SENATE—*Thursday, May 2, 1985*

(Legislative day of Monday, April 15, 1985)

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

The PRESIDENT pro tempore. Our prayer this morning will be offered by the Reverend Samuel N. Smith, First Church of the Nazarene, Washington, DC. He is the grandfather of Bill Blair, one of our pages, and is being sponsored by Senator MATHIAS.

PRAYER

The Reverend Samuel N. Smith, First Church of the Nazarene, Washington, DC, offered the following prayer:

Let us pray.

Almighty God, our Father, sanctify unto Thyself this place and these leaders of our beloved land. Make Thy presence known and withhold not Thy grace nor mercies from us.

Protect us all from evil so that our very hearts will persistently hunger and thirst after righteousness. Let us remember with deepest care those who are hungry, persecuted, oppressed, or neglected.

Thou dost know the Members of this body who today carry personal burdens. May Thy grace be given to them according to their need.

Grant courage that we may come to You in boldness and confidence.

Grant humility that we might know child-like faith.

Grant integrity that we might live in obedience to Thy will.

Grant assurance that we can live the most turbulent of our days in joy and thanksgiving.

May we be continually conscious of Thy presence; responsive to Thy love; grateful for Your blessings; and faithful stewards of the privilege Thou hast granted to us.

Do grant Thy mercies upon this Nation that we may be found righteous in Thy sight. Amen.

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, unless that time is reserved by the leaders. That will be followed by special orders of 15 minutes each for Senators PROXMIRE, MATSUNAGA, COCHRAN, and EVANS. That would take us to around 11 o'clock. Then there will be routine morning business not to extend beyond the hour of 11:30 a.m., with statements limited to 5 minutes each.

Following that, we will return to the consideration of the Senate budget resolution, Senate Concurrent Resolution 32. The pending amendment is No. 46 dealing with defense reduction offered by myself for Senators GRASSLEY and HATFIELD. It would be my hope that we could vote on that amendment sometime early afternoon, then go to the so-called conforming amendment on COLA's for veterans, civil service retirees and military retirees, and at that point I would guess that we would be getting into the amendment process where things would move fairly rapidly.

At last count, there were 68 or 70 some amendments remaining. There are still about 27 hours remaining on the resolution. I would guess we would go fairly late this evening. For tomorrow, we will see what today brings before we make the final judgment, but I do anticipate rollcall votes tomorrow. So I would caution my colleagues of that. I know many have official plans elsewhere. We will try to accommodate those if we can. There will be no session on Saturday. I do anticipate rollcall votes on Monday.

On Tuesday, there are some conflicts and there may not be any votes after 3 or 4 o'clock in the afternoon on Tuesday. Then we hope to really wind this up not later than Wednesday or Thursday of next week. That is sort of a long-range view.

There are precisely 27 hours and 36 minutes remaining on the resolution. The majority has 11 hours 22 minutes and minority has 16 hours 14 minutes.

Mr. President, I reserve the remainder of my time and I reserve all the time for the distinguished minority leader.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER [Mr. SYMMS]. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

RECOGNITION OF SENATOR PROXMIRE

Mr. PROXMIRE. Mr. President, it is my understanding that I have a special order for 15 minutes, is that right?

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

THE PROSPECT OF A NUCLEAR ATTACK FROM THE USSR

Mr. PROXMIRE. Mr. President, each of us in this body must read literally thousands of editorials, columns, and articles every year that influence our attitude toward public policy. Some of these essays easily confirm our predilections; such articles usually have little or no influence on our decisions. They do however make us feel better. And they reinforce and harden our position. Some flatly contradict our prejudices and presumptions. They may move us to question our assumptions. They may make us feel a little less secure about our convictions that we have the only true answers. Many of these essays are very useful to us. They give us information, insight, understanding, a kind of continuing education that every Member of the Congress must have if he is to discharge his responsibility as a Member of the Congress in this preplexing, contradictory, and rapidly changing world.

Mr. President, if I were to pick one short piece to recommend to all Members of the Congress to read from the press of the past year, I would select a little article that appeared in the New York Times of December 9, 1984, entitled "Putting Up With the Russians" and written by a Britain who died in early December of last year, named Edward Crankshaw.

Why is this article so enlightening? And why do I think it is the most useful of the year for a Member of Congress? Here is an article that takes a hard, cold, clear look at the Soviet Union. It recognizes that—

> While the Bolshevik regime was even more vile than it was possible for anyone who had not experienced it to imagine, that although it would make mischief on every possible occasion and find it hard to resist every opportunity for easy expansionism and subversion, there is next to no danger of the Kremlin launching a formal war and it could always be stopped by a firm and clear declaration of the line it must not

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

cross—backed by sufficient force to make that declaration credible.

Crankshaw deplores the panic fear of communism that so disfigured our country in the heyday of Senator Joe McCarthy and that today has distorted our foreign policy in Central America and provoked us into a nuclear overkill gone wild. Crankshaw argues that the Soviet Union's one great achievement has been turning itself into a bogey to give us an excuse to stop thinking.

For 24 years this Senator has served on the Defense Appropriations Subcommittee. Year after year in all those years the Defense Department officials have come before the committee with dire warnings of the growing military power of the Soviet Union and the necessity for our spending ever increasing billions to research, produce, and deploy a nuclear capability that piles endlessly increasing nuclear weapons on an arsenal that already could destroy the Soviet Union many times over even if they hit this country first with a highly successful preemptive first strike. Of course, it is true that the Soviet Union could totally devastate this country with a nuclear attack. But Crankshaw is right. They will not attack, because they know we can retaliate with at least as devastating a second strike totally destroying the Soviet Union. The two superpowers have reached a stand off, and yet the multibillion-dollar arms race careens along. Somehow we have developed the ridiculous notion that the Soviet Union has a military machine that, unless we arm feverishly, could sweep through Europe, overwhelm NATO and force the free world to surrender. How ridiculous, Mr. President!

For 5 long years the Soviet Union has been trying to pound weak, primitive, little Afghanistan into submission. It has moved in with its planes and tanks, its massive manpower and has even resorted to chemical weapons. Afghanistan is not some country distant from Russia separated by an ocean. It is a bordering nation. The Soviet supply lines are relatively short. Mr. President, if the mighty armed forces of the Soviet Union cannot bring Afghanistan to heel after 5 years without using nuclear weapons, what kind of threat do they pose to NATO let alone the United States? Sure, the Soviet Union has a nuclear arsenal they could use against NATO that they have not employed in Afghanistan. But to do so the Soviets would have to accept the certainty that they would be met with a devastating and totally destructive nuclear response. And they would also have to face the fact that their untried, untested nuclear arsenal is based on an ICBM force powered by highly unreliable liquid propellants. If arms technology teaches us anything, it is that untested systems work very badly and often do not work at all. Probably no military power in history has had more experience with new technologies that do not work than the Soviet Union. And few, if any, military powers have had a more consistent record of confining direct aggression to those weak and usually neighboring nations that they know they can intimidate. Under these circumstances, Edward Crankshaw is right in contending that there is next to no danger that the Kremlin will launch a formal war against NATO or the United States.

Mr. President, I ask unanimous consent that the article to which I have referred by Edward Crankshaw from the New York Times of December 9, 1984, be printed in the RECORD at this point.

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

PUTTING UP WITH THE RUSSIANS

Edward Crankshaw, who died last week, was Britain's most sober, and witty, analyst of the Soviet Union. For 40 years, he probed its mysteries and hostilities and set standards for journalism, looking past the games of Kremlinology to the central issues of coexistence.

"Putting Up With the Russians" is the title he chose for his last testament, a just-published collection of past essays. It's as fresh and instructive as the morning paper. His introduction, succinctly recapping the message he most wanted to leave, is quoted here with the permission of Viking-Penguin, Inc.:

The Soviet Union has to be treated not as a monstrous, unfathomable apparition to be contemplated helplessly, but as one country among others (with startling peculiarities, of course) and part of the general global mess. I wanted to show that while the Bolshevik regime was even more vile that it was possible for anyone who had not experienced it to imagine, that although it would make mischief on every possible occasion and find it hard to resist every opportunity for easy expansionism and subversion, there was next to no danger of the Kremlin launching a formal war and it could always be stopped by a firm and clear declaration of the line it must not cross—backed by sufficient force to make that declaration credible. . . .

We, and especially Washington, seem quite suddenly to have forgotten what we have learnt. There are disconcerting signs of a drift back to the old panic fear of the Communist menace, an ideological crusade and the more absurd attitudes of the cold war. There is a general loss of a sense of proportion. Nuclear overkill runs wild. An American President appears to see nothing demeaning in proclaiming to the world at large that the fate of his great, magnificent, rich and so powerful country depends on the outcome of this or that squalid civil war in Central America—and this after Cuba, 1962!

Many years ago I wrote that the Kremlin's one great achievement was turning itself into a bogy to give us an excuse to stop thinking. . . . Too often our politicians and soldiers have preferred wild speculation based on the unsupported proposition [about] a war of conquest with an eye to global hegemony. Further, even less excusably, they have taken at its face value the Kremlin's insistence on the monolithic unity of the Communist world—and by so doing succeeded in welding the very disparate parts more firmly together. . . .

There was and still is indeed a menace of sorts, and one to be taken seriously and quietly: our old friend Russian imperialism, given a new cutting edge by modern armaments and driven by a combination of fear and greed and a cockeyed political philosophy. Of course the Kremlin uses Communism as a stalking-horse, but it was Russia in arms, not Communism, which occupied half Europe in 1945. . . .

I have called it *Putting Up With the Russians* because that is what we have to do. The Soviet Union is a fact of life like the weather. We have to live with it. Soviet leaders go on about 'peaceful coexistence' as though it were an original idea they had dreamed up. It is not an idea at all. We do in fact coexist and will continue to do so whether we like it or not unless and until we blow ourselves off the face of the earth. The adjective 'peaceful' simply begs the question. . . . For us it means, or should mean, live and let live. For the Government of the Soviet Union it embraces the concept of an unceasing 'ideological struggle,' aiming at the salvation of humanity through the substitution, by all conceivable means short of war, of the Soviet political and social system for every differing system in every country on this planet—a process dignified by the name of World Revolution. It is impossible to tell how much or how little the Soviet leadership still believes this antiquated rubbish, but it is certainly influenced in its behavior by at least the habit of belief.

REFUGEES SIGNAL VIOLATIONS OF RIGHTS

Mr. PROXMIRE. Mr. President, a recent article in the Christian Science Monitor reported that thousands of refugees are continuing to flee from many countries. There are more than 9 million refugees in the world today who are seeking asylum. According to the article, they are fleeing because of fear of persecution in their homelands. Mozambique, Angola, Zimbabwe, and Vietnam are just a few of these homelands. Many also come from Latin America, Africa, Eastern Europe, Asia, and the Far East.

If the refugees are lucky enough to escape the brutality and persecution they fear at home, they still face a threat to their lives. Many are attacked and captured while fleeing and placed in refugee camps. Conditions in these camps are purposely kept austere to discourage other refugees from fleeing.

The United States has publicly criticized various countries for these violations of human rights. Specifically, the article mentioned our criticism of Ugandan brutality. This brutality and persecution continue to cause an outpouring of refugees from that country. Roger Winter, director of the U.S. Committee for Refugees, has stated that the "United States could and

should speak up more forcefully when refugees are mistreated."

I believe Mr. Winter is right that we need to speak up more. We cannot be sure when attacks on refugees constitute a planned and determined effort to destroy a particular group of people. We are able to say the refugees are being denied rights to which all humans are entitled. The refugees are experiencing persecution, brutality, and are being denied their right to live in peace.

If we ratify the Genocide Treaty, we would show our disapproval of inhumane policies that threaten any people's survival. The refugees are threatened and are seeking other places to live. We must be able to criticize such injustice freely. The United States of America will be able to speak up more forcefully if we take action and ratify this world treaty.

The persecution and death of so many refugees constitute a great loss to humanity. Hitler's deliberate persecution of so many minorities was also a tremendous loss to humanity. Ratification of this treaty will allow us to take action freely and express our beliefs without fear of recrimination whenever a genocidal act occurs. I urge my colleagues to act upon this treaty now.

RECOGNITION OF SENATOR COCHRAN

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

HALEY BARBOUR

Mr. COCHRAN. Mr. President, I rise this morning to commend the President for his selection of a very talented friend and fellow Mississippian, Haley Barbour, to be special assistant to the President for political affairs. I know Haley Barbour will be a valuable member of the President's staff.

Since graduating from the University of Mississippi Law School in 1973, Haley's service to the Republican Party at both the State and national levels has been truly outstanding.

From 1973 to 1976, he served as executive director of both the Mississippi Republican Party and the Southern Association of Republican State Chairman.

Following the 1976 National Republican convention, President Ford selected Haley as his campaign director for the Southeastern States.

In 1978, I was fortunate to have him involved in my general election campaign for the Senate as chairman of my steering committee.

In 1982, Haley was the Republican nominee for the Senate, and 2 years later he was chosen to serve on the Republican National Committee.

His performance, Mr. President, in all of these jobs has been exemplary. At the same time, he has also achieved prominence as a practicing lawyer in Yazoo City, MS. He has earned the respect and admiration of his fellow citizens and his professional colleagues. He is a partner in the law firm of Henry, Barbour & de Cell. He has served as city attorney for Yazoo City and in 1980 was elected municipal judge.

He currently is a director of Deposit Guaranty Corp. and serves on the board of the Deposit Guaranty National Bank.

Mr. President, it will indeed be a pleasure for me and I think all other Senators to work with Haley Barbour in his new position of trust and responsibility on the staff of the President of the United States.

MHD ENERGY CENTER MISSISSIPPI STATE UNIVERSITY

Mr. COCHRAN. Mr. President, I want to bring to the attention of my colleagues the significant contributions being made by the MHD Energy Center at Mississippi State University in the field of magnetohydrodynamic [MHD] electric power generation.

In mid-May, scientists at the center will be traveling to the People's Republic of China by invitation to participate in a bilateral exchange of scientific research on magnetohydrodynamics. Both the United States and the People's Republic of China have been committed to the development of MHD as an economically efficient and environmentally safe method of producing electricity for the future.

The benefits for both countries from the bilateral exchange of scientific knowledge will be considerable. The United States has a long history of MHD research on a large scale, and major achievements have been made in such areas as the coal-fired combustor, the high performance generator channel, the super conducting magnet, heat recovery/seed recovery and optical diagnostic instrumentation development. The People's Republic of China has built the only complete pilot-scale MHD combined cycle steam powerplant in the world.

The MHD Energy Center at Mississippi State University is emerging as the acknowledged leader in the development of microprocessor-controlled optical diagnostic instrumentation for MHD power train data acquisition.

While the diagnostic systems developed at Mississippi State are being used on test facilities around the country, they have never been used to acquire necessary measurements such as combustion temperatures, slag surface temperatures, particle size and pollution emission levels on a complete MHD cycle steam powerplant such as the one available in the PRC.

The bilateral scientific exchange agreement, signed by the university, the MHD Energy Center, the U.S. Department of Energy, the U.S. Department of State, and the Shanghai Power Plant Equipment Research Institute in August 1983, calls for tests conducted by MHD Energy Center personnel on the Shanghai Power Plant Equipment Research Institute's MHD facility using the diagnostic instrumentation developed at Mississippi State University. The research developed will help provide the data base needed to commercialize MHD electrical power generation.

MHD, as a method for generating electricity, is extremely attractive because it is a very efficient two-stage high-temperature combustion process capable of producing approximately 50 percent more power from low-cost fuel, such as coal. Electricity is extracted in both stages, and more pollutants are burned off instead of being discharged into the atmosphere.

I commend the MHD Energy Center for its significant contributions to the development of this important technology and to Sino-American friendship and mutual understanding. I hope my colleagues will join me in extending our best wishes for a successful trip.

AMERICAN AGRICULTURE IN INTERNATIONAL TRADE

Mr. COCHRAN. Mr. President, today, leaders of the Western World are in Bonn discussing economic problems that confront all of us. One of the most serious situations that confronts our country today is the matter of the imbalance in our trade. In no sector of our economy is this more dramatically illustrated than in the agriculture area. In an effort to do something constructive to solve these agricultural trade problems that confront our country, I introduced yesterday, with my distinguished friend from Arkansas [Mr. PRYOR] a bill that is designed to make our agricultural products more competitive.

American agriculture's ecomonic potential is not being utilized. It has not shared in the economic recovery that has occurred to date in many other areas of our economy. Financial stress has resulted throughout the agriculture industry. I do not think many realize the extent to which the trade situation in argiculture has deteriorated just in the last several months. Let me give an example of some of the dramatic changes that have taken place just since the end of last year.

In December 1984, the Department of Agriculture was estimating that the dollar value of our trade would amount to about $36.5 billion. In February, they changed that estimate by reducing the figure to $35.5 billion. One month later, in March, they changed it again to $34.5 billion. These

are estimates that are not, we hope, just taken out of thin air. They are based on what is truly happening in the international marketplace. So what is happening is that the effort by U.S. farmers and traders to move our commodities in overseas markets is grinding to a halt. Those efforts are not paying off. This is a dangerous situation, Mr. President, and I think it needs the immediate attention of the Senate.

This legislation that was introduced just yesterday is an emergency bill. It is based upon the notion that we cannot any longer tell all of the competitors we have around the world that we are going to peg our price at a certain loan rate which inevitably becomes a world market price so that they then can price their commodities just a little bit below the U.S. loan rate. Then, with the imbalance in the value of our currency, it becomes impossible for us to compete and to sell U.S. agricultural commodities. Because of this value of the dollar problem that is added to the other factor, we are seeing other countries having to pay a 35-percent higher price for U.S. products than for some products that are produced in neighboring countries.

Some wonder what we can do about it. I am suggesting that we use a new strategy called a marketing loan. That is the centerpiece of the bill that was introduced yesterday. It is the centerpiece of a bill I introduced on April 3, which is a farm bill that involves the entire range of provisions that would make up a farm bill for 1985. This marketing loan is singled out from the larger piece of legislation and introduced as a freestanding bill, because it is something that can be implemented right now to help us become more competitive.

These provisons, if enacted into law, would help bring higher farm prices so farmers can have a better return on their investment, and their labor, but it would lower the effective prices of crops and make them more competitive in world markets.

This is how it would work: Instead of having to forfeit the crop to the Commodity Credit Corporation at the end of the harvest, as is now the custom—if you cannot get on the open market what is the equivalent price of the loan rate, you forfeit the crop to the Commodity Credit Corporation. The Government then holds it, stores it, pays storage costs. That costs a lot of money. Now, under the marketing loan, the farmer can redeem his loan for either the loan rate or the market price, whichever is lower. This will force the sale of U.S.-produced commodities and make us again competitive in the international marketplace. The Government makes up the difference, but the Government does not have to pay the storage costs, it does not have to incur a lot of other expenses that are now a part of the income support structure for American agriculture. So I am hoping that Senators will look at this concept.

We put in the RECORD some questions and answers that are commonly asked about this strategy, and we hope that will prove to be helpful to Senators as they begin to review this proposal.

Mr. President, I yield the floor.

RECOGNITION OF SENATOR MATSUNAGA

The PRESIDING OFFICER. Under the previous order, the Senator from Hawaii is recognized for not to exceed 15 minutes.

Mr. MATSUNAGA. I thank the Chair.

S. 1053—LEGISLATION TO IMPLEMENT RECOMMENDATIONS OF COMMISSION ON WARTIME RELOCATION AND INTERNMENT OF CIVILIANS

Mr. MATSUNAGA. Mr. President, with my colleagues Senator INOUYE of Hawaii, Senators STEVENS and MURKOWSKI of Alaska, Senator CRANSTON of California, Senator MELCHER of Montana, Senator DENTON of Alabama, Senators GORTON and EVANS of Washington, Senators RIEGLE and LEVIN of Michigan, Senator PROXMIRE of Wisconsin, Senators KENNEDY and KERRY of Massachusetts, Senators MOYNIHAN and D'AMATO of New York, Senator BURDICK of North Dakota, Senator METZENBAUM of Ohio, Senator SARBANES of Maryland, Senator HART of Colorado, Senator HARKIN of Iowa, Senators BRADLEY and LAUTENBERG of New Jersey, Senator EXON of Nebraska, Senator SIMON of Illinois, and Senator HATFIELD of Oregon, I am today reintroducing legislation, S. 1053, which would carry out the recommendations of the Commission on Wartime Relocation and Internment of Civilians.

The distinguished nine-member study commission, chaired by Washington attorney Joan Bernstein, was established by Congress in 1980 to examine the facts surrounding the issuance of Executive Order 9066 and the subsequent relocation and incarceration of some 120,000 Americans and residents aliens of Japanese ancestry during World War II. In addition, the Commission was mandated by Congress to examine the circumstances surrounding the evacuation of the Aleutian Islands and the relocation of Native American Aleuts. The Commission submitted its final report to Congress, entitled "Personal Justice Denied," in June 1983 and, in November of that year, I introduced S. 2116, a bill very similar to the one being introduced today. S. 2116 was the subject of extensive hearings in 1984; however, it was not reported by committee or considered by the full Senate prior to adjournment of the 98th Congress.

The new bill, S. 1053, would provide a long overdue remedy for what has become known as one of America's worst wartime mistakes: The incarceration in detention camps of some 120,000 Americans and resident aliens of Japanese ancestry from the west coast.

