make it simpler, equitable, and economically efficient. However, let us not make those changes at the expense of millions of Americans who are being victimized by their own State governments' tax and spending policies without the opportunity of taking corrective action.

Mr. Chairman, there is nothing sacred about my plan. The committee may find in its deliberations a different rate of change is required. However, the percent of deductions and phaseout years I've suggested appeared to be a logical place to begin.

The United States has just experienced a substantive economic recovery which could be jeopardized by severe regional economic dislocations if the State and local deductibility provision is repealed outright. The phaseout concept is probably the only alternative which could prevent this. In this light, I hope you will give my proposal serious consideration. Thank you.

APPENDIX A.—*Tax increase per itemizer/year* [1]

1. New York	$1,646.15
2. Delaware	1,293.92
3. Massachusetts	1,246.16
4. Maryland	1,207.35
5. Minnesota	1,132.27
6. New Jersey	1,128.51
7. Wisconsin	1,128.44
8. California	1,099.82
9. Rhode Island	1,095.46
10. Michigan	1,074.68
11. Hawaii	1,048.84
12. Connecticut	1,039.88
13. Vermont	1,003.29
51. Wyoming	322.81

[1] Based on May 1985 study by the Congressional Research Service.

Charts not printed in the RECORD.●

SUPPORT H.R. 1029

HON. THOMAS N. KINDNESS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. KINDNESS. Mr. Speaker, the abandonment of nuclear powerplants in the United States has become widespread. In 1984, for instance, nine reactors worth some $10 billion were abandoned by utilities even though most of those plants were nearly completed.

Because of my concern about the effect of our outdated nuclear regulatory and licensing process on the future of nuclear power in the United States, I have offered my support for H.R. 1029, the Nuclear Power Plant Standardization Act. H.R. 1029 would encourage the development of safe, standardized nuclear powerplant designs relying on state of the art, standardized designs.

Standardization of nuclear powerplant designs would most likely improve performance by promoting regulatory stability in what is now an uncertain industry. It's worth noting that France, which obtained the technology to build nuclear powerplants from the United States, is far ahead of us in the actual use of nuclear power for generation of electricity, according to the Atomic Industrial Forum.

Part of the reason for this is that European countries, with France foremost among them, have made use of standardized designs combined with a commitment to move their countries toward energy independence. I urge my colleagues' support of H.R. 1029.●

CALL TO CONSCIENCE FOR SOVIET JEWRY

HON. BOBBI FIEDLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Ms. FIEDLER. Mr. Speaker, I wholeheartedly support the call to conscience for Soviet Jewry. Today, the 2.5 million Jews in the Soviet Union are the victims of an official Soviet policy of cultural genocide which seeks to eradicate all vestiges of Jewish culture in that country. This Soviet campaign includes whipping up anti-Semitism in the general Soviet population through inflammatory television shows like, "Hirelings and Accomplices." I would add that my own adopted refusenik, Lev Shapiro, was falsely accused and villified in this program. The Soviet authorities have also used anti-Semitic articles in magazines and newspapers in this regard.

A second aspect of the Soviet policy of cultural genocide is the ubiquitous repression of the Jewish population in the Soviet Union. Even though the number of Jews in the Soviet Union runs into the millions, there are no Jewish schools or publishing houses in that country. There are also no seminaries to train rabbis and production of Judaic ritual objects and religious texts is prohibited. It is also illegal to teach Hebrew. Finally, there used to be over 1,000 synagogues in the Soviet Union, today there are only 57.

The ultimate goal of this Soviet policy is to prevent the transfer of Jewish cultural and religious values from one generation to another. The Soviets always try to indoctrinate the children. That is why there are 5,000 Afghan children being trained in the Soviet Union and 1,000 Nicaraguan children being trained in Cuba. This policy of converting children into atheistic Communists is also one of the reasons that such harsh sentences have been meted out to those brave souls who have been attempting to teach Hebrew and Judaism in the Soviet Union today. Over time, this Soviet strategy will have a disastrous impact on Judaism in Russia. Just look at the withering away of other organized religions in the Soviet Union, or the Catholic church in Cuba.