About 80 percent of these evacuees were native-born Americans and the remaining 20 percent were their parents—first generation immigrants who were longtime legal residents of the United States prohibited by the Oriental Exclusion Act of 1924 from becoming naturalized American citizens. In the summer and early fall of 1942, long after the threat of an enemy invasion of the west coast had faded, they were summarily removed from their homes by U.S. Army troops attached to the Western Defense Command and sent to isolated detention camps, surrounded by barbed wire fences and armed guards, in the interior parts of this country. Without warrant, without trial or hearing, they were deprived of their personal freedom and lost their homes, farms, businesses and careers. Although the civil courts and law enforcement agencies were operating normally on the west coast, not a single one of the evacuees was ever charged or indicted for the commission of a crime, much less tried or convicted. All of them, native-born Americans and legal residents alike, were fully entitled to the protection of the United States Constitution, but their constitutional rights were summarily denied them by armed men acting under the dictates of their own Government.

This governmental action was unprecedented in American history, and in the years since the war, scholars and historians have asked "Why?" How could high-minded Americans abandon their most cherished ideals and rob fellow Americans of their inherent constitutional rights simply because they resembled our declared enemy in biological features.

The Commission on Wartime Relocation and Internment of Civilians, through its careful review of wartime records and its extensive public hearings, found the answers to some of these questions. It has confirmed what Americans of Japanese ancestry have always known: The evacuation of Japanese Americans from the west coast and their incarceration in what can only be described as American-style concentration camps was not justified by military necessity, but was the result of racial prejudice, wartime hysteria, and the failure of political leadership. Specifically, the Commission found that:

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First, Lt. Gen. John DeWitt, Commanding General of the Western Defense Command, recommended exclusion of Japanese Americans to the Secretary of War on the grounds that ethnicity (or race) determined loyalty.

Second, the Federal Bureau of Investigation [FBI] and members of Naval Intelligence, who had relevant intelligence responsibility, were completely ignored when they recommended that nothing more than careful surveillance of suspected individuals was necessary.

Third, General DeWitt relied heavily on local politicians rather than on informed military judgments in reaching his conclusions as to what actions were necessary, and politicians largely repeated the prejudiced, unfounded themes of anti-Japanese factions and interest groups on the west coast.

Fourth, no effective measures were taken by President Franklin D. Roosevelt to calm the citizenry of the west coast, or to publicly refute unfounded rumors of sabotage and fifth column activity during the Japanese attack at Pearl Harbor on December 7, 1941.

Fifth, General DeWitt was temperamentally disposed to exaggerate the measures necessary to maintain security, and placed security far ahead of any concern for the liberty and constitutional rights of citizens.

Sixth, Secretary of War Stimson and Assistant Secretary of War John J. McCloy, both of whose views on race differed from those of General DeWitt, failed to insist on a clear military justification for the measures General DeWitt wished to take.

Seventh, Attorney General Francis Biddle, while contending that evacuation of the Japanese Americans was unnecessary, did not argue to the President that failure to make out a case of military necessity on the facts would render the exclusion constitutionally impermissible or that the Constitution prohibited exclusion on the basis of ethnicity, given the then prevailing facts on the west coast.

Eighth, those representing the interest of civil rights and civil liberties in Congress, the press, and other forums were either completely silent or even supported evacuation. Thus there was no effective opposition to the measures vociferously sought by numerous west coast special interest groups, politicians, and journalists.

Ninth, President Roosevelt, without raising the question to the level of Cabinet discussion or requiring careful review of the situation, and despite the Attorney General's arguments and other information before him, agreed with the Secretary of War that evacuation should be carried out.

In the light of these findings, the Commission concluded that a "grave injustice was done to American citizens and resident aliens of Japanese ancestry, who, without individual review or any probative evidence against them, were excluded, removed, and detained by the United States during World War II." In accordance with its mandate from the Congress, the Commission recommended certain remedies, including the following:

First, the establishment by Congress of a $1.5-billion fund which would be used, first, to provide a one-time per capita payment of $20,000 to each of the approximately 60,000 surviving persons of Japanese ancestry who were excluded from their places of residence, pursuant to the Federal Government's order.

Second, the establishment of a fund for humanitarian and public education purposes related to the wartime events. The remaining moneys in the $1.5-billion fund would be used for this purpose.

Third, the enactment of legislation which would officially recognize that a grave injustice was done to the evacuees and which would offer the apologies of the Nation for the wartime acts of exclusion, removal, and detention.

Fourth, the granting of Presidential pardons to individuals who were convicted of violating the wartime statutes imposing a curfew on American citizens strictly on the basis of their ethnicity and requiring ethnic Japanese to leave designated areas of the west coast to report to assembly centers.

Fifth, the "liberal review" by appropriate executive branch agencies of applications submitted by Japanese Americans for the restitution of positions, status or entitlements lost in whole or in part because of acts or events between December 1941 and 1945 (for example, the Department of Defense should be instructed to review cases of less than honorable discharge of Japanese American from the armed services during World War II).

Mr. President, as reported by the Commission, many who were either directly or indirectly involved in the mass evacuation and detention of Americans and resident aliens of Japanese ancestry during World War II have, since the war, acknowledged the wrong inflicted on the evacuees. President Roosevelt himself, in approving the induction of Japanese Americans into the U.S. Army, observed that "Americanism is a matter of the mind and heart—not of race or ancestry." Henry L. Stimson, then Secretary of War, recognized that "to loyal citizens, this forced evacuation was a personal injustice.'" Francis Biddle, then the Attorney General of the United States, expressed his belief that "the program was ill-advised, unnecessary and unnecessarily cruel." Milton Eisenhower described the evacuation and detention of Japanese Americans as "an inhuman mistake." The late Chief Justice Earl Warren, who had urged evacuation as Attorney General of California, stated, "I have since deeply regretted the removal order and my own testimony advocating it, because it was not in keeping with our American concept of freedom and the rights of citizens." Justice Tom C. Clark, who had been liaison between the Justice Department and the Western Defense Command, concluded, "Looking back on it today (the evacuation) was, of course, a mistake."

It is time the Congress, too, acknowledged the grave injustice inflicted by the Federal Government on Americans of Japanese ancestry during World War II. Passage of our bill would remove a blot on the pages of our Nation's history and it would remove a cloud which has hung over the heads of Japanese Americans since the end of World War II.

Mr. President, the bill also provides for the compensation of American-Aleuts who were forced to leave their homes in the Aleutian Islands and parts of Alaska during World War II.

In 1942, Native American Aleuts were evacuated from their ancestral homes in the Aleutian and Pribiloff Islands in Alaska, then a U.S. territory. Although the evacuation was necessary because of the threat of enemy attack, it was marked by poor planning and coordination, and the Aleuts lost most of their personal possessions. They were sent to makeshift camps including abandoned canneries and mines, and, due to a lack of adequate food, clothing and medical care, about 10 percent of the evacuees died. When they were finally allowed to return to the islands, they found that their homes and community buildings had, in many cases, been destroyed.

Mr. President, I strongly urge the favorable consideration of this bipartisan measure by Congress.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD following the statements made by Senators.

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

(See Exhibit 1.)

Mr. STEVENS. Mr. President, I am pleased to join my colleagues in offering legislation to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians.

The Commission was established pursuant to Public Law 96-317 and directed to review the facts and circumstances surrounding the relocation and internment of American Citizens and permanent resident aliens of Japanese ancestry during World War II, along with the facts and circumstances which led to the relocation and, in some cases, the detention of Aleut civilians during the same time period.

In discharging its congressional mandate, the Commission held 20 days of hearings, including 3 days of hear-

ings in Alaska, and received the testimony of more than 750 witnesses. The Commission's staff and others conducted exhaustive research. They were able to document in irrefutable detail, from their research in the National Archives and elsewhere, the facts and circumstances of these events that occurred 40 years ago. In these remarks I will address the Aleut issues, as I understand that other Senators will address in separate remarks the tragic circumstances which led to the internment of thousands of loyal Americans of Japanese ancestry.

THE ALEUT PEOPLE

Mr. President, the Aleut people are Native Americans whose ancestors migrated from Asia about 10,000 years ago. They settled the lower Alaska peninsula and the Aleutian Islands, an archipelago that spans the North Pacific for 900 miles from the peninsula to Attu Island. The Aleut villages are among the oldest places of habitation on this continent—the village of Nikolski, for example, has been determined to have been occupied for more than 8,000 years.

Anthropologists have estimated that 10,000 people lived on the Aleutians when the islands were occupied by Russian traders in the 18th century. Their numbers were soon reduced by massacre and disease to less than 2,000. Today there are about 3,600 Americans of Aleut ancestry, and major efforts are being made within the Aleut community to preserve the culture and traditions of this unique people.

As Solicitor of the U.S. Department of the Interior in the Eisenhower administration, I became generally aware that the Aleut communities of the Aleutians and Pribilof Islands had suffered severe dislocation and losses during the World War II. There had been no press accounts of these events at the time—correspondence and information between Alaska and the lower-48 had been subject to censorship during the war.

Unlike the internment of Japanese-Americans, which was subject to widespread publicity, litigation, and public discussion, the Aleut relocation during the war was considered a local administrative inconvenience and scant attention was paid to its effect on the Aleut people outside the immediate area of the Aleutians and the relocation camps.

Mr. President, Congress at my request expanded the mandate of the Commission on Wartime Relocation and Internment of Civilians to include the specific treatment of the Aleuts in World War II. The findings of the Commission document the extreme hardships endured by the Aleuts, and the unjustified losses they sustained. The recommendations of the Commission include restitution for those losses—and restitution, along the line of these recommendations, is provided in the bill we introduce today.

EVACUATION OF ALEUT VILLAGES

After the conquest of Attu and Kiska Islands by Japanese forces in early June 1942, the evaucation of all Aleut villages on the Pribilof Islands and the Aleutian Islands west of Unimak Island was ordered by military authorities in Alaska. Approximately 900 Aleut civilians were evacuated in June and July 1942, and hurriedly relocated to temporary camps in southeastern Alaska.

While this evacuation suffered from poor planning and inadequate logistic support, the Commission determined that it was a rational wartime measure under the circumstances at the time. The Commission found that the Aleuts suffered extreme hardships in the camps. Housing, sanitation, and eating conditions in the camps were deplorable. There were repeated epidemics of disease, and at least 10 percent of those in the camps died. Medical care was wholly inadequate. The Government clearly failed to meet its responsibilities to those under its care.

On returning to their villages, the Aleuts found—after an absence of 2 to 3 years—that houses, churches, community centers, personal property, boats, and other possessions had been destroyed, converted to military use without compensation, or severely damaged. They lost most of their religious icons and family heirlooms. While some attempts were made, with severely limited funds, to provide restitution, the evidence shows without doubt that the Aleuts' losses were never fully compensated by the responsible agencies and officials.

COMMISSION RECOMMENDATIONS

After evaluating the evidence, the Commission recommended five specific measures of restitution for Aleut losses during World War II. These include a trust to be established for the beneficial use of the six surviving Aleut villages subject to relocation and for the beneficial use of surviving Aleuts and their descendants; per capita payment to each surviving Aleut evacuee; the rehabilitation of churches and restoration of church property damaged or destroyed by U.S. forces in the Aleutians; the cleanup of wartime debris left on populated islands of the Aleutians; and the rehabilitation of Attu Island for Aleut ownership and use.

The bill we introduce today would make restriction substantially in accordance with the Commission's recommendations. It includes the $5 million trust as recommended. The authorization of appropriations for the rehabilitation of chuches and church property is established at $1,399,000, while the authorization for minimum cleanup of wartime debris on the Lower Alaskan Peninsula and the Aleutians is set at $15,000,000. Although the Corps of Engineers has estimated that more than $40 million would be required to accomplish the cleanup in 1985 dollars, the smaller amount is authorized only as a supplemental program to the ongoing work in the region. Currently the Department of Defense is working on the problem through funding to the Environmental Restoration Defense Account established in appropriations acts.

While the combination of the DOD effort now underway, and the supplemental program envisioned in this bill, will not completely restore the Aleutian region, it should be adequate to eliminate hazardous debris that threatens the health and safety of the people.

Mr. President, there are three substantive differences between the Commission's recommendations and the provisions of our bill. First, those eligible for per capita payment would include not only the survivors of the evacuation by U.S. forces, but also the surviving Attuans who were held in detention on Hokkaido Island, Japan. I am informed that these people number only five survivors today. Second, our bill provides per capita payment of $12,000 to each of the some 400–500 surviving Aleuts, instead of the recommended $5,000. The legislation includes this increase in per capita payment to reflect comparability with the treatment of the surviving Japanese American internees. Third, our bill provides bidding rights to be exercised by The Aleut Corporation in lieu of conveyance of Attu Island to the Aleut people. Attu Island was designated as wilderness in the Alaska National Interest Lands Conservation Act, and therefore, is not appropriate for conveyance back to the Aleut people. The bidding rights would be exercised by The Aleut Corporation, without any preference over any other bidder, in the disposition of surplus Federal property by the General Services Administration.

Mr. President, title III of our bill, relating to the Aleuts, has been drafted in close consultation with the Aleut leadership and with the residents of the affected Aleut villages. I am pleased to join as a cosponsor and intend to work for rapid consideration of the bill by the committee of jurisdiction.

Mr. President, I ask for unanimous consent that a section-by-section summary of title III of the bill, relating to the Aleut issues, be printed in the RECORD.

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

SECTION-BY-SECTION SUMMARY OF THE ALEUTIAN AND PRIBILOF ISLANDS RESTITUTION ACT

TITLE III—ALEUTIAN AND PRIBILOF ISLANDS RESTITUTION

Section 301—Short Title

This title may be cited as the "Aleutian and Probilof Islands Restitution Act."

Section 302—Definition

The definitions contained in this section are those required to implement the Commission's recommendations in accordance with this title for compensation of individual Aleuts, and the Aleut community generally, for their losses and other injustices suffered during World War II.

The term "affected Aleut villages" includes the six Aleut villages which were evacuated by U.S. forces in June and July, 1942, for relocation to temporary detention camps in remote regions of Southeastern Alaska. The term also includes the Aleut village of Attu, which was not rehabilitated for Aleut occupation or other productive use following liberation of Attu Island from Japanese forces and the repatriation of Attuan citizens from Japanese detention on Hokkaido Island, Japan.

The term "eligible Aleut" includes any Aleut who is living on the date of enactment of this Act and who, as a civilian, was relocated by authority of the United States from his or her home village to an internment camp, or other temporary facility or location, during World War II. The term also includes those Aleuts who were residents of Attu on the date of Japanese occupation of the Island, and who are living on the date of enactment of this Act.

Other terms requiring no elaboration in this summary are also defined.

Section 303—Aleutian and Pribilof Islands Restitution Fund

Section 303(a) establishes within the Treasury of the United States a Fund to be known as the "Aleutian and Pribilof Islands Restitution Fund." This Fund will be administered by the Secretary of the Treasury, and will consist of amounts appropriated to it under this title.

Under section 303(b), the Secretary is required to report to Congress annually on the financial condition of the Fund, and on the results of Fund operations during the preceding fiscal year. All such reports will be printed as House Documents of the session of Congress to which such reports are made.

Section 303(c) through (e) establishes procedures to be followed by the Secretary in managing the assets of the Fund. The interest on any obligations held by the Fund, along with other proceeds from the sale of any obligations, will be credited to and form a part of the Fund.

Section 303(f) provides for the orderly termination of the Fund after the Secretary has accomplished the purposes of the Fund, as set out in other sections of the title. On the date the Fund is terminated, all amounts remaining in the Fund shall be deposited in the miscellaneous receipts account in the Treatury of the United States.

Section 304—Expenditures and Audit of Fund

Section 304(a) provides that the Secretary shall pay to the Administrator of certain specified Aleut restitution programs, as provided in appropriations acts, such sums from the Fund as are necessary to carry out the purposes of this Act.

Under section 304(b), authority is established for audits of the activities of the Administrator by the General Accounting Office, subject to such rules and regulations as may be prescribed by the Comptroller General.

Section 305—Administration of Certain Fund Expenditures

The detailed procedure for designation of the Administrator is established in section 305(a). Under the terms of the section, the Aleutian/Pribilof Islands Association, a nonprofit regional corporation organized under the laws of the State of Alaska for the benefit of Aleuts in the Aleut region, is designated by Congress as Administrator, subject to the terms and conditions of this title.

As soon as practicable after enactment, the Secretary of the Treasury will offer to undertake negotiations with the Association leading to execution of an Agreement setting forth the duties of the Association as Administrator. Any such Agreement entered into with the Association shall be approved by a majority of the Board of Directors of the Association. Independent annual audits of the Association's activities as Administrator are required, and a report of each such audit will be transmitted to the Secretary and to the Committees on the Judiciary of the House and Senate. Upon 30 days notice, under the terms of the required Agreement, the Secretary may terminate the Association's designation as Administrator for good cause shown.

Section 305(b) requires the Secretary of the Treasury to submit to Congress, within 15 days after approval by the parties, the Agreement specified in section 305(a). If the Secretary and the Association fail to reach an agreement within the 60 day period established for negotiations, the Secretary shall notify Congress within 75 days after enactment of such failure to reach agreement. In such circumstances, Congress would have the option of designating another Administrator, or of taking any other appropriate and necessary legislative action.

Section 305(c) provides that the Secretary shall make no expenditures to the Administrator from the Fund until Congress has reviewed for 60 days the Agreement required by section 305(a).

Section 306—Duties of the Administrator

Section 306(a) provides that, out of payments made from the Fund to the Administrator by the Secretary of the Treasury, the Administrator shall make restitution (as provided elsewhere in this section) for certain Aleut losses sustained in World War II, and shall take such other action as may be required by this title.

Section 306(b) directs the Administrator to establish a trust, organized under the laws of the State of Alaska, for the beneficial use of affected Aleuts and affected Aleut communities. This subsection parallels the first recommendation of the Commission for compensation of the Aleuts for losses sustained in World War II.

The principal amount of the trust established under this subsection shall be $5,000,000. It will be governed by not more than seven trustees, appointed by the Administrator from lists of prospective trustees submitted by each affected Aleut village. The trust will be apportioned into eight independent accounts. One account will be established for the independent benefit of the wartime Aleut residents of Attu and their descendants; one account will be established for the independent benefit of each of the six surviving Aleut villages evacuated by U.S. forces; and one account will be established for the independent benefit of those Aleuts who, determined by the trustees, are deserving but who will not benefit directly from the other seven accounts.

Five per centum of the principal amount of the trust will be credited initially to the latter account referenced above. The remaining principal amount will be apportioned among the other seven accounts, in proportion to the wartime population of the village for which each such account is established, as compared to the wartime population of all affected Aleut villages.

The purposes of the trust are outlined in section 306(b)(2). In general, the section authorizes the trustees to use the interest and other earnings from the trust to benefit the elderly, the disabled, the seriously ill, students in need of scholarships, and others in comparable circumstances. Additionally, the section provides that trust earnings my be used to preserve Aleut culture and historical records, to establish community centers in affected villages, and to take such other action as the trustees may determine will improve the condition of Aleut life.

Section 306(c) authorizes the Administrator to rebuild, restore, or replace churches or church property damaged or destroyed in affected Aleut villages during World War II. This subsection is consistent with the third recommendation of the Commission for compensation of Aleuts for losses sustained as a direct result of U.S. governmental actions during World War II.

Under the terms of this subsection, the Secretary of the Treasury shall pay $100,000 from the assets of the Fund to the Administrator within 15 days after expenditures from such Fund are authorized by this title. The Administrator is required to use this payment to make an inventory and assessment of all churches and church property damaged or destroyed in affected Aleut villages during World War II. In addition the Administrator will use the payment to develop specific recommendations and detailed plans for reconstruction, restoration and replacement work to be accomplished on churches and church property.

The inventory and assessment, together with the specific recommendations and detailed plans, shall be submitted within one year after enactment to a review panel composed of the Secretary of Housing and Urban Development, the Chairman of the National Endowment for the Arts, and the General Services Administrator. If the review panel has not disapproved the Administrator's plans and recommendations within 60 days, such plans and recommendations will be implemented as soon as practicable by the Administrator. If any part of the plans and recommendations are disapproved, the Administrator shall revise and resubmit such part to the review panel as soon as practicable.

In the event of irreconcilable differences between the Administrator and the review panel in respect of any part of the plans and recommendations, the Secretary of the Treasury is authorized and directed to submit such part to Congress, for approval or disapproval by Joint Resolution.

Under the terms of section 306(c)(3), the Administrator is required to give preference to the Aleutian Housing Authority as general contractor for work to be performed in implementing the plans and recommendations for reconstruction, restoration, or replacement of churches and church property.

This section authorizes appropriations to the Fund adequate to carry out the purposes of the section, including $1,399,000 to

carry out the church rehabilitation program under section 306(c). In addition, section 306(d) authorizes the Secretary of the Treasury to reimburse the Administrator, not less often than quarterly, for all necessary and reasonable administrative and legal expenses incurred in carrying out its functions under this title.

Section 307—Individual Compensation of Eligible Aleuts

Section 307(a) authorizes and directs the Secretary of the Treasury to make per capita payments out of the Fund to eligible Aleuts, as defined, for uncompensated personal property losses and for other purposes. The subsection requires a payment of $12,000 to each of approximately 400 individual Aleuts who are living on the date of enactment of this Act and who are the survivors of the relocation experience during World War II. All such per capita payments shall be made within one year after enactment of this Act, and shall not be considered income for purposes of any Federal taxes or for the purposes of determining eligibility for or the amount of any benefits or assistance under any Federal program or under any State or local program financed in whole or in part with Federal funds. This section addresses the second recommendation of the Commission for compensation of Aleut losses during World War II.

Under section 307(a) (2) and (3), the Secretary of the Treasury may require the assistance of the Attorney General in locating eligible Aleuts, and the Administrator shall assist the Secretary in identifying and locating eligible Aleuts for the purpose of the section.

Section 307(b) authorizes appropriations to the Fund adequate to make the per capita payments required by the section for restitution of heretofore uncompensated Aleut wartime losses.

Section 308—Supplemental Cleanup of Wartime Debris

Section 308(a) recognizes the on-going program for the removal of wartime debris from the Aleutian and Pribilof Islands region. This on-going program is administered by the Department of Defense through appropriations to the Department's Environmental Restoration Defense Account. The supplemental cleanup program authorized by this section, therefore, shall be exercised only in the event that such Account is inadequate to eliminate hazardous military debris from populated areas of the Lower Alaskan Peninsula and the Aleutian Islands.

Section 308(b) authorizes and directs the Secretary of the Army, acting through the Chief of Engineers, to plan and carry out a supplemental program for the removal and disposal of live ammunition, obsolete and abandoned buildings, abandoned machinery, and other hazardous debris remaining in populated areas of the lower Alaskan peninsula and the Aleutian Islands as a result of military activity during World War II. This section is consistent with the fourth recommendation of the Commission.

Section 308(c) provides that the debris removal program shall be the "Minimum Cleanup," as recommended by the Alaska District, Corps of Engineers, in its report dated October 1976. In carrying out the program, the Chief of Engineers is required to consult with the trustees of the trust established in section 306(b), and is further required to give preference to the Aleutian Housing Authority as general contractor.

Section authorizes $15,000,000 to be appropriated to carry out the purposes of this section.

Section 309—Attu Island Restitution Program

Section 309(a) recognizes that Attu Island, recommended by the Commission for conveyance to appropriate Aleut corporate entities, has been designated as wilderness by section 702(1) of the Alaska National Interest Lands Conservation Act. As alternative restitution for the loss of traditional Aleut lands and village properties on Attu Island, compensation shall be made to the Aleut people in accordance with this section.

Section 309(b) directs the Secretary of the Treasury to establish an account designated The Aleut Corporation Property Account, which shall be available for the purpose of bidding on surplus Federal property. The initial balance shall be an amount reflecting the equivalent of $500 per acre for each of the 35,737 acres traditionally occupied and used by the Aleut people on Attu Island—or the equivalent of $17,868,500.

Under procedures established in this subsection, The Aleut Corporation may bid, by using the credits in the Account, as any other bidder for surplus Federal property, wherever located, in accordance with the requirements of section 484 of title 40, United States Code. In using the bidding rights established by this section, no preference will be given by the General Services Administration to The Aleut Corporation.

In addition to the bidding rights established as compensation for The Aleut Corporation in this section, subsection (h) provides that the Secretary of the Interior may convey to the Corporation, as provided under current law, the traditional Aleut village site on Attu Island. This authority is reflected under current law at section 1613(h)(1) of title 43, United States Code. The subsection limits selections under section 1613(h)(1), however, following date of enactment of this act, to such traditional village site on Attu Island and no other site on such Island.

Section 310—Separability of Provisions

This section provides that if any provision of this title, or the application of any provision to any person or circumstance, shall be held invalid, the remainder of this title or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Mr. INOUYE. Mr. President, I am pleased to join my colleagues in introducing legislation in the 99th Congress to implement the findings of the Commission on Wartime Relocation and Internment of Civilians. Few changes have been made in this legislation since November of 1983, when it was first introduced in the Senate.

As most of my colleagues are aware, the Commission was established pursuant to Public Law 96-317 to study the facts and circumstances surrounding the evacuation and internment of thousands of American citizens and resident aliens of Japanese ancestry during World War II. In fulfilling its congressional mandate, the Commission conducted extensive hearings throughout the country in addition to exhaustive archival research over a 3-year period. In its final report entitled "Personal Justice Denied," the Commission concluded that there was no justification for the mass evacuation, relocation, and internment of 120,000 Japanese-American citizens and resident aliens.

Instead, the Commission found that the decision to intern was made solely on the basis of ethnicity, not for any valid military or security reasons. Fear and prejudice obstructed our commitment to uphold the constitutional rights of our people, and as a result, thousands of lives were disrupted immeasurably. The Commission concluded that the Japanese-American case is unique in the constitutional history of our country in that there was a total abrogation of constitutional guarantees inflicted against a single group of citizens and resident aliens solely on the basis of ethnicity.

Based on these findings that concluded that a grave injustice was done to American citizens and resident aliens of Japanese ancestry, who were excluded, removed and detained by the U.S. Government without benefit of individual review, the Commission recommended remedies which comprise the legislation we are introducing today.

In brief, the Commission recommended the establishment of a trust fund from which individual payments to the surviving internees would be made. The remainder would be used for humanitarian and public education purposes in order to preclude this event from occurring again in the future.

Second, the Commission advised the enactment of legislation to officially recognize the injustice that was committed and offer the apologies of the Nation for the evacuation, relocation, and detention.

Third, the Commission recommended the granting of pardons to those who were convicted of violating wartime statutes relating to forced curfews and evacuation on the basis of ethnicity; and finally, a liberal review of individual cases for the restitution of positions, status, or entitlements lost as a result of the evacuation, relocation, and internment.

The Commission made its recommendations after serious and thoughtful deliberation, and on the basis of what they felt to be the just and proper solution, not necessarily what was politically and economically expedient. We should keep in mind that the monetary payment to surviving internees represents a symbolic effort to redress a grave infraction of civil liberties. The actual loss incurred by those who suffered this injustice at the hands of their own Government, is immeasurable.

We must act quickly on this legislation to deter an event as reprehensible as the internment experience from

happening again, as silence on the issue has the danger of appearing as tacit acceptance. I am proud to be a cosponsor of this measure, and I look forward to working with my colleagues to pass a bill this session.

I ask unanimous consent that the following article from the April 28 issue of the New York Times Magazine be printed in the RECORD. Although I was fortunate enough not to have been interned, I visited a camp in Rohwer, AR, and remember being aghast that such a place could exist in America. Mr. Oishi's article is an excellent first-hand view of what it was like to be Japanese-American and interned during World War II.

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

THE ANXIETY OF BEING A JAPANESE-AMERICAN

(By Gene Oishi)

My base camp was the Hyatt Regency Hotel, an imposing fortresslike structure towering above downtown Phoenix. My room on the 12th floor looked south over the desert, dotted with flat-topped buttes that looked like bombed-out Mount Fujis. Somewhere out there was the site of the Gila River Relocation Center, the internment camp in which I spent an important part of my childhood during World War II.

As I looked out over the desert from my well-appointed hotel room I could feel traces of a nagging fear, and I began to sense why it had taken me nearly 40 years to revisit the scene of my wartime internment.

It was last April that I made the trip to Arizona, ostensibly to complete my research for an article dealing with the assimilation of Japanese into the American mainstream. Actually, I went there in the hope of overcoming a writer's block.

Much has been written about the internment of Japanese during World War II, and so I had not intended to dwell on that aspect of Japanese-American history. But as I began to write the article, it became clear to me that there was much more that needed to be said about the experience.

I recalled the hearings held in 1981 by the Commission on Wartime Relocation and Internment of Civilians. The commission was created by Congress, in the wake of renewed demands for reparations, to re-examine the internment of Japanese during World War II. Hundreds of Japanese came forth to testify, and many feel that those hearings constituted the most significant event that has occurred in the Japanese community since the internment itself.

The commission concluded its work in the summer of 1983 with a list of five recommendations, including one that calls for a $1.5 billion fund to be used to provide a one-time compensatory payment of $20,000 to each of the approximately 60,000 remaining survivors of the internment. There was a bill in the last Congress—and action on a reintroduced version is expected in the current session—that would implement the commission's recommendations. Regardless of the fate of that bill, the commission hearings had a permanent impact on the Japanese community.

At the hearings, the usually reticent and undemonstrative nisei—second-generation Japanese-Americans—choked back tears or let them flow as they told their stories. Many of the spectators wept, too, as they listened, and it seemed as if a dam had burst and the community was at long last truly mourning its past. The sansei—third-generation Japanese-Americans, most of whom were too young to have experienced the internment—were astonished. "I never saw nisei act that way before," said a sansei afterward.

It was not what the witnesses said that was so remarkable, for most of them simply described the economic and physical hardships they endured. What was remarkable was that they spoke at all. I, too, spoke to the commission at a pre-hearing briefing seminar in June 1981. My throat and chest suddenly felt so constricted that I thought I was coming down with an attack of bronchitis. It took all the strength I had to get through my talk and to keep from breaking into tears.

The reasons for the severity of my reaction, and that of the other witnesses, long remained a mystery to me. Even in the spring of 1983, when I traveled around the country interviewing Japanese of all ages and in a wide variety of occupations, I had not yet plumbed the emotional depths of the internment experience. Nor did I start out with the intention of doing so. My plan was to flesh out what social scientists had been saying for the last two decades: that Japanese-Americans are an extraordinarily successful ethnic group.

As a group (there are about 700,000 Japanese in the United States), they are for the most part prosperous, well-educated and are rapidly joining the mainstream of middle-class life. But in the course of my interviews I began to notice in myself as well as in those I interviewed an intense discomfort with the "model minority" theme.

Chris Iijima, a teacher and politically oriented folk singer in New York, first articulated this discomfort for me in a rational way. Every stereotype, he said, has a "flip side." Hard-working can become ruthless. Resourceful and ingenious can become diabolical. Friendly can become sneaky. Dedicated can become finatical. What Iijima said struck a chord in me, for within my own lifetime I have seen the Japanese stereotype among the American public turn from negative to postive, and there are signs that as a result of economic competition with Japan it might flip again as more Americans view Japan as a threat to their livelihood.

Later, as I thought about Iijima's observation and my reaction to it, I began to understand that the reason for my near-breakdown before the Congressional commission was fear. I was speaking to a commission that represented in my mind the same type of officialdom that in 1942 could not see past the color of our skin and hair and the shape of our eyes and noses and concluded that we were actual or potential enemies.

It was in Arizona, at the scene of my wartime internment, that I began to suspect that our discomfort with stereotypes, even positive ones, was rooted in fear. For the first time, I began to get a sense of how fear had ruled much of my life and perhaps the lives of most Japanese of my generation.

I was surprised by the ease with which I found the old campsite in the Gila River Indian Reservation, about 30 miles south of Phoenix. The barracks were gone, but the concrete foundation blocks, with twisted and rusted steel flanges clinging to them, were still there, as were the large slabs of concrete that once were the floors of the mess halls. From the top of a butte I had often climbed as a child, I could see a cattle farm and greening fields of wheat in the distance. None of this had existed when I first was here. At that time, there was nothing but desert wilderness as far as the eye could see. I felt high indignation; they were ruining my desert, encroaching on that previous isolation that had provided a measure of safety for me as a child. I realized then that I had not wanted to leave the camp. The desert, with its primitive desolation and extremes of weather, can be frightening at times, but it was not as frightening to me as the uncertainties and ambiguities of the world from which I had been ejected.

For the first nine years of my life my home had been Guadalupe, a small farming community in California's Santa Maria Valley. My father, who was a prominent farmer and civic leader in the Japanese community, was arrested early in the morning on Dec. 8, 1941, within 24 hours after the Japanese attack on Pearl Harbor. Though he was never charged with any crime, he thought he was going to be executed and so he wrote a letter of farewell to his family from a cell in the Santa Barbara County Jail.

Although my father and other community leaders arrested with him were not killed, many of the older Japanese feared they were being sent to extermination camps as the general "evacuation" began on the West Coast several months later. These fears I learned of much later, but I got a hint of them at the time from my mother's perpetually furrowed brow, from the sound of her crying at night and from her hair, which seemed to have turned gray overnight.

The roots of the fear went back to the late 19th century, when Japanese first started coming to this country in significant numbers. Like the Chinese before them, Japanese were subjected to intense racial hatred and vilification. Every effort was made to keep them from becoming woven into the social and economic fabric. They were not allowed naturalization privileges. Most Western states passed laws forbidding Asians from owning land. Antimiscegenation and other racially discriminatory laws were enacted. There was pressure put on Congress to stop further immigration from the Far East. In 1882, immigration from China was stopped, and in 1924 the ban was extended to Japan.

With the Japanese attack on Pearl Harbor, racial animosity flared with renewed ferocity. It was a time when racism was not universally condemned as it is today publicly, and members of Congress and newspaper columnists and editors openly expressed racial hatred for the Japanese. Ultimately, in February 1942, President Franklin D. Roosevelt signed Executive Order 9066, which enabled the Government to remove 110,000 Japanese—71,000 of them American citizens—from the West Coast and to place them in internment camps in the interior.

The first camp we were sent to was an "assembly center" built at the county fairgrounds in Tulare, Calif. My memories are of heat, dust and a pervasive, sickening smell of the tar paper with which the barracks were covered. There were two barbed-wire fences surrounding the camp. This was not simply an "assembly center"; it was a prison. Soldiers with fixed bayonets patrolled the area between the two fences, and if you had any further doubts about what this camp was, there were guard towers along the perimeter, each equipped with a machine gun and searchlight.

Tulare was a hateful place, and I suppose anyone who spent time there would find his own reasons for finding it so. Mine never had any coherent pattern. First of all, my mother got sick and I had the feeling that she had deserted me. The food tasted tinny, maybe because it was served on metal trays. Juices from the canned vegetables, canned frankfurters and melting Jell-O flowed together to form a tepid, mildly sweet soup. The latrines were dirty and smelly and swarmed with flies. I still have unpleasant dreams about toilets filled and smeared with human feces. The barracks were crowded and noisy. Our family of six was assigned one small compartment that was barely large enough to hold our cots. The couple in the next compartment were always quarreling, and you could hear every word, even those they whispered.

During the day, I roamed with a band of children who resembled a pack of domestic dogs gone wild. We tried to make friends with the soldiers patrolling the camp, but they were sullen, even a little hostile, so we gave up. I don't know about the other children, but I never held it against the soldiers. Instead, I began to resent the Japanese they were guarding.

The camp in Arizona had no fence. None was needed, situated as we were in the middle of the wilderness. I recall being inordinately afraid of rattlesnakes. I was afraid to go out of the barracks at night for fear that one would come slithering out of the crawl space under the building. It is only in recent years that I have begun to realize that the state of panic in which I lived during the first few months in Arizona was in some way connected with being a Japanese. At the weekly movie, an American war film played that ended with the sinking of a Japanese battleship. As American bombs began exploding on the deck of the ship, Japanese sailors began to panic and leap into the sea. The children and young adults in the audience began to giggle, and as the battleship sank they broke into cheers and applause. I cheered and applauded, too, knowing full well that our parents in the crowd were deeply pained that their children were turning against Japan and perhaps even against them. By late 1943, those who had pledged their loyalty to the United States were allowed to leave. Most of those who remained were children—or older folk who had been born in Japan and who, under the law, were not allowed to become citizens. They knitted, sculptured ironwood, grew morning glories, built rock gardens, or sat in the shade, fanning themselves and squinting against the heat. Life remained pretty much that way until the war ended and we were told to leave.

I recall the first words spoken to me when I met a former schoolmate upon our return to Guadalupe. He had been a friend before the war and I had often gone to his house to play. "Hi, Norman," I said. "Remember me? I'm Gene." Norman stared for some time. I waited for a smile of recognition that never came. Instead, he titled his head back a little and asked with a sniff, "All you Japs coming back?"

I eventually got over Norman's rude welcome. I graduated from high school, served in the Army, went to college, got married to a Swiss woman, moved to the East Coast and began a career as a newspaper reporter. I lived in a white neighborhood, had white friends and for long stretches of time would forget I was Japanese. I would feel extremely uncomfortable when inevitably I would be reminded of it.

For years I thought I was unusual in my reactions, but as I interviewed Japanese around the country, I discovered I was more typical than not of the generation of so-called nisei who grew up in the 1930's and 40's and were interned with their immigrant parents.

Dwight Chuman, a Los Angeles journalist and sansei, or third-generation Japanese, called the nisei "confused young men who succeeded by selling their self-hatred and disappearing into the mainstream mentality." It is difficult to be lectured by a member of the younger generation, but I found myself agreeing with Chuman and with most of the sansei activists I interviewed.

Feelings of self-hatred and shame are well documented among victims of aggression and abuse, such as raped women, abused children and prisoners of war. But until recently, I had not thought of myself as a victim and had not allowed myself to feel fear or anger about the internment. As I interviewed Japanese around the country, I found others who were better able to articulate their feelings.

Bebe Toshiko Reschke, a psychiatric social worker at an adult outpatient clinic in California, was a child during the internment. She recalled that while in camp three military policemen came into her family's compartment to search for contraband.

"I had such a feeling of being violated," she said. "I still have a problem with that, of trusting authority . . . That anyone can have such control over you, and it can happen so fast."

"When I read these stories dealing with Japan," she continued, referring to coverage of Japanese competition with the United States, "I still get that emotional reaction. I think, 'Oh my God, the American public is turning against us again.' This time I'm not going. That's my line. This time I'm going to fight. I've joined the American Civil Liberties Union. That's my way of coping with my fears about what happened."

Her comment is an indication of the anger suppressed by many nisei that is only now beginning to bubble to the surface. The more fortunate Japanese-Americans, in my view, are those who in one way or another expressed their anger at the time. Minoru Yasui, a lawyer and former executive director of the Denver Community Relations Commission, is one of them.

A trim elegant man with a lively twinkle in his eyes, Yasui does not strike one as a stubborn fighter. In fact, as a young lawyer in Portland, Ore., in 1942, he had no intention of turning himself into a test case. "But we couldn't find anyone else to do it," he said. "You were laying your career, your life, your record on the line. . . . It was scary. If you were convicted, you didn't know whether you were going to come out of prison alive."

Despite his fear, Yasui refused to obey a curfew imposed on Japanese-Americans after the outbreak of World War II and refused to leave his home voluntarily when ordered to evacuate. He was arrested and served nine months in the Multnomah County Jail in Portland. Yasui appealed his conviction all the way to the Supreme Court, which upheld it.

Yasui and others who fought for their constitutional rights in court were the exceptions. The Japanese American Citizens League, which assumed leadership within the Japanese community in 1942, discouraged even legal challenges and urged cooperation with the authorities. After an initial protest, league leaders accepted the position of the authorities that the evacuation of all Japanese from the West Coast was a military necessity. They cooperated with the authorities in getting Japanese into camps. Once they were there, the league lobbied Washington successfully to allow nisei to volunteer for the armed forces and to be subject to the draft. At one point, Mike Masaoka, a league leader, was reported to have urged the formation of an all-Japanese "suicide battalion." Masaoka today says he does not recall having used the words "suicide battalion," and goes on to say that even if he had he did not have in mind anything like the kamikaze units formed later in the war by the Japanese enemy.

Passions were whipped raw during the first months of internment. In some camps, Japanese American Citizens League leaders were attacked and beaten. But on the whole, the league position was supported. About 75 percent of Japanese-American males responded "yes" to a loyalty questionnaire that made them subject to the draft. Ultimately, more than 33,000 Japanese-Americans, including women, volunteered or were drafted into the armed forces during the war. In the Pacific, they served as interpreters and translators; and in Europe, the all-Japanese 100th Battalion and the 442d Regimental Combat Team were two of the most decorated and bloodied units of the war.

Thus, Japanese in the United States paid with blood the price of acceptance as Americans. But there are many of us who feel that we are continuing to pay a price.

Amy Iwasaki Mass, a nisei who is a clinical social worker and an instructor at Whittier College, in Whittier, Calif., has worked with many nisei as a therapist and concludes that the internment experience continues to be "a real attack on our sense of well being and our self esteem."

The reaction of many nisei, she said, was much like that of some hostages who start to identify with their captors. "Identification with the aggressor makes us feel safer and stronger," she said.

She observed, as others have, that some nisei have shed their ethnic identity and have merged into the white mainstream. "What is sacrificed is the individual's own self-acceptance," she said. "It places an exaggerated emphasis on surface qualities, such as a pleasant nonoffensive manner, neat grooming and appearance, nice homes, nice cars and well behaved children."

A further misfortune, she said, is that many nisei have passed on their basic insecurity to their sansei children.

Some Sansei, however, have managed to break out of such a nisei mold. One of them is Steve Nakajo, a familiar figure on the streets of San Francisco's Japantown. His generous girth decked out in jeans and sneakers, he walks the streets with a swagger reminiscent of a sumo wrestler. He founded Kimochi Inc. to help the people of Japantown. One of the first projects was a movie escort service. Sansei, wearing yellow and black happi coats, walked or drive issei—first-generation immigrants—to and from Japanese movie theaters. This proved to be a popular service because of the old people's fear of street crime. Later, the Kimochi (which means "feeling") Lounge was opened, where issei could congregate, find reading materials, take up handicrafts and receive counseling for social services. A nutrition program was started as part of the federally financed meal program. Kimochi's crowning achievement, so far, is a $1.3 mil-

lion, 20-bed facility for elderly Japanese. It was built entirely with private contributions, mostly from individuals, but with some corporate and foundation grants.

There are those who say that the internment benefited the Japanese by dispersing them throughout the country and making them more familiar and acceptable to other Americans. Such people ignore the damage done to the Japanese sense of family and to generational ties that sansei like Nakajo are trying to restore.

I am one of those whose trauma was real, and in recent years I have struggled with the thought of my father's humiliation and downfall. After coming to this country in 1903 at the age of 19, he established himself as a successful farmer in Guadalupe. A flamboyant man, he drove a big Buick, wore tailored suits, smoked cigars and sent two sons to Stanford University. With his arrest by Federal Bureau of Investigation agents and the internment of his family, he lost everything he had worked for and achieved in 40 years.