The Soviet policy of cultural genocide is so repressive that over 350,000 Soviet Jews have applied for exit visas. These people applied for visas knowing full well that the probable consequences of their action could include, loss of one's job, harassment and beatings by the Soviet authorities, and even imprisonment in the Soviet gulag. The refusenik has risked everything in order to be free, and yet the Soviet Union continues its barbaric emigration policies. Last year, only 896 Jews were allowed to leave the country, down from a high of 51,320 that were allowed to leave in 1979. This trend has continued in 1985; only 51 refuseniks were allowed to leave in May, and only 36 were allowed to leave in June.

If the Soviet Union is serious about improving relations with the United States, then an excellent first step would be to renounce their current policy of cultural genocide and allow the refuseniks that have applied to leave, to do so. This action would positively enhance the relations between our two countries.●

A BILL TO ELIMINATE TAX SUBSIDIES FOR SPORTS TEAM MOVEMENT BASED ON GREED

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. STARK. Mr. Speaker, sports franchise relocation is an issue that affects every major city in this country. Whether a city has lost a team, like Oakland, or is still trying for its first sports franchise, relocation can have an enormous economic and emotional impact on a city.

I am introducing legislation today that penalizes team owners whose only motivation for moving a sports team is greed. Under current tax law, sports team owners can depreciate player contracts. This provision can mean huge tax savings to team owners, especially when player contracts are now running in the tens of millions of dollars.

Should a team move in violation of the community protection provisions contained in the legislation, the sports team owner would no longer be able to depreciate the player contracts. I think it is an appropriate action to remove Federal tax advantages to team owners when the owners act contrary to the public interest.

All too often cities are put in the awkward position trying to outbid one another for the scarce resource of a sports franchise. Part of this bidding contest is conducted with Federal tax dollars. This legislation will eliminate this unwise use of taxpayer dollars.

Most sports facilities that are being built or undergoing major renovation are constructed in the pursuit of major league sports teams of other cities. The financing of the chase is done through industrial development bonds. The interest income from these bonds is exempt from Federal taxes. A sports fan in a city can actually help finance the relocation of his favorite team in his role as a Federal taxpayer.

What we all too frequently have is the Federal taxpayer underwriting part of the cost of the stadiums that team owners have extorted from cities around the country. My legislation would stop the Federal subsidy of the extortion.

I have introduced my bill today to begin the discussion of this issue. My goal is to discourage team owners and cities from using tax dollars and the advantages of the Tax Code to move sports teams from city to city without regard to the public interest. It is meant to be an antitheft bill. It is meant to be a stability for fans bill.●

ROBERT CHURCH, SR., FOUNDER OF THE SOLVENT SAVINGS BANK & TRUST CO., HONORED

HON. HAROLD E. FORD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. FORD of Tennessee. Mr. Speaker, the Solvent Savings Bank and Trust Co., founded by Robert Church, Sr. at age 67 in 1906 was the first black-owned bank opened in my hometown of Memphis, TN. It survived the

financial panic of 1907 and became the fourth largest black-owned bank in the United States. The site of the bank, on historic Beale Street, was also home to the legendary W.C. Handy's music studio, located on the second floor of the structure.

Mr. Church had ability, vision, and a commitment to the Memphis community. While others in Memphis were apprehensive about a black man opening a financial institution, Mr. Church believed strongly in his own talents. His bank opened without the help of Government assistance. He founded the bank during the height of the Jim Crow era when blacks were supposed to stay back, remain separate, and be unequal. It was during the time of the financial panic, however, that the true character of Mr. Church and the Solvent Bank were tested. Many banks closed, and with them went the savings of their depositors. With the leading banks of Memphis limiting the amount of money that could be withdrawn from depositors, I might add that the depositors of the Solvent experienced no difficulty in obtaining their money. With financial institutions folding around it, the Solvent held strong, in large part due to the talents of Mr. Church.