When we returned to Guadalupe after the war, he and my mother went to work as field laborers. Contrary to the Japanese stereotype, my father was a man who freely vented his feelings. A devotee of the Kabuki theater, he would be moved to tears by tales of death, sacrifice and downfall. Yet he never complained about his own economic ruin and loss of status. He carried on as if none of that really mattered. It is only in recent years, long after his death, that I have grown to appreciate his courage and to understand that if the authorities indeed wanted to emasculate him, they did not succeed. When I am able to accept that, perhaps my long night of fear will finally come to and end.

Mr. CRANSTON. Mr. President, I am delighted to support the legislation introduced today by my very good friend from Hawaii [Mr. MATSUNAGA] for redress of one of our Government's greatest acts of injustice.

As we look back with regret on this painful period of injustice—43 years ago—we must reaffirm our pledge that this kind of injustice must never recur.

Enactment of this legislation will help to prevent a recurrence.

And it will help us to look forward with hope to a brighter future of full participation by Asian Americans in the American dream.

My involvement in opposing the relocation of Japanese Americans dates back to the very beginning.

I believe that our Government's action in this case was a terrible affront to the ideals for which our Nation stands.

Shortly after Pearl Harbor, I was assigned to the Office of War Information. There I worked closely with Eleanor Roosevelt and Archibald MacLeish trying to dissuade President Roosevelt from forcefully evacuating Japanese-Americans from the west coast and interning them in so-called relocation camps.

Unfortunately for 120,000 Japanese-Americans—and for the good name of our Nation—military authorities prevailed, and the orders for internment were issued.

More than two-thirds of the internees were American citizens. The rest were legal U.S. residents.

After the internment process began, I visited two of the camps, Tule Lake in California and Heart Mountain, WY. Recently, the children of internees visited Heart Mountain trying to sense what their parents had felt. In part, I can tell them.

For 4 days in the cold, snow-covered camp at Heart Mountain, I spent my time round the clock inside the barbed-wire camp, talking to internees and visiting with a number of boyhood friends from Los Altos.

We ate meals together, talked over old times, walked around in the bitingly cold weather, played poker—in wanton violation of camp rules—and cheered at a football rally.

My friends and former classmates justifiably felt themselves robbed of their citizenship. They were distressed at the racial prejudice behind their internment. They were anxious for their Government to prove its own adherence to democracy and to the very ideals for which we were then at war.

President Roosevelt himself proclaimed, "In vindication of the very ideals for which we are fighting this war it is important to us to maintain a high standard of fair, considerate and equal treatment for the people of this minority as for all other minorities."

But this standard was not upheld.

The mere presence of Japanese blood in loyal American citizens was believed to be enough to warrant removal and exclusion from places they otherwise had a right to go.

The argument that they were removed for their own good, because of possible vigilante attacks, was not persuasive. Most, if not all, Japanese Americans would rather have faced the risk of being killed by individuals than deprived of their liberties by their own American Government. And given the choice to remain interned or fight in the war, most enlisted and served.

One of my most poignant memories is of an intelligent and progressive-minded mother who was still managing—with much difficulty—to conceal from her 4-year-old that they were prisoners in what most inmates considered a racial internment camp.

It was ironic to see American Nisei soldiers, home on furlough and clad in uniform, wandering around inside a fenced-in camp. These Nisei soldiers returned from the battlefields of Europe as the most distinguished and decorated combat unit of the war, and from the Pacific theater as loyal soldiers and as officers in military intelligence. I have never forgotten these impressions.

In 1980, I was cosponsor of the legislation establishing the Relocation Commission. The Commission report issued in 1983 amounted to our Government's official apology—41 years overdue—to the internees and their families.

It confirms what a great many conscientious Americans have long believed: these Americans of Japanese descent were clearly mistreated, and their basic civil liberties violated.

The ACLU singled out the internment and related abuses at the time "the worst single wholesale violation of civil rights of American citizens in our history."

As one commentator on the period said, "Japanese-Americans were the immediate victims of the evacuation. But larger consequences are carried by the American people as a whole. Their legacy is the lasting one of precedent and constitutional sanctity for a policy of mass incarceration under military auspices. This is a result of the process by which the evacuation was made. That process betrayed all Americans."

Since those tragic events took place, a number of the participants have had changed hearts and minds. Henry L. Stimson, who was Secretary of War, realized that "to loyal citizens this forced evacuation was a personal injustice." Former Attorney General Francis Biddle reiterated his belief that "the program was ill-advised, unnecessary and unnecessarily cruel." Justice William O. Douglas, one of the Supreme Court majority in the Korematsu decision holding the evacuation constitutionally permissible, later said the case "was ever on my conscience." And Chief Justice Earl Warren, who as California's attorney general had urged evacuation, afterward said, "I have since deeply regretted the removal order and my own testimony advocating it, because it was not in keeping with our American concept of freedom and the rights of citizens."

On February 17, 1942, Attorney General Francis Biddle wrote to Secretary Stimson opposing the proposed exclusion order, stating that the War Department and the FBI had found no danger of imminent attack or evidence of planned sabotage. Biddle especially objected to removal from their homes of 60,000 American citizens who happened to be of Japanese descent. He refused to let the Justice Department participate in any way with the exclusion policy.

Not a single documented act of espionage, sabotage, or fifth column activity was committed by the Nisei or by resident Japanese aliens on the west coast. Yet their lives were disrupted, fortunes were lost, and loyal citizens and legal residents incarcerated.

The victims of this policy were held collectively guilty, and collectively punished.

Moreover, the Government's attitude toward these innocent people fostered suspicions that often led to violence against them. Many were at-

tacked when they attempted to return to their homes 3 years later.

The legislation I'm cosponsoring today redresses this mass violation of civil liberties and compensates internees for their suffering.

While the loss of liberty and the personal stigma attached to internment can never be erased, Federal reparations are a justifiable response to the legitimate financial losses incurred. An independent study done for the Commission found the economic losses alone to evacuees between $2.5 and $6.2 billion in today's dollar values, including interest for the past 40 years. Many consider this a conservative estimate of the real economic losses of homes and other property, stores and businesses. And these estimates do not begin to measure the personal hardships suffered.

The Commission found the cause of the exclusion and internment policies to be "race prejudice, war hysteria and a failure of political leadership."

On February 19, 1942, President Franklin D. Roosevelt signed Executive Order 9066. Shortly afterward, all American citizens of Japanese descent were barred from living, working, or traveling on the west coast. The same exclusion applied to a whole generation of Japanese immigrants residing at that time in the United States who, because of Federal law, were not permitted to become U.S. citizens.

After the initial plan for "voluntary" exclusion failed, these American citizens or legal residents were forcibly removed by the Army, first to assembly centers"—makeshift quarters in fairgrounds and racetracks—and then to "relocation centers." These latter camps, located in desolate western areas, were surrounded by barbed wire and guarded by military police.

The U.S. Government carried out its policy without reviewing individual cases or providing due process of law, and continued its policy virtually without regard for individuals who demonstrated loyalty to the United States.

Congress made it a crime to violate Executive Order 9066. The U.S. Supreme Court—in one of its most agonizing decisions—held the removal constitutionally permissible because of the war. Interestingly, since that decision a number of Justices from the majority—enough to have reversed the 5-4 decision—have written that on hindsight, they would have voted differently. The Supreme Court in a related case struck down imprisonment of these admittedly loyal American citizens. But long after the fact.

The Commission found that the main impetus leading to the exclusion order was the mistaken notion that individuals of Japanese descent would be loyal to Japan, not to the United States, and groundless fears of fifth column activity even though no evidence of such activities could be uncovered. The Commission stated that "the record does not permit the conclusion that military necessity warranted the exclusion of the ethnic Japanese from the west coast."

After exclusion became official policy, the War Relocation Authority [WRA]—the civilian agency charged with supervising the relocation—assumed that the vast majority of evacuees were loyal and should be allowed to resettle outside of the west coast. But because of harsh objections from certain mountain State politicians, a consensus plan for detention of the evacuees emerged. The WRA gave up on its idea of resettlement, and accepted a program of confinement. Despite WRA's belief that evacuees should be returned to normal productive life, it had, in effect, become their jailer. Since there was no military justification for detention, the WRA instead contended that the program was for the evacuees' own safety.

The history of life during the evacuation and in the relocation camps is one of suffering and deprivation. On the average, families received only 1 or 2 weeks notice of evacuation to an unknown destination. They could take with them only what could be carried. All else was lost or sold for cut-rate prices. Life in the relocation camps was spartan, with shoddy and crowded buildings, defective facilities, faulty heating, inadequate health care, and limited education programs. Privacy was impossible. Families and individuals alike lost their identities and became known only by identification numbers.

Because the Western Defense Command opposed individual loyalty reviews—for fear of weakening the blanket exclusion—no opportunity for individual review was created in the assembly centers. The War Department favored conducting loyalty reviews, but did not act on this until the end of 1942. Although these reviews eventually permitted some to leave relocation centers, it didn't end the exclusion from the west coast. Moreover, even this belated process was offensive, since it treated Japanese Americans as guilty until proven innocent.

In the spring of 1943, Secretary of War Henry L. Stimson, Assistant Secretary of War John McCloy, and Gen. George C. Marshall reached the conclusion that the loyalty reviews eliminated any justification for exclusion from the west coast. They kept their views private, however, and General DeWitt repeatedly opposed ending exclusion until he left the Western Defense Command in late 1943, as did west coast anti-Japanese factions. Secretary Stimson finally put the recommendation before the Cabinet in May 1944. But no action was taken until December 7, 1944, while confinement continued for the great majority of Japanese Americans.

The exclusion and removal of Japanese-Americans resulted from a long history of anti-Japanese-American agitation and legislation on the west coast. By contrast, in Hawaii, where the military commander restrained plans for radical measures and treated the ethnic Japanese as loyal residents—absent evidence to the contrary—only 2,000 ethnic Japanese were taken into custody. The policy developed was in sharp contrast to Government actions against enemy aliens or citizens of non-Japanese descent. For example, the United States never ordered a mass exclusion or detention against American citizens of German or Italian descent.

This episode in American history should never have happened. It's the Government's responsibility to set the record straight and to try, at least, to recognize and partially compensate for past injustices, although the tarnish on our Constitution can never be completely removed.

Our purpose is to recognize and redress the injustices and violations of civil liberties against U.S. citizens and U.S. residents of Japanese and Aleut ancestry by the United States and to discourage similar injustices and violations of civil liberties in the future.

Those eligible are people of Japanese or Alaskan Aleut ancestry excluded from the west coast between December 7, 1941, and June 30, 1946, or deprived of liberty or property as a result of a series of Executive orders, proclamations, laws, Armed Forces directives, or other Federal actions resulting in exclusion, relocation, and/or detention of individuals on the basis of race.

This act is a just and fair redress to those individuals who were excluded and/or interned without justification, in gross violation of their civil liberties as American citizens and residents. I urge my colleagues to support it.

Mr. GORTON. Mr. President, I join my colleagues today in support of legislation to redress the grave wrong done to those Americans of Japanese ancestry who were interned by the U.S. Government during World War II. As a country with a deep-seated commitment to basic human rights, we must vigorously confront this injustice of our past.

It has been almost 2 years since the recommendations of the Commission on Wartime Relocation were published expressing in graphic detail, the inhumanity imposed on this group of Americans in our country only 40 years ago. As the Commission's report documents, unsubstantiated fears about a few were used to rationalize the widescale incarceration of loyal Americans and legally admitted aliens. I can find no justification for the wrongs perpetrated against approximately 120,000 persons of Japanese

birth or descent between 1942 and 1945.

The United States did not intern citizens of German and Italian ancestry, though the same logic applied to Japanese-Americans could have been applied to those of European heritage as well. Notably, however, people of German and Italian descent do not have physical characteristics and cultural traditions which could be used to distinguish them easily from the bulk of American society. In my view, this clearly demonstrates that the relocation and internment of Japanese-Americans during World War II was a prejudicial violation of their civil rights.

Residents of Washington State were particularly affected by the Executive Order 9066. Many residents living in and around Seattle were forced quickly to move to an assembly center near Puyallup, WA, and then further inland to relocation centers and internment camps. The subhuman conditions which existed at these centers and camps cannot be fully appreciated by those of us who were not rounded, shipped off to a relocation center or internment camp, and labeled "dangerous to society."

Life for the internees after their return to society was not easy. Discrimination and harassment continued after the war. The lives of the internees had forever been disrupted and scarred. Nothing can fully compensate the victims for the actions of the U.S. Government. Past attempts at compensation for the harm sustained, such as trauma, deprivation of personal freedoms, and economic loss experienced during relocation and internment, have been incomplete.

Picking an appropriate way of providing such compensation is a difficult task indeed. The legislation introduced today will implement the recommendations of the Commission on Wartime Relocation. I support many of the recommendations made by the Commission. The proposal to make monetary reparations to the internees, however, poses a number of serious questions. I am concerned about the source of the substantial sums necessary to make the recommended payments. I am also concerned about the implications of, and precedents which would be set by, making lump-sum payments to World War II internees, but not to others who have suffered equally serious civil rights violations.

Nonetheless, I am pleased to be a cosponsor of this legislation in order to facilitate thoughtful discussion of this deeply emotional issue. I look forward to working with my colleagues today to redress the wrong that occurred 40 years ago.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER (Mr. KASTEN). The Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I should like to speak in behalf of the statement which has been presented by the junior Senator from Hawaii [Mr. MATSUNAGA].

I am pleased to join Senator MATSUNAGA, Senator INOUYE, and my senior colleague, Senator STEVENS, in authorizing this bipartisan bill to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians. Senator MATSUNAGA has already outlined in eloquent detail the merits of those Japanese Americans who were interned in concentration camps throughout our country, so I will confine my remarks to the injustices done to the Aleut Americans residing in my State of Alaska.

As my colleagues will recall, the independent Commission was established by act of Congress in 1980 to investigate the circumstances surrounding the relocation and internment of Japanese Americans and Aleut citizens during World War II. The Commission's reports were presented to Congress in January and June 1983. Those reports document fully the injustices suffered by those who were relocated to camps far from their homes in early 1942 for the duration of the war.

Mr. President, I recall, as a small child, observing on the outskirts of Ketchikan, AK, the Aleut camp where the Aleuts were confined. It was a very isolated area at the end of the road alongside a creek that flowed into a lake, a heavily timbered area. While there was available care from the U.S. Department of Public Health with regard to their medical needs, it was an area that was prone to some of the exposure of the outdoors in Alaska, which at times can be quite severe.

I recall my mother mentioning that many of those interned had an extraordinary high rate of tuberculosis.

There were areas throughout southeastern Alaska where camps were established, mostly in areas where there had been an abandoned cannery.

In the case of the Aleuts, who inhabited a number of small, remote villages on the Aleutian Island chain and the Pribilofs, the Commission determined that the military decision to relocate the people were justified under the circumstances. The Japanese enemy forces captured Attu and Kiska in early June 1942, and about 881 Aleut villagers were removed from their home villages by Army and Navy forces within the following 60 days.

Unfortunately, the relocation of the Aleuts to abandoned fish canneries and mining camps in southeastern Alaska resulted in disease and death among some of the residents of the camps.

The Commission found on examination that indeed medical care was inadequate and, as Senator MATSUNAGA indicated, there were a number of those Aleut people who died in their internment, shelter and food were below standard, and sanitary facilities were poor. At least 10 percent of all Aleuts relocated to camps perished before their villages were restored on the Aleutian and Pribilof Islands.

Upon their return, after an extended period of time of 2 to 3 to 4 years in camp, the Aleuts were returned to their villages in the western part of Alaska, the Alaska Peninsula, the Aleutian Islands.

The Aleuts found their personal and community property had been converted without compensation for military use, destroyed, or taken by those who occupied villages in the Aleuts' absence. They were never fully compensated for these losses. In addition, some of their churches were burned or were desecrated, or stripped of invaluable religious icons dating from 18th and 19th century Imperial Russia. There was never any effort by our Government to replace or rehabilitate the churches and church properties destroyed or severely damaged while under U.S. control during the war.

Mr. President, the populated areas of the Lower Alaska Peninsula and the Aleutians are still littered with the debris and abandoned structures from the U.S. military occupation of the islands. In recent years at least one child, who lived with his family in Cold Bay, lost the use of his hand when a World War II fuse exploded. He had been playing in an area where live ammunition still litters the lands outside the village. The Commission has recommended that this debris be cleaned up, as the debris from World War II has been cleaned up in Japan, Europe, and elsewhere, often with substantial American assistance.

Mr. President, our legislation implements the five recommendations of the Commission to provide restitution to the Aleut people for the losses they suffered as a consequence of Government operations during the war years. In addition the bill implements the Commission's recommendations for restitution of Japanese-American losses. I know that Senators MATSUNAGA and INOUYE will be addressing the Japanese-American issues in connection with the introduction of this legislation. Thus I have limited my remarks to the Aleut issues at this time.

Mr. President, 40 years and more have passed since the Aleuts were relocated to unimaginably inadequate camp facilities in southeastern Alaska. A number of those who suffered the most are quite elderly—an even greater number have already passed away. I urge the Senate to consider this legislation promptly, as substantial justice to the Aleut people as compensation for losses sustained as a result of U.S. Government activities in World War II. The restitution provided in our bill

should not be unreasonably delayed any longer.

Again, I thank Senator MATSUNAGA for his very eloquent statement, and I am very pleased to be with him.

Mr. MATSUNAGA. Mr. President, will the Senator from Alaska yield?

Mr. MURKOWSKI. I yield.

Mr. MATSUNAGA. I wish to thank him for the leadership he has shown in this matter and for joining me and 24 others in cosponsoring this measure.

I thank the Senator.

Mr. MURKOWSKI. I very much appreciate the comments of my colleague from Hawaii.

EXHIBIT 1

S. 1053

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

FINDINGS AND PURPOSE

SECTION 1. (a) FINDINGS.—The Congress finds that—

(1) the findings of the Commission on Wartime Relocation and Internment of Civilians, established by the Commission on Wartime Relocation and Internment of Civilians Act, accurately and completely describe the circumstances of the exclusion, relocation and internment of in excess of 110,000 United States citizens and permanent resident aliens of Japanese ancestry and the treatment of the individuals of Aleut ancestry who were removed from the Aleutian and Pribilof Islands;

(2) the internment of individuals of Japanese ancestry was carried out without any documented acts of espionage or sabotage, or other acts of disloyalty by any citizens or permanent resident aliens of Japanese ancestry on the west coast;

(3) there was no military security reason for the internment;

(4) the internment of the individuals of Japanese ancestry was caused by racial prejudice, war hysteria, and a failure of political leadership;

(5) the excluded individuals of Japanese ancestry suffered enormous damages and losses, both material and intangible, and there were incalculable losses in education and job training, all of which resulted in significant human suffering;

(6) the basic civil liberties and constitutional rights of those individuals of Japanese ancestry interned were fundamentally violated by that evacuation and internment;

(7) as documented in the Commission's reports, the Aleut civilian residents of the Pribilof Islands and the Aleutian Islands west of Unimak Island were relocated during World War II to temporary camps in isolated regions of Southeast Alaska where they remained, under United States control and in the care of the United States, until long after any potential danger to their home villages had passed;

(8) the United States failed to provide reasonable care for the Aleuts, and this resulted in widespread illness, disease, and death among the residents of the camps; and the United States further failed to protect Aleut personal and community property while such property was in its possession or under its control;

(9) the United States has not compensated the Aleuts adequately for the conversion or destruction of personal property caused by the United States military occupation of Aleut villages during World War II;

(10) the United States has not removed certain abandoned military equipment and structures from inhabited Aleutian Islands following World War II, thus creating conditions which constitute potential hazards to the health and welfare of the residents of the islands;

(11) the United States has not rehabilitated Attu village, thus precluding the development of Attu Island for the benefit of the Aleut people and impairing the preservation of traditional Aleut property on the island; and

(12) there is no remedy for injustices suffered by the Aleuts during World War II except an Act of Congress providing appropriate compensation for those losses which are attributable to the conduct of United States forces and other officials and employees of the United States.

(b) PURPOSES.—The purposes of this Act are to—

(1) acknowledge the fundamental injustice of the evacuation, relocation, and internment of United States citizens and permanent resident aliens of Japanese ancestry;

(2) apologize on behalf of the people of the United States for the evacuation, relocation, and internment of the citizens and permanent resident aliens of Japanese ancestry;

(3) provide for a public education fund to finance efforts to inform the public about the internment of such individuals so as to prevent the reoccurrence of any similar event;

(4) make restitution to those individuals of Japanese ancestry who were interned;

(5) make restitution to Aleut residents of the Pribilof Islands and the Aleutian Islands west of Unimak Island, in settlement of United States obligations in equity and at law, for—

(A) injustices suffered and unreasonable hardships endured while under United States control during World War II;

(B) personal property taken or destroyed by United States forces during World War II;

(C) community property, including community church property, taken or destroyed by United States forces during World War II; and

(D) traditional village lands on Attu Island not rehabilitated after World War II for Aleut occupation or other productive use.

TITLE I—RECOGNITION OF INJUSTICE AND APOLOGY ON BEHALF OF THE NATION

SEC. 101. The Congress accepts the findings of the Commission on Wartime Relocation and Internment of Civilians and recognizes that a grave injustice was done to both citizens and resident aliens of Japanese ancestry by the evacuation, relocation, and internment of civilians during World War II. On behalf of the Nation, the Congress apologizes.

TITLE II—UNITED STATES CITIZENS OF JAPANESE ANCESTRY AND RESIDENT JAPANESE ALIENS

DEFINITIONS

SEC. 201. For the purposes of this title—

(1) the term "eligible individual" means any living individual of Japanese ancestry who—

(A) was enrolled on the records of the United States Government during the period beginning on December 7, 1941, and ending on June 30, 1946, as being in a prohibited military zone; or

(B) was confined, held in custody, or otherwise deprived of liberty or property during the period as a result of—

(i) Executive Order Numbered 9066 (February 19, 1942, 7 Fed. Reg. 1407);

(ii) the Act entitled "An Act to provide a penalty for violation of restrictions or orders with respect to persons entering, remaining in, leaving, or committing any act in military areas or zones" and approved March 21, 1942 (56 Stat. 173); or

(iii) any other Executive order, Presidential proclamation, law of the United States, directive of the Armed Forces of the United States, or other action made by or on behalf of the United States or its agents, representatives, officers, or employees respecting the exclusion, relocation, or detention of individuals on the basis of race;

(2) the term "Fund" means the Civil Liberties Public Education Fund established in section 204;

(3) the term "Board" means the Civil Liberties Public Education Fund Board of Directors established in section 206;

(4) the term "evacuation, relocation, and internment period" means that period beginning on December 7, 1941, and ending on June 30, 1946; and

(5) the term "Commission" means the Commission on Wartime Relocation and Internment of Civilians, established by the Commission on Wartime Relocation and Internment of Civilians Act.

CRIMINAL CONVICTIONS

SEC. 202. (a) REVIEW.—The Attorney General shall review all cases in which United States citizens and permanent resident aliens of Japanese ancestry were convicted of violations of laws of the United States, including convictions for violations of military orders, where such convictions resulted from charges filed against such individuals during the evacuation, reloation and internment period.

(b) RECOMMENDATIONS.—Based upon the review required by subsection (a), the Attorney General shall recommend to the President for pardon consideration those convictions which the Attorney General finds were based on a refusal by such individuals to accept treatment that discriminated against them on the basis of race or ethnicity.

(c) PARDONS.—In consideration of the findings contained in this Act, the President is requested to offer pardons to those individuals recommended by the Attorney General pursuant to subsection (b).

CONSIDERATION OF COMMISSION FINDINGS

SEC. 203. Departments and agencies of the United States Government to which eligible individuals may apply for the restitution of positions, status or entitlements lost in whole or in part because of discriminatory acts of the United States Government against such individuals based upon their race or ethnicity and which occurred during the evacuation, relocation, and internment period shall review such applications for restitution of positions, status or entitlements with liberality, giving full consideration to the historical findings of the Commission and the findings contained in this Act.

TRUST FUND

SEC. 204. (a) ESTABLISHMENT.—There is hereby established in the Treasury of the United States the Civil Liberties Public Education Fund, to be administered by the Secretary of the Treasury. Amounts in the Fund shall be invested in accordance with section 9702 of title 31, United States Code,

and shall only be available for disbursement by the Attorney General under section 205, and by the Board of Directors of the Fund under section 206.

(b) AUTHORIZATION.—There are authorized to be appropriated to the Fund $1,500,000,000.

RESTITUTION

SEC. 205. (a) LOCATION OF ELIGIBLE INDIVIDUALS.—(1) The Attorney General, with the assistance of the Board, shall locate, using records already in the possession of the United States Government, each eligible individual and shall pay out of the Fund to each such individual the sum of $20,000. The Attorney General shall encourage each eligible individual to submit his or her current address to the Department of justice through a public awareness campaign.

(2) If an eligible individual refuses to accept any payment under this section, such amount shall remain in the Fund and no payment shall be made under this section to such individual at any future date.

(b) PREFERENCE TO OLDEST.—The Attorney General shall endeavor to make payment to eligible individuals who are living in the order of date of birth (with the oldest receiving full payment first), until all eligible individuals who are living have received payment in full.

(c) NON-RESIDENTS.—In attempting to locate any eligible individual who resides outside the United States, the Attorney General may use any available facility or resources of any public or nonprofit organization.

(d) NO SET OFF FOR ADMINISTRATIVE COSTS.—No costs incurred by the Attorney General in carrying out this section shall be paid from the Fund or set off against, or otherwise deducted from, any payment under this section to any eligible individual.

BOARD OF DIRECTORS

SEC. 206. (a) ESTABLISHMENT.—There is hereby established the Civil Liberties Public Education Fund Board of Directors which shall be responsible for making disbursements from the Fund in the manner provided in this section.

(b) DISBURSEMENTS FROM FUND.—The Board of Directors may make disbursements from the Fund only—

(1) to sponsor research and public educational activities so that the events surrounding the relocation and internment of United States citizens and permanent resident aliens of Japanese ancestry will be remembered, and so that the causes and circumstances of this and similar events may be illuminated and understood;

(2) to fund comparative studies of similar civil liberties abuses, or to fund comparative studies of the effect upon particular groups of racial prejudice embodied by Government action in times of national stress;

(3) to prepare and distribute the hearings and findings of the Commission to textbook publishers, educators, and libraries;

(4) for the general welfare of the ethnic Japanese community in the United States, taking into consideration the effect of the exclusion and detention on the descendants of those individuals who were detained during the evacuation, relocation, and internment period (individual payments in compensation for loss or damages shall not be made under this paragraph); and

(5) for reasonable administrative expenses, including expenses incurred under subsections (c) (3), (d), and (e).

(c) MEMBERSHIP AND TERMS OF OFFICE.—(1) The Board shall be composed of nine members appointed by the President, by and with the advice and consent of the Senate, from persons who are not officers or employees of the United States Government. At least five of the individuals appointed shall be individuals who are of Japanese ancestry.

(2) (A) Except as provided in subparagraphs (B) and (C), members shall be appointed for terms of three years.

(B) of the members first appointed—

(i) five shall be appointed for terms of three years; and

(ii) four shall be appointed for terms of two years; as designated by the President at the time of appointment.

(C) Any member appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office. No individual may be appointed to more than two consecutive terms.

(3) Members of the Board shall serve without pay, except members of the Board shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out the functions of the Board, in the same manner as persons employed intermittently in the United States Government are allowed expenses under section 5703 of title 5, United States Code.

(4) Five members of the Board shall constitute a quorum but a lesser number may hold hearings.

(5) The Chair of the Board shall be elected by the members of the Board.

(d)(1) The Board shall have a Director who shall be appointed by the Board and who shall be paid at a rate not to exceed the minimum rate of basic pay payable for GS–18 of the General Schedule under section 5332(a) of title 5, United States Code.

(2) The Board may appoint and fix the pay of such additional staff personnel as it may require.

(3) The Director and the additional staff personnel of the Board may be appointed without regard to section 5311(B) of title 5, United States Code and may be appointed without regard to the provisions of such title governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that the compensation of any employee of the Board may not exceed a rate equivalent to the rate payable under GS–18 of the General Schedule under section 5332(a) of such title.

(e) SUPPORT SERVICES.—The Administrator of General Services shall provide to the Board of Directors on a reimbursable basis such administrative support services as the Board may request.

(f) DONATIONS.—The Board may accept, use, and dispose of gifts or donations or services or property for purposes authorized under subsection (b).

(g) ANNUAL REPORT.—Not later than twelve months after the first meeting of the Board and every twelve months thereafter, the Board shall transmit a report describing the activities of the Board to the President and to each House of the Congress.

(h) SUNSET FOR BOARD.—The Board shall terminate not later than the earlier of ninety days after the date on which an amount has been obligated to be expended from the Fund which is equal to the amount authorized to be appropriated to the Fund or ten years after the date of enactment of this Act. Investments shall be liquidated and receipts thereof deposited in the Fund and all funds remaining in the Fund shall be deposited in the miscellaneous receipts account in the Treasury.

TITLE III—ALEUTIAN AND PRIBILOF ISLANDS RESTITUTION

SHORT TITLE

SEC. 301. This title may be cited as the "Aleutian and Pribilof Islands Restitution Act".

DEFINITIONS

SEC. 302. As used in this title, the term—

(1) "Administrator" means the person designated under the terms of this title to administer certain expenditures made by the Secretary from the Aleutian and Pribilof Islands Restitution Fund;

(2) "affected Aleut villages" means those Aleut villages in Alaska whose residents were evacuated by United States forces during World War II, including Akutan, Atka, Nikolski, Saint George, Saint Paul, and Unalaska; and the Aleut village of Attu, Alaska, which was not rehabilitated by the United States for Aleut residence or other use after World War II.

(3) "Aleutian Housing Authority" means the nonprofit regional native housing authority established for the Aleut region pursuant to AS 18.55.995 and the following of the laws of the State of Alaska;

(4) "Association" means the Aleutian/Pribilof Islands Association, a nonprofit regional corporation established for the benefit of the Aleut people and organized under the laws of the State of Alaska;

(5) "Corporation" means the Aleut Corporation, a for-profit regional corporation for the Aleut region organized under the laws of the State of Alaska and established pursuant to section 7 of the Alaska Native Claims Settlement Act (Public Law 92-203);

(6) "eligible Aleut" means any Aleut living on the date of enactment of this Act who was a resident of Attu Island on June 7, 1942, or any Aleut living on the date of enactment of this Act who, as a civilian, was relocated by authority of the United States from his home village on the Pribilof Islands or the Aleutian Islands west of Unimak Island to an internment camp, or other temporary facility or location, during World War II; and

(7) "Secretary" means the Secretary of the Treasury.

ALEUTIAN AND PRIBILOF ISLANDS RESTITUTION FUND

SEC. 303. (a) ESTABLISHMENT.—There is established in the Treasury of the United States a Fund to be known as the Aleutian and Pribilof Islands Restitution Fund (hereinafter referred to as the "Fund"). The Fund shall consist of amounts appropriated to it, as authorized by sections 306 and 307 of this title.

(b) REPORT.—It shall be the duty of the Secretary to hold the Fund, and to report to the Congress each year on the financial condition and the results of operations of such Fund during the preceding fiscal year and on its expected condition and operations during the next fiscal year. Such report shall be printed as a House document of the session of Congress to which the report is made.

(c) INVESTMENT.—It shall be the duty of the Secretary to invest such portion of the Fund as is not, in his judgment, required to meet current withdrawals. Such invest-

ments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

(1) on original issue at the issue price, or

(2) by purchase of outstanding obligations at the market price.

(d) SALE OF OBLIGATIONS.—Any obligation acquired by the Fund may be sold by the Secretary at the market price.

(e) INTEREST ON CERTAIN PROCEEDS.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

(f) TERMINATION.—The Secretary shall terminate the Fund six years after the date of enactment of this Act, or one year after the completion of all restoration work pursuant to section 306(c) of this title, whichever occurs later. On the date the Fund is terminated, all investments shall be liquidated by the Secretary and receipts thereof deposited in the Fund and all funds remaining in the Fund shall be deposited in the miscellaneous receipts account in the Treasury.

EXPENDITURES AND AUDIT

SEC. 304. (a) EXPENDITURES.—As provided by appropriation Acts, the Secretary is authorized and directed to pay to the Administrator from the principal, interest, and earnings of the Fund, such sums as are necessary to carry out the duties of the Administrator under this title.

(b) AUDIT.—The activities of the Administrator under this title may be audited by the General Accounting Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the General Accounting Office shall have access to all books, accounts, records, reports, and files and all other papers, things, or property belonging to or in use by the Administrator, pertaining to such activities and necessary to facilitate the audit.

ADMINISTRATION OF CERTAIN FUND EXPENDITURES

SEC. 305. (a) DESIGNATION OF ADMINISTRATOR.—The Association is hereby designated as Administrator, subject to the terms and conditions of this title, of certain specified expenditures made by the Secretary from the Fund. As soon as practicable after the date of enactment of this Act the Secretary shall offer to undertake negotiations with the Association, leading to the execution of a binding agreement with the Association setting forth its duties as Administrator under the terms of this title. The Secretary shall make a good-faith effort to conclude such negotiations and execute such agreement within sixty days after the date of enactment of this Act. Such agreement shall be approved by a majority of the Board of Directors of the Association, and shall include, but need not be limited to—

(1) a detailed statement of the procedures to be employed by the Association in discharging each of its responsibilities as Administrator under this title;

(2) a requirement that the accounts of the Association, as they relate to its capacity as Administrator, shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants; and a further requirement that each such audit report shall be transmitted to the Secretary and to the Committees on the Judiciary of the Senate and House of Representatives; and

(3) a provision establishing the conditions under which the Secretary, upon thirty days notice, may terminate the Association's designation as Administrator for breach of fiduciary duty, failure to comply with the provisions of this Act as they relate to the duties of the Administrator, or any other significant failure to meet its responsibilities as Administrator under this title.

(b) SUBMISSION TO CONGRESS.—The Secretary shall submit the agreement described in subsection (a) to Congress within fifteen days after approval by the parties thereto. If the Secretary and the Association fail to reach agreement within the period provided in subsection (a), the Secretary shall report such failure to Congress within seventy-five days after the date of enactment of this Act, together with the reasons therefor.

(c) LIMITATION ON EXPENDITURES.—No expenditure may be made by the Secretary to the Administrator from the Fund until sixty days after submission to Congress of the agreement described in subsection (a).

DUTIES OF THE ADMINISTRATOR

SEC. 306. (a) IN GENERAL.—Out of payments from the Fund made to the Administrator by the Secretary, the Administrator shall make restitution, as provided by this section, for certain Aleut losses sustained in World War II, and shall take such other action as may be required by this title.

(b) TRUST ESTABLISHED.—(1) The Administrator shall establish a trust of $5,000,000 for the benefit of affected Aleut communities, and for other purposes. Such trust shall be established pursuant to the laws of the State of Alaska, and shall be maintained and operated by not more than seven trustees, as designated by the Administrator. Each affected Aleut village, including the survivors of the Aleut village of Attu, may submit to the Administrator a list of three prospective trustees. In designating trustees pursuant to this subsection, the Administrator shall designate one trustee from each such list submitted.

(2) The trustees shall maintain and operate the trust as eight independent and separate accounts, including—

(A) one account for the independent benefit of the wartime Aleut residents of Attu and their descendants;

(B) six accounts, each one of which shall be for the independent benefit of one of the six surviving affected Aleut villages of Atka, Akutan, Nikolski, Saint George, Saint Paul, and Unalaska; and

(C) one account for the independent benefit of those Aleuts who, as determined by the trustees, are deserving but will not benefit directly from the accounts established pursuant to subparagraphs (A) and (B).

The trustees shall credit to the account described in subparagraph (C), an amount equal to five per centum of the principal amount credited by the Administrator to the trust. The remaining principal amount shall be divided among the accounts described in subparagraphs (A) and (B), in proportion to the June 1, 1942, Aleut civilian population of the village for which each such account is established, as compared to the total civilian Aleut population on such date of all affected Aleut villages.

(3) The trust established by this subsection shall be administered in a manner that is consistent with the laws of the State of Alaska, and as prescribed by the Administrator, after consultation with representative eligible Aleuts, the residents of affected Aleut villages, and the Secretary. The trustees may use the accrued interest, and other earnings of the trust for—

(A) the benefit of elderly, disabled, or seriously ill persons on the basis of special need;

(B) the benefit of students in need of scholarship assistance;

(C) the preservation of Aleut cultural heritage and historical records;

(D) the improvement of community centers in affected Aleut villages; and

(E) other purposes to improve the condition of Aleut life, as determined by the trustees.

(4) There are authorized to be appropriated $5,000,000 to the Fund to carry out the purposes of this subsection.

(c) RESTORATION OF CHURCH PROPERTY.—(1) The Administrator is authorized to rebuild, restore or replace churches and church property damaged or destroyed in affected Aleut villages during World War II. Within fifteen days after the date that expenditures from the Fund are authorized by this title, the Secretary shall pay $100,000 to the Administrator for the purpose of making an inventory and assessment, as complete as may be possible under the circumstances, of all churches and church property damaged or destroyed in affected Aleut villages during World War II. In making such inventory and assessment, the Administrator shall consult with the trustees of the trust established by section 306(b) of this title and shall take into consideration, among other things, the present replacement value of such damaged or destroyed structures, furnishings, and artifacts. Within one year after the date of enactment of this Act, the Administrator shall submit such inventory and assessment, together with specific recommendations and detailed plans for reconstruction, restoration and replacement work to be performed, to a review panel composed of—

(A) the Secretary of Housing and Urban Development;

(B) the Chairman of the National Endowment for the Arts; and

(C) the Administrator of the General Services Administration.

(2) If the Administrator's plans and recommendations or any portion of them are not disapproved by the review panel within sixty days, such plans and recommendations as are not disapproved shall be implemented as soon as practicable by the Administrator. If any portion of the Administrator's plans and recommendations is disapproved, such portion shall be revised and resubmitted to the review panel as soon as practicable after notice of disapproval, and the reasons therefor, have been received by the Administrator. In any case of irreconcilable differences between the Administrator and the review panel with respect to any specific portion of the plans and recommendations for work to be performed under this subsection, the Secretary shall submit such specific portion of such plans and recommendations to the Congress for approval or disapproval by joint resolution.

(3) In contracting for any necessary construction work to be performed on churches or church property under this subsection, the Administrator shall give preference to the Aleutian Housing Authority as general contractor. For purposes of this subsection, "churches or church property" shall be deemed to be "public facilities" as described in AS 18.55.996(b) of the laws of the State of Alaska.

(4) There are authorized to be appropriated to the Fund $1,399,000 to carry out the purposes of this subsection.

(d) ADMINISTRATIVE AND LEGAL EXPENSES.—The Administrator is authorized to incur reasonable and necessary administrative and legal expenses in carrying out its re-

sponsibilities under this title. There are authorized to be appropriated to the Fund such sums as may be necessary for the Secretary to compensate the Administrator, not less often than quarterly, for all such reasonable and necessary administrative and legal expenses.

INDIVIDUAL COMPENSATION OF ELIGIBLE ALEUTS

SEC. 307. (a) PAYMENTS TO ELIGIBLE ALEUTS.—(1) In accordance with the provisions of this section, the Secretary shall make per capita payments out of the Fund to eligible Aleuts for uncompensated personal property losses, and for other purposes. The Secretary shall pay to each eligible Aleut the sum of $12,000. All payments to eligible Aleuts shall be made within one year after the date of enactment of this Act.

(2) The Secretary may request, and upon such request, the Attorney General shall provide, reasonable assistance in locating eligible Aleuts residing outside the affected Aleut villages. In providing such assistance, the Attorney General may use available facilities and resources of the International Committee of the Red Cross and other organizations.

(3) The Administrator shall assist the Secretary in identifying and locating eligible Aleuts pursuant to this section.

(4) Any payment made under this subsection shall not be considered income or receipts for purposes of any Federal taxes or for purposes of determining the eligibility for or the amount of any benefits or assistance provided under any Federal program or under any State or local program financed in whole or part with Federal funds.

(b) AUTHORIZATION.—There are authorized to be appropriated to the Fund such sums as are necessary to carry out the purposes of this section.

SUPPLEMENTAL CLEANUP OF WARTIME DEBRIS

SEC. 308.(a) The Congress finds that the Department of Defense has implemented an on-going program for the removal and disposal of live ammunition, obsolete buildings, abandoned machinery, and other hazardous debris remaining in populated areas of the Lower Alaska Peninsula and the Aleutian Islands as a result of military activities during World War II. Such program is being accomplished pursuant to Acts making Appropriations for the Department of Defense, in accordance with Congressional statements of purpose in establishing and funding the Environmental Restoration Defense Account. The authority contained in this section shall be supplemental to the authority of the Secretary of Defense in administering the Environmental Restoration Defense Account, and shall be exercised only in the event that such Account is inadequate to eliminate hazardous military debris from populated areas of the Lower Alaska Peninsula and the Aleutian Islands.

(b) CLEAN PROGRAM.—Subject to the terms and conditions of subsection (a), the Secretary of Army, acting through the Chief of Engineers, is authorized and directed to plan and implement a program, as the Chief of Engineers may deem feasible and appropriate, for the removal and disposal of live ammunition, obsolete buildings, abandoned machinery, and other hazardous debris remaining in populated areas of the Lower Alaska Peninsula and the Aleutian Islands as a result of military construction and other activities during World War II. The Congress finds that such a program is essential for the further development of safe, sanitary housing conditions, public facilities, and public utilities within the region.

(c) ADMINISTRATION OF PROGRAM.—The debris removal program authorized under subsection (a) shall be carried out substantially in accordance with the recommendations for a "minimum cleanup" contained in the report prepared by the Alaska District, Corps of Engineers, entitled "Debris Removal and Cleanup Study: Aleutian Island and Lower Alaska Peninsula, Alaska," dated October 1976. In carrying out the program required by this section, the Chief of Engineers shall consult with the trustees of the trust established by section 7(b) of this Act, and shall give preference to the Aleutian Housing Authority as general contractor.

(d) AUTHORIZATION.—There are authorized to be appropriated $15,000,000 to carry out the purposes of this section.

ATTU ISLAND RESTITUTION PROGRAM

SEC. 309. (a) In accordance with subsection (3) of the Wilderness Act (78 Stat. 892), the public lands on Attu Island, Alaska within the National Wildlife Refuge System are designated as wilderness by section 702(1) of the Alaska National Interest Lands Conservation Act (94 Stat. 2417). In order to make restitution for the loss of traditional Aleut lands and village properties on Attu Island, while preserving the present designation of Attu Island lands as part of the National Wilderness Preservation System, compensation to the Aleut people in lieu of Attu Island conveyance shall be provided in accordance with this section.

(b) The Secretary of the Treasury shall establish an account designated The Aleut Corporation Property Account, which shall be available for the purpose of bidding on Federal surplus property. The initial balance of the account shall be $17,868,500, which reflects an entitlement of $500 for each of the 35,737 acres within that part of eastern Attu Island traditionally occupied and used by the Aleut people for subsistence hunting and fishing. The balance of the account shall be adjusted as necessary to reflect successful bids under subsection (c) or other conveyances of property under subsections (f) and (g).