Mr. Speaker, the 79th anniversary of the founding of the bank was recently marked with the unveiling of a historic marker on Beale Street, commemorating both the institution and its founder. I would like to salute Mr. Church for his foresight and ability to start something truly special in Memphis. His bank contributed greatly to the economic and business livelihood of the black community. His story serves as an inspiration to those with lofty ideals that despite great odds, success can come to those who work hard enough. Mr. Church proved that it is never too late in life to work toward seeing ones ideals pan out. I take this time to honor the memory of Mr. Church, a true pioneer in the Memphis business community.●

OUR STAND MUST BE WITH THE VICTIMS OF APARTHEID IN SOUTH AFRICA

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. LANTOS. Mr. Speaker, as chairman of the Congressional Human Rights Caucus, I strongly urge the administration to cast an affirmative vote in the Security Council of the United Nations on the resolution denouncing the sickening principle of apartheid and the stepped-up oppression and persecution that has come to characterize the policy of the South African Government in recent weeks.

This vote will be an important symbolic and substantive expression of the overwhelming sentiments of the civilized world against the hateful philosophy and practice of bigotry.

We either stand with the persecuted or with the persecutors. The principles upon which this Nation was founded over two centuries ago leave us no choice—the United States must cast its vote for the oppressed majority and against the repressive and racist minority government of South Africa.●

THE 150TH ANNIVERSARY OF KALEVALA

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. DAVIS. Mr. Speaker, I would like to take a moment to commemorate the 150th anniversary of Kalevala, the epic tale of Finnish folklore, myth, legend, and history. Kalevala is celebrated each year in the county as "Finn Fest." Prominent Finns and Finnish-Americans gather to pay tribute to their proud heritage.

I am proud to have the only Finnish College in our Nation, and over 25,000 Finnish Americans, as part of my constituency, Hancock, MI—the home of Suomi College along with Houghton will be the site of a great celebration this weekend, July 25 to 28.

"Finn Fest" helps us remember and honor the numerous contributions of Finns and Finnish Americans in this country and around the world. Finnish culture and tradition is a cornerstone of northern Michigan's culture, a cornerstone which was laid when the first Finnish settlers arrived in northern Michigan over 100 years ago.

Michigan's great forests and rich copper reserves were harvested by these hearty people, who faced great adversity in a new land. "Sisu" is a Finnish term which translates as "inner fortitude," a quality that is the underpinnings of the Finnish soul.

I stand here today on the floor of this Congress, to pay tribute to a rich heritage and a unique ethnic festival.●

CONGRATULATIONS TO HEALTH SAVING SERVICES

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. PURSELL. Mr. Speaker, I would like to extend my personal congratulations to Health Saving Services, a corporation which operates nursing homes, and four of its five member facilities for being named the very best nursing homes in the Detroit area. In the August issue of Good Housekeeping magazine, an article, titled the "85 Best Nursing Homes," named the Dearborn Heights Convalescent Center, the Dorvin Convalescent & Nursing Center, and the University Convalescent & Nursing Center as tied for first, while the Hendry Convalescent Center rated a tie for second in the Detroit area. Health Saving Services is clearly a first-rate organization dedicated to the needs of the people they serve.

The number of elderly people in our Nation is steadily increasing, and so the problem of providing them with good health care is growing also. For many elderly men and women, the answer to their health care problems can easily be solved with the help of a good doctor bolstered by a loving family and good friends. But for many others, a severe illness or disability makes it impossible to manage at home. The member facilities of Health Saving Services provide the necessary full-time supervision or skilled nursing services on a long-term basis these people need to cope. Health Saving Services has a well-earned reputation for providing the very best in all-around care.

Mr. Speaker, nursing homes are a growing health care industry. As the number of elderly people grows, so does the population of nursing home residents. As a group, nursing home residents are also getting older, 70 percent are over 75 years of age. Patients entering nursing homes over the past several years are increasingly dependent or disabled, according to a recent GAO report. Nursing homes have a difficult job to start with and it is apparent that their task is getting harder. The facilities which are still able to maintain a level of excellent health care are to be commended. With this in mind, it is my pleasure to congratulate Health Saving Services and its member facilities for meeting the needs of its elderly residents in such an outstanding and distinguished manner.●

MUSIC UNDER THE STARS

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Ms. KAPTUR. Mr. Speaker, President Kennedy once said, "I look forward to an America which will steadily raise the standard of artistic accomplishment and which will enlarge cultural opportunities for all our citizens * * * and further the appreciation of culture among all the people * * *".