(c) The Corporation may, by using the account established in subsection (b) bid, as any other bidder for surplus property, wherever located, in accordance with the requirements of section 484 of title 40, United States Code. No preference right of any type will be offered to the Corporation for bidding for General Services Administration surplus property under this subsection and no additional advertising shall be required other than that prescribed in section 484(e)(2) of title 40, United States Code.

(d) The amount charged against the Treasury account established under subsection (b) shall be treated as proceeds of dispositions of surplus property for the purpose of determining the basis for calculating direct expenses pursuant to section 485(b) of title 40, United States Code.

(e) The basis of computing gain or loss on subsequent sale or other disposition of property conveyed to the Corporation under this section for purposes of any Federal, State or local tax imposed on or measured by income, shall be the fair value of such property at the time of receipt. The amount charged against the Treasury account established under subsection (b) shall be prima facie evidence of such fair value.

(f) The Administrator of General Services may, at the discretion of the Administrator, tender to the Secretary of the Treasury any surplus property otherwise to be disposed of pursuant to section 484(e)(3) of title 40, United States Code, to be offered to the Corporation for a period of 90 days so as to aid in the fulfillment of the Secretary of the Treasury's obligations for restitution to the Aleut people under this section: *Provided,* That prior to any disposition under this subsection or subsection (g), the Administrator shall notify the governing body of the locality where such property is located and any appropriate state agency, and no such disposition shall be made if such governing body or State agency within ninety days of such notification formally advises the Administrator that it objects to the proposed disposition.

(g)(1) Notwithstanding any provision of any other law or any implementing regulation inconsistent with this subsection, concurrently with the commencement of screening of any excess real property, wherever located, for utilization by Federal agencies, the Administrator of General Services shall notify the Corporation that such property may be available for conveyance to the Corporation upon negotiated sale. Within fifteen days of the date of receipt of such notice, the Corporation may advise the Administrator that there is a tentative need for the property to fulfill the obligations established under this section. If the Administrator determines the property should be disposed of by transfer to the Corporation, the Administrator or other appropriate Federal official shall promptly transfer such property.

(2) No disposition or conveyance of property under this subsection to the Corporation shall be made until the Administrator of General Services, after notice to affected State and local governments, has provided to them such opportunity to obtain the property as is recognized in title 40, United States Code and the regulations thereunder for the disposition or conveyance of surplus property.

(3) As used in this subsection, "real property" means any land or interests in land owned or held by the United States or any Federal agency, any improvements on such land or rights to their use or exploitation, and any personal property related to the land.

(h) The Secretary of the Interior may convey to the Corporation the traditional Aleut village site on Attu Island, Alaska pursuant to the authority contained in section 1613 (h)(1) of title 43, United States Code: *Provided,* That following the date of enactment of this section, no site on Attu Island, Alaska other than such traditional Aleut village site shall be conveyed to the Corporation pursuant to such section 1613(h)(1) of title 43, United States Code.

SEPARABILITY OF PROVISIONS

SEC. 310. If any provision of this title, or the application of such provision to any person or circumstances, shall be held invalid, the remainder of this title or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

DR. WILLIAM WOOD—ALASKAN OF THE YEAR

Mr. MURKOWSKI. Mr. President, a close friend and gentleman who I admire very much, Dr. William Wood, was recently honored in my State as Alaskan of the Year. I rise today to recognize Dr. Wood and join with my senior colleague, Senator STEVENS, in

paying tribute on this long overdue honor by this fellow Alaskan. I, as Senator STEVENS, join with his wife, Dorothy Jane, in congratulating him and share with my colleagues some of the remarkable achievements of his career.

Bill Wood, who describes himself as an "old farm boy from Illinois," adopted Alaska as his home in 1960 and has been an extraordinary asset to the State of Alaska ever since.

Bill served for 13 years as president of the University of Alaska.

Under his guidance, the university experienced tremendous growth and became a magnificent and respected, not only statewide system of higher education, which he established, but very dominant in areas of Arctic science.

His emphasis on research, particularly in matters pertaining to the North, contributed heavily to the university's growing reputation.

Following his retirement in 1973, Dr. Wood continued to benefit his community of Fairbanks and the State of Alaska through a number of tasks and positions undertaken with selfless determination.

As the mayor of Fairbanks, and later as head of a special city task force, Bill prepared the city for the tremendous changes that were to come with the construction of the trans-Alaska oil pipeline.

When the State of Alaska celebrated its 25th anniversary in 1984, Dr. Wood, as director of Festival Fairbanks 1984, made his community's local celebration into an event that attracted nearly all of the State's past and present dignitaries. Because of his energetic efforts, Fairbanks became the focus of Alaska's silver anniversary celebration.

Mr. President, Dr. Wood's contributions to the State of Alaska go well beyond his record of achievement. He is a creative thinker whose ideas have already begun to shape Alaska's future in ways that are difficult to express. Dr. Wood can grasp the issues of the day, but he is particularly gifted in anticipating and preparing for the issues of tomorrow. His thinking is not confined to the short term.

Twenty years ago, I can remember Bill Wood talking about Pacific-rim trade and the importance of seeking new markets for U.S. goods in Japan, Korea, Taiwan, and the Republic of China. He long ago recognized the inexorable relationship between Alaska and Asia and the role that Alaska could play in the growth of the Pacific. Of course, today, we all recognize that relationship. A great deal of the recent public debate in Alaska and Washington has focused on our trade relationship with the Pacific rim nations. Clearly, Bill Wood recognized the Pacific trade issue before it became acute. Like many Alaskans, I have learned to listen very carefully to what he has to say.

Several years ago, Bill Wood started talking about the development of the Arctic, and the ways we might go about that development in a manner that would preserve and enhance that pristine region of our planet. I am proud to note that the Congress of the United States has begun to respond to some of his ideas with the passage of the Dr. William Wood Review Board Arctic Research and Policy Act, Public Law 98-373. Many of Bill Wood's ideas lay at the very foundation of that legislation. His guidance, encouragement and inspiration were instrumental in the act's passage, and I continue to turn to him for help as the act is implemented.

I am proud that I have the opportunity today to honor Bill Wood for his years of dedicated service to the State of Alaska. There are few living Alaskans who are as respected as he. Dr. William Wood has been rightfully honored as Alaskan of the Year.

Thank you, Mr. President.

RECOGNITION OF SENATOR EVANS

The PRESIDING OFFICER. Under the previous order, the Senator from Washington is recognized for not to exceed 15 minutes.

Mr. EVANS. Thank you, Mr. President.

THE BUDGET

Mr. EVANS. Mr. President, I have chosen this method to speak to my colleagues rather than take up the time of argument on the budget.

Much has been said during the course of argument on both the overall package which is now in front of the Senate and debate on the individual amendments of the pain—the pain we are expecting the American people to go through as a result of budget deficit reduction.

There has been little talk or recognition of the rewards which can come with a successful and bold action on deficit reduction.

Daily we are seeing the growing importance of bold action. Washington State has not fully recovered from the economic distress of a few years ago. Unemployment now stands at 9.3 percent, 2 percent above the national average. Some counties in Washington State have unemployment exceeding 20 percent.

Now the economy is again slowing. The latest forecast for the second quarter of fiscal 1985 is a growth of 1.3 percent, down from the 4.3 percent of the first quarter. We will need an average growth of more than 5 percent for the next two quarters to reach the predicted 3.9 percent per year of the administration.

Further, the Dow-Jones averages are down sharply over the last week.

All of this points to the need for dramatic action by the Members of this Senate.

We have two choices. We can cut the deficits substantially and reap the benefits and rewards which come from doing that, or maintain program spending and watch the deficit continue to grow with the resulting pain which accrues to all of our citizens.

The rewards of success—major economists of this Nation see at least a 1-percent interest drop in the short term and 2 to 3 percent in the long term.

Most economists agree that enactment of a budget package such as the one we are now considering would result in a long-term real growth in the gross national product of at least 4 percent and unemployment dropping from 7.3 to 6.5 percent or lower.

That translates into the creation of 7 million new jobs by 1988, housing starts back to something like a 2 million level, and inflation that is kept under control.

This success comes to all Americans, not just major corporations, not just some who are wealthy. Every Social Security recipient, every retiree, every Federal worker, everyone asked to take part in the pain of deficit reduction will share in the rewards of success. The rewards of lower costs of living, the rewards of lower interest rates and the greater ease in buying housing, and the rewards of new jobs for our children and for our American compatriots can be expected.

Let me turn to a real danger we face and do not readily recognize. We are all operating on the basis that the baseline deficit will be $227 billion next year, if we do nothing. And if we do nothing it will be even larger in 1987 and in 1988. And net interest payments on our growing national debt will consume an ever-increasing share of our Federal income.

But we are being optimistic in making those predictions. The administration, in every single case, has been more optimistic than all the forecasts of our major economists and major analysts. In predictions of the rate of growth of gross national product, they are outside the range of even the most optimistic alternative analyst. In terms of cost of living and interest rates, they are more optimistic in keeping them low than any of the others. And the number of jobs or the unemployment of our citizens suggests much more that can realistically be expected.

But it is a fragile starting point. Every 1 percent of gross national product that we miss will result in a change in the deficit of $19 billion per year and $123 billion over the 3-year period we are debating. That means

that one-third of the total savings we are predicting could be chewed up if our gross national product rises 1 percent less than we are assuming. The same thing in terms of interest rates, $9 billion a year for every 1 percent we miss in our projections. The inflation rate—$500 million for every 1 percent in inflation rate that we are in error.

So, the fact that we are optimistic means that we have to act boldly. We have to go at least as far as the level we are now debating if we are going to get the expected rewards.

The need for action is simply overwhelming. And I would say to my colleagues that it is not a question of: freeze versus nonfreeze, program cuts versus a freeze, or revenue adjustments versus either of those other two. We ought to move swiftly to achieve the maximum-size program possible. This should include both a freeze in our major spending programs plus significant program cuts in a wide variety of areas. And after we have done that job, we may need, in addition, some revenue adjustments in order to create a program of sufficient size. A program that we can then enjoy the end results—the end results in terms of gross national product growth, job growth, cost-of-living stability, plus a program to ensure that the optimistic predictions we have made over the next few years will actually come to pass.

Finally, there is much talk about driving people below the poverty line. One thing we seldom talk about is the fact that if we fail to act, if the cost of living escalates rapidly, if interest rates go up, so too will the poverty line. And more and more people will fall below the poverty line because we fail to act.

I suggest, Mr. President, that we will have more people categorized as poverty stricken if we fail to act than if we act in the most courageous possible fashion. We may be creating some pain to Americans, but also creating the rewards that lie just ahead of bold action.

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 11:30 a.m., with statements therein limited to 5 minutes each.

RECOGNITION FOR NURSING HOME EMPLOYEES

Mr. PRESSLER. Mr. President, the week of May 12-18, has been designated as "National Nursing Home Week." The theme of this year's observance, "Celebrate Lifetime Achievements," will honor the significant accomplishments of the more than 1.5 million residents of our Nation's nursing homes.

As nursing home residents and their families gather for special activites and social functions during National Nursing Home Week, it is particularly appropriate to pay special recognition to the tireless and dedicated efforts of the more than 800,000 nursing home employees. As one who has had a family member in a nursing home in South Dakota. I have personally witnessed the devotion to duty and many kindnesses displayed by the hard workers in our long-term care facilities. Without their support, there would be no nursing facilities to serve our needy elderly.

Please join me in expressing our debt of gratitude during this celebration of National Nursing Home Week for the invaluable contributions of the thousands of nursing home employees.

WOMEN IN THE MILITARY: MANY JOBS OFF LIMITS

Mr. COHEN. Mr. President, I would like to take this opportunity to draw attention to an issue that directly touches more than half of our population, but has lost a substantial degree of the careful consideration and necesary commitment it once received and still deserves. The issue to which I am referring is our continued obligation to increase opportunities available to women in the U.S. military.

Serious consideration of women and their relationship to the military began nearly 40 years ago. Since then, there has been an evolutionary, as opposed to revolutionary, process of integration.

It was in 1948 that the Women's Armed Services Integration Act was passed. This granted women the opportunity to become part of the permanent Military Establishment. The act gave Regular and Reserve status to women in the Army, Navy, Marine Corps, and Air Force and was a true milestone for women in the military.

This law, however, was not perfect. It imposed restrictions that included a 2-percent ceiling on the number of women in the Regular Establishment of each service, as well as limited promotion opportunities for female officers.

Another important step was taken in 1951 with the establishment of what has proven to be a highly influential and effective body: The Defense Advisory Committee on Women in the Services [DACOWITS]. Its task has been to advise the Secretary of Defense on all matters concerning women in the services, as well as to keep the public informed of military women and their role in our Armed Forces.

DACOWITS members are both male and female civilians who are selected on the basis of their outstanding reputations in business, the professions, public service, and their records of civic leadership. They serve as individuals, not as official representatives of any group or organization. Members make recommendations to the Department of Defense on matters such as the retentions rate, housing, pay and allowances, job opportunities and existing inequalities. They have initiated countless studies and have been the driving force behind the passage of many essential bills. Great strides have been made for military women due to the commitment of DACOWITS members.

It was in 1967 that a number of the barriers obstructing women's advancement were broken down. A very important event was the DACOWITS inspired passage of Public Law 90-130, which repealed the 2-percent ceiling imposed in 1948, allowed the appointment of women to flag and general rank, and permitted women other than medical personnel to join the National Guard.

The Defense Officer Personnel Act [Dopma] was also established, and it required gender-free promotion opportunities. Overall, military women were heading toward a decade of rapid expansion in opportunities and significant changes in their responsibilities.

The end of the draft and the birth of the All-Volunteer Force propelled women into their most successful military decade, the 1970's. Between 1973 and 1978 the positions of director of the Women Accepted for Voluntary Emergency Service [WAVES], Women in the Air Force [WAF], Women in the Marine Corps, and the Women's Army Corps [WAC] were abolished.

By 1972, the Reserve Office Training Corps [ROTC] was opened to women, and a large number of women enrolled. This was followed by the admission of women into the service academies. We saw our first women graduates in the class of 1980.

Later, in 1978, Congress officially passed legislation abolishing the Women's Army Corps as a separate unit. In addition, basic training was integrated. And, finally, Congress modified section 6015 of title 10 of the United States Code, permitting women to serve permanent duty on vessels not expected to be assigned combat mission, and up to 6 months temporary duty on other Navy ships.

Not surprisingly, from 1970 to 1980, the number of women on active duty grew from 41,000 or 1.9 percent of the active force, to 170,000 and 8.1 percent of total active strength. The number of women in the Reserve components increased substantially as well.

It was in 1980, as I am sure we all remember, that former President Carter proposed resuming registration for the draft. The plan included both men and women. Unfortunately, Congress

chose to exclude women from registration. That, however, should not allow us to decrease our commitment to military women. More remains to be done to fulfill the obligation we should all feel to women in the armed services.

Today, entry to every service branch, opportunities to be promoted, and access to education and training are all, in some manner, denied to women exclusively on the basis of gender. Despite the progress which has been made, artifical barriers continue to confront women seeking military careers.

With the exception of the Air Force and the Coast Guard, the recruitment policies for women in the Army, Navy, and the Marine Corps are much stricter than those for men. All branches of the armed services use the Armed Forces qualification test [AFQT] to determine the enlistment eligibility of personnel.

The AFQT consists of questions in four subject areas measuring basic verbal and quantitative abilities. The scores of the AFQT are used to classify potential enlistees in mental categories ranging from I to V. Congress has limited recruitment of persons who score in category IV to 20 percent of enlistees, while the services have chosen not to enlist any individuals scoring in category V.

The Army does not recruit any mental category IV females. It requires all women seeking enlistment to hold a high school diploma, and it does not accept general educational development [GED] certificates as a replacement. Male category IV high school graduates, however, are eligible for Army service.

Navy recruitment policies have similar disparities between men and women. Once again, all women wishing to enlist must be high school graduates, but those in category IV are eligible. The same would apply if the high school graduate were male. But the Navy will also accept nongraduate, non-prior-service males with a GED who score at least a 49—category IIIB—or better on the AFQT.

The Marine Corps also requires female enlistees to hold a high school diploma or "equivalent education"—a GED is not acceptable. If, however, the applicant is male, he need only to have attended school through the 10th grade. Female high school graduates need a minimum AFQT of 50—category IIIB—while their male counterparts need a score of only 21—category IV—to be accepted into the Marine Corps.

Each of these services has produced unique recruitment policies restricting the enlistment of women, consequently, women face discriminatory policies before they even "get their feet in the door." We must then ask: If the Air Force and the Coast Guard find no difficulties with requiring identical qualifications for both male and female applicants, why cannot the Army, Navy, and the Marines do the same?

Similar disparities exist in the career opportunities for women in each service. An excellent example is found by comparing the Navy and the Coast Guard. Women in the latter serve on all ships in the Coast Guard fleet and in all positions, including the command of ships. The Coast Guard has placed no restrictions based solely on gender in assignment, training, recruitment, or career opportunities.

Women in the Navy, however, are restricted in their permanent assignments to approximately 74 ships—in a fleet approaching 600 in strength. Twenty-eight of these seventy-four ships have surface warfare positions that provide an opportunity for warfare qualification and career development. Twenty-five of these twenty-eight ships are tenders and repair ships whose primary mission is accomplished in port. The remaining 46 ships are diving and salvage ships and civilian manned military sealift command ships—whose military positions are limited only to communication and supply areas.

In a period of war, the Coast Guard would come under the control of the Secretary of the Navy. Ironically, women in the Coast Guard would then be performing in positions restricted to them if they were subject to Navy law. The Coast Guard has stated that its ships would not be sufficiently staffed if women were suddenly denied the positions they presently held.

Similar ambiguities may be found regarding the assignment of women to aircraft, missile crews, and positions on the battlefield. Women can be pilots and navigators in the Army, Navy, and Air Force. They can fly combat support aircraft such as cargo planes, refueling planes, AWAC's, and certain helicopters, but they are not permitted permanent assignment to fighter jets.

Interestingly, though, when we turn to the Marine Corps, we find that all pilot and navigator positions are closed to women. Why are the women who enter pilot positions in the Army, Navy, and Air Force denied identical opportunities in the Marine Corps?

The Army is the only service that restricts the assignment of women by battlefield location. It uses a direct combat probability coding [DCPC] which divides the battlefield into seven positions ranging from high combat probability—P1—to no direct combat probability—P7.

The DCPC does not prevent the permanent assignment of women to combat support or combat service support positions, but it does bar them from assignment to positions expected to engage in direct combat. What is of great concern to Army women is that the DCPC appears to stifle career opportunities for them. The sophistication of modern weapons nullifies any attempts to segregate a battlefield. Women would be routinely brought into a P1 location in war time.

In 1982 we saw 23 additional military occupational specialties [MOS] closed to women due to their combat probability or requirements for physical strength. Only after significant external pressure and internal turmoil did the Army reopen 13 of the 23 MOS's it had proposed closing to women. The Assistant Secretary of Defense announced plans at that time to modify the physical strength test, thus opening more jobs to women.

In addition, it should be noted that the physical strength standards were modified by the Assistant Secretary of Defense to assure that 100 percent of the men would qualify for heavy and very heavy work. The original standard of 100 pounds would have eliminated 20 percent of male enlistees from assignment to heavy or very heavy jobs, in other words combat arms.

At present the Army prohibits women in 49 out of a total 357 occupational specialties and in any "infantry, armor, cannon field, artillery, combat engineer, and low altitude air defense artillery unit of battalion/squadron or smaller size regardless of the occupational specialty."

Women now comprise approximately 9.5 percent of the active duty force. The Department of Defense has projected only a small increase in this number by the end of 1987. During the Carter administration, plans estimated that the percentage of women in the service would reach 12 percent by 1988, but that figure has been scaled down to 10.3 percent.

What we also find is that the majority of women in the services are clustered in the middle to lower officer grades—and the disparity becomes much greater if the medical officers, which includes nurses, are excluded. Currently, there are three women at the flag/general officer level in the Army—and one promotable—three in the Air Force, and three in the Navy; there are none in the Marine Corps. Interestingly, there are very few women line officers in the O-6 grade, indicating a slow expansion in the distribution of women officers.

The Department of Defense has correctly stated that "with time the distribution of women officers should begin to approximate that of men." But because of the small number of women in the O-6 grade we cannot expect to see this for another 7 to 8 years.

What we need to see is women appointed to and given the opportunity to serve in decisionmaking roles. We

need to eliminate the assumption that all military positions are appropriate for men, but that only some are appropriate for women.

The issue of women in the military and the opportunities available to them is much too important to be allowed to settle in the back of our minds. Therefore, I strongly urge that we continue to make a concerted effort to expand the opportunities available to women in the military.

At this point, I would like to place in the RECORD some items prepared by the Women's Equity Action League on this issue and an article from the March 14 Wall Street Journal, "Women Move Up in the Military, But Many Jobs Remain Off Limits." These will, I know, be of interest to all who are concerned about the role of women in the military.

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

WOMEN MOVE UP IN THE MILITARY, BUT MANY JOBS REMAIN OFF LIMITS

(By Francine Schwadel)

When she was 12 years old, Rosemary Mariner decided to become a pilot. Soon she was washing planes to pay for flying lessons. Later she studied aviation at Purdue University, and in 1973 she joined the Navy.

Today she teaches Navy pilots how to fly jets at a training base in Kingsville, Texas. But because she is a woman, Lt. Cmdr. Mariner, now 31, isn't allowed to fly many of the missions that she is training her male students for.

Cmdr. Mariner has flown attack jets on research missions to test new weapons. She has qualified as an aircraft-carrier pilot and as a surface-warfare officer. But, she says, "Everything I've done is really no big deal for a man."

A MACHO WORLD

Her experience illustrates the formidable barriers that military women still face in this most macho of male worlds. Despite an explosion in their ranks and responsibilities over the past 12 years, women in all branches of the armed services except the Coast Guard are still excluded by federal laws and policies from holding jobs in combat units.

The Navy's 6,606 women officers and 42,258 enlisted women face some of the most severe constraints. They are prohibited by law from holding any of the permanent posts on most of the Navy's 527 ships, effectively keeping them out of jobs that aspiring male officers typically master on their way to the top.

"If I couldn't theoretically reach the top of the profession, how could I be anything but junior varsity?" asks Cmdr. Mariner. Says Lt. Cmdr. Deborah Burnette, a public-affairs officer, "Until I can go everywhere my (male) lieutenant-commander peers can go, it isn't going to be equal."

Money isn't the issue; many women say they were attracted to the military partly because they receive equal pay for equal work.

PROMOTION VS. EQUALITY

The Navy says that good promotion opportunities exist for women, who make up about 9% of its officers and 8% of its enlisted personnel. But Cmdr. Mariner says: "You can't confuse promotion opportunity with equal opportunity. It's the *kinds* of commands and the *kinds* of jobs you get as a senior officer that are very important."

With most women officers still clustered in the junior grades, frustration could spread in the years ahead. The number of jobs women can hold is expected to grow as the Navy expands, but women aren't likely to command anything but support units soon. "We've opened it up as far as we can open it up" under the combat-exclusion law, says Rear Adm. Albert J. Herberger, the Navy's director of personnel policy, and Congress isn't likely to repeal the law in the next few years.

Critics of the law question the wisdom of continuing to restrict women's role in a technological era when brains increasingly count for more than brawn. They also cite studies indicating that it will become harder to recruit men. "We can no longer afford the luxury of discriminating against 50% of the population that has the kind of talent that is difficult to get," says retired Adm. Elmo R. Zumwalt Jr., former chief of naval operations.

When the draft ended in the early 1970s, services recruited women in earnest to meet projected manpower shortages and pressure from feminists. Women became pilots, sailors and military-academy students. They rose through the ranks to become commanding officers of noncombat outfits, and some mixed motherhood with military careers.

The 1980s have brought slower progress—and some backpedaling. In 1981, for example, the Navy tightened restrictions on the temporary assignment of women to ships in the Mediterranean, the Indian Ocean and the Far East.

These days more than two-thirds of the Navy's women officers are either nurses or administrators in such fields as training, recruiting and personnel records. The administrators compete for promotions with men who rotate to shore duty from tours at sea. These women generally bristle at any suggestion that they aren't leading full Navy careers—and many don't want to see the combat exclusion lifted—but the Navy makes it clear that a string of desk jobs wouldn't be considered a good career path for a man.

Now there are so many desk-bound officers on this primarily female track that the Navy has created a new career path to expand promotion opportunities. Under the old system, desk-bound women who wanted to advance had to serve as executive or commanding officers of mostly training, recruiting or personnel-record units. Now they will be allowed to rise in rank—and pay grade—also by holding a series of non-command jobs in several other areas such as financial management, intelligence, international affairs, weapons acquisition and computer science. These fields were open to women before, but there were fewer promotion opportunities.

Opportunities remain extremely limited, however, for the 175 female surface-warfare officers, who are preparing themselves for sea duty. Because of the combat-exclusion law, they can serve on only 33 of the Navy's 527 ships, and those 33 operate mainly on the fringes of the fleet; most don't spend much time at sea. They are repair vessels, research ships, tenders and the like. Lt. Deborah Barnhart's reaction is typical: "To spend 20 years to get to be a capitain of a tender isn't enough incentive."

Surface-warfare women who reach the rank of lieutenant commander after about 10 years have even fewer options. At this stage, men typically compete for jobs as second-in-command of ships, but only one ship is available for a woman with similar qualifications. It is the USS Norton Sound, a missile test ship, and its current executive officer is a man.

IT'S A BOTTLENECK

"It's great as long as you're a lieutenant or below," says Lt. Cmdr. Bonnie Walker, one of six women senior enough to be considered for the Norton Sound job. "Once you make lieutenant commander, the question is, 'Is the Navy going to open up an executive-officer billet for a woman?' And the next question is, 'When?' It's a bottleneck, right now."

Adm. Herberger says the Navy plans to assign a woman to the Norton Sound post in 1986, when it is next scheduled to open up.

But that isn't much consolation for Comdr. Walker, who believes she was qualified in 1984 when the job was last open. If she doesn't go to sea as an executive officer in the next two or three years, the 36-year-old officer figures she will fall behind the men who do, eliminating her from competition for future leadership jobs at sea. The Navy recognizes the problem but says that women like her can still advance by holding leadership jobs ashore. Cmdr. Walker doesn't think that's the same thing.

"For women, just being qualified isn't enough," says 36-year-old Cmdr. Walker, now the satellite-communications officer at Atlantic fleet headquarters in Norfolk, Va. "A lot of women are going to fall by the wayside because we don't have an adequate number of ships available to us to be selected for. What we're trained for is to use our skills at sea."

Because opportunities are limited, the Navy allows only 17 women to enter the surface-warfare community each year. And about 30 such women have transferred out in recent years to other Navy specialties.

One is Lt. Susan Alison Cowan, 25, who transferred partly because she would have faced "a tremendous amount of time without going to sea," she says. Ironically, she became second-in-command of a vessel after giving up on a surface-warfare career. She went to the Navy's diving school and, armed with new qualifications, took over last June as second-in-command of the USS Quapaw, a tug that does towing and salvage work off the West Coast.

The tiny 40-year-old ship, based at Port Hueneme, Calif., is decorated with battle ribbons from World War II, Korea and Vietnam. It is scheduled to be decommissioned in August, but to Lt. Cowan, the first Navy woman ever to serve as second-in-command of a ship, the tug looks "really super."

CHANGE COMES SLOWLY

Lt. Cowan, who pedals an exercise bicycle in her tiny stateroom to stay in shape, doesn't dwell on her status. "Change comes slowly," she says. Later she adds: "I think that the women before me, the way they did the job has opened up what I'm able to do now. And the way I do my job will open up things for women 10 years junior to me."

Joellen Oslund, one of the first women recruited for flight training, resigned in 1979 because the Navy couldn't offer her enough challenge as a helicopter pilot. She and five other women had sued to have the Navy's combat-exclusion law declared unconstitutional.

The court agreed, and Congress relaxed the law somewhat. But the Navy took until December 1983 to decide that women heli-

copter pilots could be deployed temporarily on certain support ships in the Mediterranean, the Indian Ocean and the Far East.

Other women officers who share Mrs. Oslund's frustration stay nevertheless and press for further change. Cmdr. Mariner believes women would be integrated more fully, as blacks were during World War II, if the U.S. were to go to war. "Being paid to go out and fly is super," she says. "But the account comes due when we get attacked. This is not IBM. The reason you've got that uniform on is to defend your country."

RECRUITMENT STATISTICS AND POLICIES: WOMEN IN THE ACTIVE ARMED SERVICES

OVERVIEW

203,310 women, officers and enlisted, served in the U.S. Armed Forces at the end of fiscal year (FY) 1984.[1] They comprised 9.5% of the active duty force.

In FY 84, the Services enlisted 36,114 female non-prior service recruits (Non-prior service recruits are individuals who have never served in the military). This represents an increase of 4.6% from FY 83.

The Armed Forces recruited 93% High School graduates in FY 84, the highest percentage in the history of the All-Volunteer Force. In FY 83, the percentage was 91%, a record high at the time.

By the end of 1987 the Department of Defense (DoD) expects to have over 221,788 women on active duty. This would represent an increase of 41,788 women since 1980, bringing the total percentage of women to 9.9% compared to 9.0% in 1980. While the numbers of women in the Services continues to increase, the percentage of women is still approximately 10%.

The Coast Guard is part of the Department of Transportation. In time of war or national emergency, the Coast Guard could come under the control of the Secretary of the Navy, as directed by the President.

CURRENT RECRUITMENT STATISTICS

At the end of FY 84, the number of enlisted women in each of the services was as follows:

Total Active Forces 203,310 or 9.50%.
Army 66,100 or 10.05%.
Navy 42,258 or 8.60%.
Air Force 55,335 or 11.38%.
Marines 8,577 or 4.88%.
Coast Guard 2,108 or 6.60%.

The numbers below illustrate the differences in the number of female non-prior service recruits in FY 84 as compared to those in FY 83. Each of the Services made small increases in the numbers of female enlisted recruits in FY 84 except for the Navy and the Coast Guard.

Total Active Forces: 1,594 more (does not include Coast Guard data).
Army: 667 more.
Navy: 345 less.
Air Force: 324 more.
Marine Corps: 253 more.
Coast Guard: 173 less (includes regular enlistments and reserves).

The Services project that they will have the following enlisted female end strengths on duty at the close of FY 85 (end strength refers to the number of persons on duty at the end of a fiscal year or some specific stated time).

Army 67,900 or 10.2%.
Navy 44,300 or 8.9%.
Air Force 58,500 or 11.9%.
Marine Corps 8,659 or 4.83%.

FUTURE RECRUITMENT PROJECTIONS

The Army

The Army expects to raise the enlisted female end strength to 70,000 by the end of FY 87. This will amount to a probable increase of 1,000 women per year and is a reduction from a previous projection of 87,000 enlisted women by FY 87.

The Navy

The Navy's projected goal is 45,343 enlisted women by FY 87. This represents an increase of 5,385 from FY 83.

In December 1983, the Navy expanded the career opportunities for a limited number of women officers by authorizing the temporary assignment of helicopter pilots and explosive ordnance disposal officers to additional ships not expected to have a combat mission during the period of assignment. This move represents a limited expansion of opportunities for women because 1) the assignment of women is still subject to the discretion of the ship's commander who can refuse to allow women aboard and (2) it only allows temporary duty. Future recruitment projections for Navy women will increase only if the Navy adjusts its interpretation of the combat exclusion law to expand the number of ships on which women can serve. Otherwise the numbers will stay the same.

The Air Force

The Air Force started admitting women to the security police as of January 1, 1985. Of the 596,000 total jobs in the Air Force, approximately 60,000 have been closed to women under the Air Force's past interpretation of the combat exclusion law. It is estimated that the opening of the security police will result in 26,000 additional jobs for which women will be eligible.

The 1985 Defense Authorization Act contained a provision directing the Air Force to establish female accession goals of 19% in FY 87 and 22% in FY 88. In addition, the Secretary of Defense was directed to study and provide to Congress an analysis of the propensity of women to serve in the Air Force.

The Marine Corps

The Marine Corps projects an enlisted female end strength of 8,989 and 689 female officers by the end of FY 87. Therefore, the percentage of women in the Marine Corps continues to remain virtually the same at slightly under 5%.

The Coast Guard

The Coast Guard does not have a goal for the projected number of female accessions in future years.

RECRUITMENT POLICIES

Service standards are subject to change. Although all recruits for the Department of Defense and Coast Guard take the same entrance examination, higher scores are required by some Services for recruits in special categories (e.g., non-high school graduates) and for the more technical military jobs. (See definitions of AFQT and ASVAB below). Some vacancies are closed to women due to combat exclusion laws and policies.

The Army

The Army is currently not recruiting any Mental category IV females, but they are recruiting Mental category IV males who are high school diploma graduates, and who score a minimum of 16 on the AFQT.

Since 1981 the Army has required all women to have a high school diploma to enlist. Since 1981, Congress has required that 65% of all male enlistees have high school diplomas.

The Army currently prohibits the enlistment of women who hold General Educational Development (GED) certificates. (See definition below.)

The Navy

Non-prior service diploma graduates need a minimum score of 17 on the Armed Forces Qualification Test (AFQT) to enlist in the Navy.

All new female recruits must be high school graduates.

New recruits with a GED and non-graduate non-prior service male recruits need a AFQT score of 49 or better to enlist in the Navy.

The Air Force

Male and female GED holders need a score of 50 or better on the AFQT to enlist in the Air Force. Male and female high school graduates need a score of 21 or better on the AFQT to enlist in the Air Force.

Non-high school graduates need a score of 65 or better on the AFQT to enlist in the Air Force.

The Marine Corps

Female applicants need a high school diploma or equivalent education to enlist in the Marines. The GED is not considered equivalent; however, a year in an accredited college may be, at the discretion of the Marine Corps.

The Marines accept male applicants who have attended school through the 10th grade, and even this standard can be waived by the Marine Corps Commandant for an "exceptionally" qualified applicant.

Female high school graduates need a minimum AFQT score of 50, while male high school graduates need a score of only 21 to be accepted into the Marine Corps.

The Coast Guard

The Coast Guard has removed all restrictions based solely on gender in recruitment, training, assignment and career opportunities.

Male and female high school diploma graduates and those who possess GED equivalency certificates need a minimum score of 40 on the AFQT to enlist.

Combat exclusion laws and/or policies do not apply to the Coast Guard, which is part of the Department of Transportation (rather than DoD) in peacetime.

ABBREVIATIONS AND DEFINITIONS

AFQT: The Armed Forces Qualifications Test is a written test used by all branches of the Armed Services to determine the enlistment eligibility of personnel. The AFQT is derived from the ASVAB and consists of four subjects that measure basic verbal and quantitative abilities. The AFQT scores are used to classify potential enlistees in Mental Categories I through V. The Services actively recruit persons who score in Categories I, II and III. Congress has limited recruitment of persons who score in Category IV to 20% of enlistees. The Services do not enlist Category V.

Category	*AFQT Range*
I	93–100
II	65–92
IIIA	50–64
IIIB	31–49
IV	16–30
V	0–15

ASVAB: Armed Services Vocational Battery, a ten-part test given by the Services to determine eligibility for service. Scores on

[1] Unless otherwise noted, numbers for Total Active Forces do not include figures for the Coast Guard. The Coast Guard has been listed separately when appropriate.

different aptitude composites of the ASVAB determine eligibility to enter specific military occupations.

GED Test: General Education Development Test, a five-part test given to determine if a person can be issued a high school equivalency diploma or certificate. The requirements for passing are determined by each State and vary widely.

Military Accession: New recruit.

NPS: Non-prior Service. No military service currently or at any time in the past.

WOMEN AND COMBAT: A COMPARISON OF THE SERVICES' LAWS AND POLICIES

Women are an integral part of today's All Volunteer Force However, the utilization of women by each branch of the Armed Forces differs based on each service's interpretation of combat exclusion laws and policies. There is little consistency among the services regarding the ways in which women are allowed to participate.

DEFINITION OF TERMS

Close combat

Close combat was defined by the Department of Defense in 1978 as "engaging an enemy with individual or crew-served weapons while being exposed to direct enemy fire, a high probability of direct physical contact with the enemy's personnel, and a substantial risk of capture." These positions are in the combat arm of each service. No women serve in positions considered to be "close combat."

Direct combat

Direct Combat was defined by the Department of the Army in 1982 as "engaging an enemy with individual or crew-served weapons while being exposed to direct enemy fire, a high probability of direct physical contact with the enemy's personnel, and a substantial risk of capture. Direct combat takes place while closing with the enemy by fire, maneuver, or shock effect in order to destroy or capture him, or while repelling his assault by fire, close combat or counterattack." Army women are not permanently assigned in direct combat positions.

Combat support

The combat support positions provide operational assistance to the combat arm. Examples of operational assistance include direct engineering, police, communications and intelligence support. Women in the Army and Air Force serve in combat support roles and specialties; Marine Corps women do not. Navy women are prohibited from permanent assignment to underway replenishment ships that support the battle group.

Combat service support

Combat service support positions provide logistical, technical and administrative services to the combat arm. Military women in all branches serve in combat service support roles.

STATUTORY RESTRICTIONS ON WOMEN IN COMBAT

10 United States Code Section 8549 prohibits the permanent assignment of female members of the Air Force, except those designated under Secion 8067 (medical, dental, chaplain and other "professionals"), to duty in aircraft engaged in combat mission.

10 United States Code Section 6015 prohibits the permanent assignment of female members of the Navy to duty on vessels or on aircraft which can be expected to be engaged in combat mission. The Marine Corps falls under the Department of Navy and adheres to the restrictions of Section 6015. In addition, the Marine Corps further restricts women from serving in combat units or combat "situations."

10 United States Code Section 3012 provides that the Secretary of the Army may assign, detail and prescribe the duties of members of the Army. The Army has determined its policies regarding the role of women by attempting to remain consistent with the "intent of Congress" when the combat exclusion laws were established for the Navy and Air Force.

VARIATIONS AMONG THE SERVICES

The variations among services are best illustrated by looking at their policies of assigning women to ships, planes, missile crews and positions on the battlefield.

Ships

Coast Guard women serve on all ships in the Coast Guard Fleet and in all positions including the command of ships. The Coast Guard has no restrictions based solely on gender in assignment, training, recruitment or career opportunities.

The Coast Guard is part of the Department of Transportation in peacetime, but would come under the control of the Secretary of the Navy in time of war. The Coast Guard does not consider itself bound by the provisions of 10 USC Section 6015.

The only ships to which the Navy permanently assigns women are combat service support ships such as repair (tenders) and research ships. Navy women are not permanently assigned to the combat support ships such as the underway replenishment ships of the Mobile Logistic Support Force.

When a Navy task force is deployed, support ships such as oilers, store ships and ammunition ships accompany the Navy's battle ships. The support ships that replenish the task force are deployed from either the Mobile Logistic Support Force (MLSF) or the Military Sealift Command (MSC) depending on which has the needed support availabale and ready to serve. The MLSF consists of only Navy ships.

The Military Sealift Command is composed of civilian contract ships such as Merchant Marine ships. Since these are civilian ships, there is no restriction on the participation of women. As a result, civilian women are sailing on MSC ships and serving with the Navy's battle group.

Aircraft

Although women can be pilots and navigators in the Army, Air Force and Navy, there are variations among these services regarding the assignment of women to various types of aircraft. In general, women fly combat support aircraft such as cargo planes, refueling planes, AWACs and certain helicopters. However, they are prohibited from permanent assignment to fighter jets. All pilot and navigator positions in the Marine Corps are closed to women.

Missile crews

The Air Force now assigns women to all missile crews. A recent policy change allows women to be assigned to the two-person crews of the Minuteman Missile System from which they were previously barred, as long as both members of the crew are of the same gender. Women are assigned to the four-person Titan missile crews, and will serve there until the missile system is retired in 1987.

Army women are prohibited from assignment to short range missile systems. However, women are assigned to long range missile systems such as the Pershing and Nike-Hercules.

The missile systems in the Navy are found on submarines. Submarines are considered combatant ships by the Navy, and no Navy women serve on them.

Battlefield location

The Army is the only service that restricts the assignment of women by battlefield location. The Army uses a Direct Combat Probability Coding (DCPC) system to determine the probability of engaging in direct combat for every position in the Army. Seven codes are used to classify jobs; code 1 represents a high combat probability and code 7 represents no direct combat probability.

Current Army policy prohibits the permanent assignment of women to positions coded P1. While women are barred from assignment to positions expected to engage in direct combat, the DCPC system does not prevent the permanent assignment of women to combat support and combat service support positions that may routinely bring them into the P1 location on the battlefield.

SENATOR McCLURE RIGHT ON THE MARK

Mr. HATFIELD. Mr. President, today's Wall Street Journal carries a letter to the editor from Senator McCLURE in response to one of that newspaper's articles on Federal spending and the deficit. In editorials and columns, the Journal persists in some very wrongheaded arguments about the expenditure side of the Federal budget, stoutly defending mammoth defense increases as if they had no effect on the deficit, largely ignoring entitlements, and concentrating their scorn on annually funded discretionary programs. And, oh yes, promoting the sham of a line-item veto that addresses neither revenue losing tax loopholes or entitlement spending as the savior of us all.

Senator McCLURE knows better, and has written an excellent rebuttal to the Journal's April 16 article, "The Spending Problem in Profile." I ask unanimous consent that his letter be printed in the RECORD.

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

SACRED COWS BEEF UP THE DEFICIT

In "The Spending Problem in Profile" (editorial page, April 16) Doug Bandow of the Cato Institute—which represents a radical libertarian position—criticized conservatives for failing to take a meat ax and blindly truncate discretionary programs to balance the budget.

If the people at Cato had their way, they would eliminate all discretionary government spending for cancer research, the Drug Enforcement Agency, the national forests, NASA, and the Centers for Disease Control. They would carelessly cut all investments in our future to realize short-term benefits.

But would this be the responsible way to get federal spending under control? Does it attack the source of the problem? Should Congress follow the search-and-destroy tactics advocated by the Cato Institute?

The Institute grossly fails to understand that the budget is in deficit not because Congress has failed to make cuts in discretionary programs, but because it has been unable to cut the growth in the entitlement—or formula—programs, which are expanding automatically every year beyond our ability to pay for them.

Since President Reagan was elected Congress has cut back spending for discretionary programs from 26% of the federal budget to just 15%. And it will support further reductions this year.

Contrary to the misinformation by Cato, the subcommittee which I chair has substantially reduced federal spending. Since 1980, more than $4 billion has been cut from the Department of Energy budget. This includes the Fossil Energy Research and Development budget, which has been reduced from $836 million in 1980 to $274 million this year. Energy conservation has been reduced from $751 million in 1980 to $451 million this year. And the $1 billion Fossil Energy Construction budget has been reduced to zero.