Each year, for the last 33 years, Samuel P. Szor makes these words come alive for tens of thousands of Toledoans. Thanks to Sam Szor, "Music

Under the Stars" has become a northwest Ohio institution. He has elevated Great Lakes culture to new levels of excitement and quality. Through his tireless efforts, he has brought the beauty of live orchestra music to all the citizens of our community.

Samuel P. Szor has been a conductor, musical director, and teacher for nearly 35 years. A Waite High School graduate who received degrees from the University of Michigan, Sam holds an impressive list of musical credentials. He is the conductor of the oldest musical organization in Toledo, the Toledo Choral Society. For 15 years, Sam has been the driving force behind the outstanding growth of the Perrysburg Symphony Orchestra. Wherever he has been in charge of the music, Sam Szor has taken on the most difficult musical challenges and met them, to the delight of his audiences.

Sam Szor's musical accomplishments are staggering. He is in his 17th year as musical director at First Congregational Church as well as the Kerwin Ballet Theatre. He also conducts the summer winds series sponsored by the city parks of Toledo. The list goes on and on. Whether classical or contemporary, Sam Szor's name means music in my part of the country. For all that he has done to promote the arts in Toledo, Sam Szar was named Artist of the Year in 1979 by the Toledo Arts Commission.

To Sam's wife Judy, and their four children, all of us who have enjoyed his work over the years say "thank you" for sharing him with us. Sam Szor has added grace and beauty to our community. Through the arts he has made an indelible mark on uplifting the human spirit. I know my colleagues in the U.S. House of Representatives join me and the people of my community in recognizing and congratulating Samuel P. Szor for a lifetime of accomplishment and contribution to others.●

THE BUDGET AND THE PEOPLE

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. APPLEGATE. Mr. Speaker, it has become very apparent to me through the volume of mail that I receive and the comments people make to me that the American people are angry and frustrated with the inability of both Congress and the Reagan administration to come to grips with the Federal deficit problem and pass a Federal budget that will put us on the road toward the goal of reducing the deficit that will ultimately lead to a balanced budget.

I feel that the Reagan administration has failed badly and has shown little leadership in reconciling the many differences between the House and Senate versions of the Federal budget for fiscal year 1986 that have strained the economic fiber of America. The President is not listening to the people of this country who have voiced their opinions that they do not want Social Security benefits cut and that the defense budget shoud be frozen. My most recent districtwide questionnaire, as well as polls conducted the nationally known firms of Lou Harris and George Gallup, indicate that this is what the people want.

It is imperative to the continuity and the prosperity of this country that a resolve of the budget and deficit problem be reached immediately, as not doing so jeopardizes the purchasing power of all people and detrimentally affects the trade deficit and all interest rates and costs jobs for Americans. Congress and the administration must stop thinking about themselves and start thinking about the people.●

LABOR RIGHTS VIOLATIONS ON TAIWAN

HON. DONALD J. PEASE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 26, 1985

● Mr. PEASE. Mr. Speaker, the Asia Resource Center has attempted to publicize the violations of workers' rights on Taiwan since 1978, when its predecessor organization, the Asian Center, published the book entitled "Made in Taiwan." Officials of the center, when testifying before USTR in June, found labor violations in Taiwan to be so serious as to warrant the suspension of Taiwan's eligibility for GSP benefits until conditions improve. Following is their statement:

I. RIGHT TO ASSOCIATION

A. THE LAW

The Kuomintang (KMT, or Chinese Nationalist Party) assumed control of Taiwan on behalf of the Allied Powers in 1945, and has asserted sovereignty under the Republic of China Constitution of 1946 since that document's ratification. In 1949, virtually the entire KMT governing apparatus retreated to the island, vowing someday to return to the China mainland to defeat the "Communist bandits." Since that time, the KMT has ruled Taiwan under martial law.

The Republic of China Constitution guarantees the right of association in Article 14. However, the 1934 Martial Law Statute, as amended in 1949, permits the martial law commander (the Taiwan Garrison Commander) to suspend this right in Section 11.1, and to ban all strikes in Section 11.3. Violators of martial law provisions are subject to courts martial Violators of the ban on strikes are subject to the death penalty.

The government's 1972 reorganization of the Chinese Federation of Labor (CFL), the country's largest trade union group, included a modification of the martial law prohibition on strikes. Strikes are now permitted, but only if 100% of the affected workers vote to strike, and only if wages in the affected enterprise fall below minimum government standards (which are exceedingly low).

Additional laws restrict the right of association, e.g., the Law Governing the Organization of Civil Bodies During the Extraordinary Period of 1942 permits the government to deny legal recognition to more than one association per function. Once the government has registered a functional group, additional organizations carrying out the same function become illegal, and members of such groups become subject to prosecution.

The Statute of Denunciation of 1954 imposes an affirmative duty on all citizens to report violations of martial law and other illegal activities. Mere failure to report such activity carries a one-to-seven year prison sentence.

B. ACTUAL PRACTICES

Since 1949, the government has employed its martial law powers to control dissent at all levels of society. Those who challenge existing arrangements are frequently arrested, charged with "sedition," court martialed (often in secret), and sentenced to terms in military prisons.

* * * * *

No strikes have occurred since 1947.

II. RIGHT TO ORGANIZE AND BARGAIN COLLECTIVELY

A. THE LAW

Liberal rights to organize and bargain collectively are guaranteed by law.

B. ACTUAL PRACTICE

Although 22.5% of the workforce was unionized in 1984, according to the U.S. Department of State, "Collective bargaining . . . does not take place," and for the most part, "labor unions do not exercise significant influence in the economic or political spheres." The evidence also indicates that unions are ineffective in representing worker interests in the absence of collective bargaining, largely because of the close relations between unions, management, the ruling party, and the government.

Many unions function as "house unions," limited to a single enterprise, with no links to a larger labor organization. Such unions, by their very nature, have a weak bargaining position.

The State Department feels that Taiwan's unions often play an important role in dispute resolution, but other observers contest this point. Affiliated unions are forced to refer grievances to county-level union bodies, which the ruling party generally controls. As a result, the grievances often go unresolved.

Management has denied workers who attempt to organize independent unions the right to vote in the representation election. Independent organizing efforts have also sometimes led to the arrest of the organizers as subversives, and workers who bring grievances have faced similar charges, subjecting the defendant to court martial.

Another barrier to effective representation of workers by their unions is the dominance of union staff positions by post-1949 immigrants from Mainland China with good connections to the KMT. These union officials are often unsympathetic and even hostile to the largely native Taiwanese workforce.

The State Department reports that union officials who sit in the national legislature played an important role in the successful

effort to amend the labor laws in 1984. Even this point is disputed, however; according to the *Far Eastern Economic Review*, it was the Ministry of Labor, rather than "Taiwan's government-controlled labor unions," which attempted to articulate worker interests during the debate over the legislation.

* * * * *

Much electronics and electrical machinery work is subcontracted to small home-based enterprises employing ten or fewer workers. These firms remain exempt from existing labor legislation.

CONCLUSIONS

We believe that Taiwan is in violation of four of the five labor standards enumerated in the 1984 GSP legislation. In the case of the right to association, the right to organize and bargain collectively, and acceptable conditions of work, we believe that the violations are especially egregious. We realize that our data in some cases are somewhat old, but we have reason to believe that since these data were collected, conditions have not improved and may have deteriorated.

Taiwan is not, moreover, a least developed country, but one with high levels of aggregate income, education, nutrition, and health care. This makes the government's failure to enact and enforce minimal protections for the rights of workers all the more indefensible.

Like other rapidly industrializing Asian countries, Taiwan is often accused of dumping goods produced with cheap labor in the U.S. market, and of attracting U.S. firms away from the United States because of its political stability, educated and skilled work force, and relatively low wage rates. Given the adverse impact this has had on jobs in America, surely the U.S. government should not, in effect, use the GSP program to subsidize Taiwan's exports by abetting the denial of minimum standards of workers' rights to the workers on the island.

Beyond the new provisions of the GSP program, the United States has a special obligation to attempt to maintain and enhance the human rights of the people of Taiwan. In the absence of diplomatic relations with the government on the island, the Taiwan Relations Act of 1979 reaffirms the human rights of all the people on Taiwan as an important U.S. concern. We have no doubt that it was the intention of Congress to include minimal labor rights within the scope of this provision of the law.

Therefore, in accordance with U.S. law, we recommend that GSP benefits be discontinued for Taiwan until there is a fundamental improvement in labor conditions.●