At the same time, spending for formula programs—such as Social Security, other retirement programs, Medicare, Medicaid, housing assistance, student loans, and income-transfer programs—continues to escalate virtually unchecked, although the rate of increase has been reduced slightly. In the past four years, spending for formula programs has increased from about $277 billion to nearly $400 billion.

While Congress has supported cost-cutting measures in discretionary programs, it has clearly failed to make similar curbs on the increases in formula programs, which are considered sacred cows.

Conservatives refuse to raise taxes any higher to pay for an increase in the automatically growing formula programs, while liberals are unwilling to slow the growth. The difference between these two positions can be measured by the size of the deficit—now more than $200 billion. Even if Congress decided to eliminate every discretionary program—about $150 billion—the budget would still not be balanced.

Not all the blame for the deficit, however, rests on Congress. While the administration seeks to further reduce discretionary spending, it continues to allow the formula programs to mushroom exponentially.

The "Rule of 72" points out how fast a budget will expand. Dividing 72 by the rate of growth gives the number of years it will take for a program to double in cost. Formula programs are still automatically expanding by over 10% a year. This means the formula programs now are doubling in cost in less than seven years.

No one would advocate that Congress and the administration eliminate the formula programs in order to balance the budget. However, it is essential to slow the rate they automatically grow year after year.

Four years ago, President Reagan declared war on federal spending. Since then, substantial cuts have been made in discretionary programs, which offer less political resistance. But little more can be squeezed out in these areas. The president and Congress must come to grips with the growth in formula programs.

The Cato Institute has completely missed this point. Instead, it has turned its sights on conservatives because, in Cato's opinion, they do not buckle under and slash all spending in the discretionary programs.

The Cato Institute is suffering from an acute case of selective myopia. Like the administration, it fails to focus on the portion of the federal budget that is primarily responsible for the continuing deficit.

JAMES A. MCCLURE,
U.S. Senate.

S. 1047—BENEFITS TO FORMER PRESIDENTS ACT

Mr. ROTH. Mr. President, I am pleased to join with Senators CHILES and PRYOR as an original cosponsor of the Former Presidents Facilities and Services Reform Act of 1985. I have been working with my colleagues for several years on this legislation and last year we reported it out of the Committee on Governmental Affairs for the first time since the bill's initial introduction in 1980. I congratulate them for their commitment to enacting this important legislation and I am confident that we will finally see it signed into law this year.

Mr. President, the taxpayers pay for a wide range of benefits intended for the support of our former Presidents, everything from 24-hour, round-the-clock Secret Service protection to the provision of office space and equipment. The level of these benefits has grown tremendously over the last two decades to the point that many are asking whether we have created an "Imperial Ex-Presidency."

We do not intend by introducing this legislation to in any way tarnish or downgrade the dignity that should be accorded to our former Presidents. Dignity and opulence are not equivalent, however, and it is appropriate to revise the laws authorizing benefits to former Presidents to ensure that the levels of support are not out of proportion to the duties of the ex-Presidency.

We do not enrich the institution of the ex-Presidency if we provide unrestrained or excessive benefits and funding. Ironically, especially in these times of extremely tight budgets, we could cheapen it in the eyes of the taxpayer by not putting spending restraints in these laws as we are throughout the rest of the budget.

Mr. President, the laws providing support to our former Presidents were originally designed to assist each former President in leading a dignified retired life, free from the need to "commercialize" the institution of the Presidency. However, the cost of these programs has gone from $65,000 in 1955 to $6.3 million in 1975 to over $27 million in 1984. This fourfold increase greatly exceeds the original expectations Congress had for these programs.

The Former Presidents Facilities and Services Reform Act of 1985 is intended to put limits on these increasing costs while maintaining a reasonable amount of support to assist former Presidents in responding to the public and fulfilling their roles as elder statesmen and advisers to the Government and to our citizens. It would also accomplish three additional objectives of equal importance.

First, it will restore the original intent of the former President's programs: to ensure that former Presidents can live dignified retired lives free from the need to demean their status or the institution of the Presidency. Originally, the programs were established for former Presidents like Harry Truman who was severely pressed financially just to handle the mail, telephone calls and requests for speeches he received once he retired from office. They were not intended to create extensive and costly offices and staff to support our former Presidents nor to establish a formal "Office of the Ex-Presidency."

Second, our living former Presidents have done quite well financially once they have left office. Although they deserve to receive some support to respond to the requests of the public that arise as a result of their experience and knowledge as former Presidents, such support should be carefully controlled and offered in a coordinated fashion. The existing laws supporting our past Presidents do not establish limits on the level of benefits to be provided. Our legislation would establish such limits and ensure that benefits for our former Presidents are seen as a part of a comprehensive package, permitting the Congress and the public to better judge the sufficiency and costs of these programs.

Third, by a gradually scaling back benefits and curbing the growth of support programs for former Presidents, the Former President's Facilities and Services Reform Act responds to the public's concern that all Federal programs must be carefully scrutinized and controlled in order to reduce the deficit. A former President has no official statutory responsibilities or duties. Yet, he receives a staff, an office and around-the-clock Secret Service protection. In many ways, he continues to receive all the benefits that a sitting President receives without any of the responsibilities and these benefits have become increasingly costly.

Mr. President, the proper role of former Presidents has been an issue that has faced this country since the days of the earliest Presidents. In those days, former Presidents usually retired to private life upon leaving the duties of office. Today, the pressures upon that role have changed and former Presidents now have much more visibility when they retire.

Given the fact that the taxpayers have, in effect, become guardians and supporters of our former Presidents, however, a careful and prudent balance must be struck between the legitimate support a former President needs to continue to fulfill his responsibilities to the public, and the taxpay-

ers' interest in minimizing excessive Federal spending. Our legislation is designed to strike such a balance and replaces the sometimes conflicting, increasingly costly and open-ended laws currently governing benefit programs for former Presidents with a more prudent and limited benefit structure.

Mr. President, our legislation has three titles, each designed to reform a category of benefits or support for former Presidents. Title I puts limits into place to control the future maintenance and operation costs of the libraries dedicated to former Presidents. Currently, libraries are built to honor former Presidents using privately donated funds. These libraries are then turned over to the Federal Government which transfers the official papers of each President to his library and pays the costs of running the facilities.

These libraries are used by scholars and are visited by the public and currently cost approximately $14 million to run annually. During the hearings on the Library Act of 1955, which established the system of Presidential libraries we have today, it was estimated that only $100,000 a year would be needed to run each library. Today, that cost exceeds $1.5 million on average per facility and it is still growing. The need for controls is obvious.

Our bill would prohibit the Archivist of the United States from accepting any new presidential library unless those private groups financing its construction also provide an endowment equal to 20 percent of the construction and land acquisition costs of the facility. This endowment would be put into a special account by the Archivist to earn interest and would be used to pay for a large share of the operations and maintenance costs of each library.

Because the larger sized facilities are usually the most expensive to heat and cool, repair and operate, our legislation also provides that endowment size would be increased proportionate to any increase in floor size over 70,000 square. In other words, a 105,000 square foot facility would require an endowment of 30 percent of the construction costs of the facility—105,000 square feet is an increase in size of 50 percent over 70,000 square feet, so the endowment is 20 percent multiplied by 1.5 or 30 percent. This provision will discourage private sector donors from constructing grandiose, expensive, and hard to maintain facilities.

Title II of our bill will put limitations into place to control the costs of providing office space, equipment, and staff for former Presidents. There currently are no statutory ceilings on expenses incurred by former Presidents for such things as postage, telephone service, and supplies and equipment. Instead, funding for virtually all of these services is provided with only vague statutory guidance. Only the pensions and office staff provided to former Presidents are subjected to any statutory limitation.

Our legislation will reduce these costs and set limits for the future by establishing a firm cost cap on all such activities, excluding pensions, and gradually reducing them over time. The bill caps all expenses for offices, staff, and related support at $300,000 for each President and reduces this amount in stages over a period of 9 years to a ceiling of $200,000. It also limits the size of the offices provided to former Presidents, requires that they be located in existing federally leased or owned office space, and prevents any of these funds from being used on partisan political matters or to make a financial gain for a former President.

Finally, title III of the bill provides that former Presidents will no longer be entitled to 24-hour, round-the-clock Secret Service protection for their entire lives. Instead, it limits full-time protection by the Secret Service to the first 5 years of a President's retirement. Thereafter, protection could be reinstated by the Secretary of the Treasury for 1-year intervals and the sitting President is authorized to provide emergency protection for short periods of time when the threat warrants it.

In effect, our bill establishes it as Federal policy that former Presidents should be protected but the need for the protection should be routinely reviewed and terminated when it is no longer required. Former President Nixon's recent decision to cancel Secret Service protection in July of this year lends some support to this view. There are also reports that former President Ford is considering requesting that his protection be canceled.

I ask that a copy of President Nixon's letter to the Treasury Secretary requesting the termination of Secret Service protection be printed in the RECORD.

Mr. President, Senators CHILES and PRYOR and I have worked for several years on this legislation. We have consulted closely with the administration and believe we have developed a workable and fair approach to this problem. The bill we have developed will ensure that benefit programs for former Presidents are well coordinated, more cost-effective, and subject to some carefully defined limits. In the current budget climate, these programs, like all others in the budget, must be subject to strong cost discipline and effective controls. I believe our bill is an important step in curbing costs in this area and urge my colleagues to give it their strong support.

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

NEW YORK CITY,
March 7, 1985.

Hon. JAMES BAKER III,
Department of the Treasury.

DEAR MR. SECRETARY: This is to advise that I am aware that pursuant to section 3056, title 18, United States Code, the Secret Service is authorized to provide for my protection as a former President. Notwithstanding this authorization it is my desire that such protection be permanently terminated at 11:59 p.m., July 31, 1985. Effective with this termination of protection, I relieve the Secret Service of its responsibility to provide for my personal protection.

Sincerely,

RICHARD NIXON.

AGRICULTURAL EXPORT ENHANCEMENT AND SOIL CONSERVATION ACT 1985

Mr. DIXON. Mr. President, yesterday I introduced a bill, the Agricultural Export Enhancement and Soil Conservation Act of 1985. This act will be an important part of the efforts in the Senate to place American agriculture on a sound economic basis.

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. 1050

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That this Act may be cited as the "Agricultural Export Enhancement and Soil Conservation Act of 1985".

TITLE I—PROTECTION OF EXPORTS

SEC. 101. (a) Section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2405) is amended by—

(1) adding at the end of subsection (a)(1) the following: "The President may impose or propose to extend export controls under this section on agricultural commodities, other than in connection with the prohibition or curtailment of all exports, in accordance with the procedures set forth in subsection (l) and the other requirements of this section."; and

(2) adding at the end thereof a new subsection (l) as follows:

"(l) AGRICULTURAL COMMODITIES.—(1) If the President imposes export controls or proposes to extend export controls that have been imposed, on any agricultural commodity to carry out the policy set forth in paragraph (2)(B), (2)(C), (7), or (8) of section 3 of this Act, the President shall immediately transmit a report on such action to Congress, setting forth the reasons therefor, in detail, and specifying the length of time the controls are proposed to be in effect which may not exceed six months.

"(2) In the case of export controls imposed by the President—

"(A) if Congress, within sixty days after the date of its receipt of the report under paragraph (1), adopts a joint resolution pursuant to paragraph (4) approving the imposition of export controls, then such controls shall remain in effect for the period specified in the report, for six months after the close of the sixty-day period, or until termi-

nated by the President, whichever occurs first; or

"(B) if Congress, within sixty days after the date of its receipt of such report, fails to adopt a joint resolution approving such controls, then such controls shall cease to be effective upon the expiration of such sixty-day period.

"(3) In the case of export controls proposed to be extended—

"(A) if Congress adopts a joint resolution approving a proposed extension of export controls prior to the expiration of the applicable period described in paragraph (2)(A) or this subparagraph, then such controls shall be extended for the period specified in the report, for six months after the date of enactment of the joint resolution of approval, or until terminated by the President, whichever occurs first; or

"(B) if Congress fails to adopt a joint resolution approving a proposed extension of controls prior to the expiration of the applicable period described in paragraph (2)(A) or subparagraph (A) of this paragraph, then such controls shall cease to be effective upon the expiration of the applicable period.

"(4)(A) For purposes of this paragraph, the term 'resolution' means only a joint resolution the matter after the resolving clause of which is as follows: 'That, pursuant to section 6(l) of the Export Administration Act of 1979, the President may impose, expand, or extend export controls as specified in the report to Congress on .', with the blank space being filled with the appropriate date.

"(B) On the day on which a report is submitted to the House of Representatives and the Senate under paragraph (1), a resolution with respect to such report shall be introduced (by request) in the House by the majority leader and minority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a report is submitted, the resolution shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter during which that House is in session.

"(C) All such resolutions introduced in the House of Representatives shall be referred to the Committee on Foreign Affairs and all resolutions introduced in the Senate shall be referred to the Committee on Banking, Housing, and Urban Affairs.

"(D) If the committee of either House to which such a resolution has been referred has not reported it at the end of thirty days after its introduction, the committee shall be discharged from further consideration of the resolution or of any other resolution introduced with respect to the same matter.

"(E)(i) A motion in the House of Representatives to proceed to the consideration of a resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order; nor shall it be in order to reconsider the vote by which the motion is agreed to or disagreed to.

"(ii) Debate in the House of Representatives on a resolution shall be limited to not more than twenty hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

"(iii) Motions to postpone, made in the House of Representatives with respect to the consideration of such a resolution, a motion to proceed to the consideration of other business shall be decided without debate.

"(iv) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to such a resolution shall be decided without debate.

"(v) Except to the extent specifically provided in the preceding provisions of this subparagraph, consideration of a resolution in the House of Representatives shall be governed by the Rules of the House of Representatives applicable to other resolutions in similar circumstances.

"(F)(i) A motion in the Senate to proceed to the consideration of such a resolution shall be privileged. An amendment to the motion shall not be in order; nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(ii) Debate in the Senate on such a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more then twenty hours, to be equally divided between and controlled by, the majority leader and the minority leader or their designees.

"(iii) Debate in the Senate on any debatable motion or appeal in connection with such a resolution shall be limited to not more than one hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of such a resolution, allot additional time to any Senator during the consideration of a debatable motion or appeal.

"(iv) A motion in the Senate to further limit debate on such a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, such a resolution is in order in the Senate.

"(G) In the case of the resolution described in subparagraph (A), if prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

"(i) the procedure in that House shall be the same as if no resolution had been received from the other House; but

"(ii) the vote on final passage shall be on the resolution of the other House.".

(b) Section 7(a)(1) of the Export Administration Act of 1979 is amended by adding at the end thereof the following: "The President may impose, expand, or extend export controls under this section with respect to agricultural commodities only as provided in section 6(l).".

TITLE II—BONUS COMMODITY EXPORTS

SEC. 201. (a) Notwithstanding any other provision of law and in addition to any authority granted to the Secretary of Agriculture or the Commodity Credit Corporation under any other provision of law, the Secretary shall use "bonus commodities" from the Commodity Credit Corporation acquired through its price support operations, to the extent they are available, and shall provide such commodities at no cost to United States exporters, users, and foreign purchasers to offset the adverse effects of export subsidies of competing exporting countries and to offset disadvantages for United States agricultural commodity exports due to the low value of foreign currencies in relation to the United States dollar.

(b) The Secretary shall calculate the estimated annual storage, interest, and handling costs of those Commodity Credit Corporation stocks that the Secretary determines to be in excess of those Commodity Credit Corporation stocks which, together with domestic commercial stocks, are in an adequate carryover status, and declare an amount of such excess stocks, equal to the calculated total costs of the storage, interest, and handling costs of all stocks the Secretary determines to be in excess, to be bonus commodities available for export under this section. The Secretary shall use a minimum of one-third of such bonus commodities each year for the purposes set forth in subsection (a) and, if the Secretary fails to do so, the Secretary shall report to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, the reasons therefor.

TITLE III—FINANCING OF SALES OF AGRICULTURAL COMMODITIES

SEC. 301. (a) Effective with respect to the fiscal years beginning October 1, 1985, and ending September 30, 1989, the Secretary of Agriculture shall use funds of the Commodity Credit Corporation under the CCC Export Credit Sales Program (GSM-5) for export credit for surplus commodities in any year that the carryover stocks of those commodities exceeds the level provided for in paragraph (b) of this section. Such credit shall be limited to sales of those commodities determined to be in excess of reserve requirements. The Secretary of Agriculture shall set rates of interest for credit under this program at a level that will offset changes in the value of the dollar relative to other currencies since 1981.

(b) The Secretary of Agriculture shall make such credits available for exports of feed grains whenever carryover stocks exceed 1.7 billion bushels and for exports of wheat whenever carryover stocks exceed 1 billion bushels.

TITLE IV—PROTECTION OF HIGHLY ERODIBLE LAND

SEC. 401. (a) Except as provided in subsection (b) and notwithstanding any other provision of law, following the date of enactment of this Act, any person who produces an agricultural commodity on highly erodible land shall be ineligible, for—

(1) any type of price or income support assistance made available under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), or any other Act;

(2) a loan for the construction or purchase of a facility for the storage of such commodity made under section 4(h) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(h));

(3) crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.);

(4) a disaster payment made under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.); or

(5) a new loan made, insured, or guaranteed under the Consolidated Farm and

Rural Development Act (7 U.S.C. 1921 et seq.) or any other provision of law administered by the Farmers Home Administration, if the Secretary determines that such loan will be used for a purpose that will contribute to excessive erosion of highly erodible land.

(b) Subsection (a) shall not apply to—

(1) any agricultural commodity planted by a person before the date of enactment of this Act;

(2) any agricultural commodity planted by a person during any crop year beginning before the date of enactment of this Act;

(3) any loan described in subsection (a) made before the date of enactment of this Act; or

(4) any agricultural commodity produced using a conservation system that has been approved by a conservation district and that is based on technical standards set forth in the Soil Conservation Service technical guide for that conservation district. In areas where no conservation district exists, the Secretary shall determine the adequacy of the conservation system to be used in the production of any agricultural commodity on highly erodible land.

TITLE V—EFFECTIVE DATE

SEC. 501. Except as otherwise provided herein, the provisions of this Act shall become effective October 1, 1985.

SENATOR ROBERT C. BYRD, RECIPIENT, 1984 AWARD FOR LIFE SERVICE TO VETERANS

Mr. DOLE. Mr. President, on Tuesday evening, April 30, this Senator was privileged to participate in a ceremony that honored one of our most distinguished colleagues. In the splendid setting of the Russell Senate Caucus Room, members of the Paralyzed Veterans of America and the Vietnam Veterans Institute, along with friends, well-wishers, and representatives from both the Senate and the House, gathered to say thank you to a man who truly cares—the distinguished minority leader, Senator ROBERT C. BYRD.

Ever since my good friend from West Virginia first came to Capitol Hill, he has been one of the true guardians of the welfare of our veterans. Year in and year out, Mr. BYRD has been at the forefront of legislation that, above all, guarantees that those Americans who gave so much in defense of our cherished freedom will never be forgotten.

In recognition of the Senator's longtime devotion to this worthy effort, the veterans' groups presented the distinguished minority leader with their 1984 Award for Life Service to Veterans—a wonderful portrait to our gentleman friend from West Virginia.

Mr. President, it is fitting that in this time of remembrance of our national agony in Southeast Asia, we take pride in knowing that the distinguished Senator from West Virginia made sure that, even in the dark days of an unpopular war, Congress did not turn its back on our fighting men.

In my view, it is men like ROBERT C. BYRD who deserve real credit for turning this country around on Vietnam, and restoring dignity and pride to the brave vets who fought so well for their country. There may not have been brass bands or cheering thousands for our returning Vietnam veterans, but there was always the strong hand of support extended by Mr. BYRD.

As a World War II veteran, the Senator from Kansas would like to thank the distinguished minority leader for his good work on behalf of the American soldier; and as a colleague, I would like to thank him for his wisdom.

Mr. President, it was an honor to share the stage during Tuesday evening's tribute with so many distinguished colleagues from both parties and from both Houses: Vice President George Bush; Senator STROM THURMOND, President pro tempore of the Senate; Senator ALAN SIMPSON; assistant majority leader and former chairman of the Senate Veterans Committee and currently a key member of that committee; Senator ALAN CRANSTON, Senate minority whip, and ranking Democrat, Senate Veterans' Committee; Senator FRANK MURKOWSKI, chairman, Senate Veterans' Committee; Senator JAY ROCKEFELLER, member, Senate Veterans' Committee; and Representative SONNY MONTGOMERY, chairman, House Veterans' Affairs Committee.

I ask unanimous consent that the following highlights of Mr. BYRD's award ceremony be printed in the RECORD:

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

PRESENTATION STATEMENTS

PARALYZED VETERANS OF AMERICA

Paralyzed Veterans of America takes great pride in participating with the Vietnam Veterans Institute in recognizing the contributions of Senator Robert C. Byrd. The presentation of the Award for Life Service to Veterans is a token of our appreciation of the Senator's long standing commitment to the veterans of this nation.

Senator Robert Byrd's advocacy for programs and benefits for veterans has been of particular significance to the members of Paralyzed Veterans of America. PVA's members, all of whom have experienced spinal cord injury or dysfunction, utilize the broad spectrum of services conducted by the Veterans Administration,. Of greatest importance to PVA's members, and millions of other veterans across the nation, has been Senator Byrd's active and vigorous support of a viable VA health-care system which is capable of meeting the many needs of America's veterans.

Paralyzed Veterans of America, through its conduct of programs in Service, Advocacy, Legislation, and Research, realizes that the needs of America's veterans are many and diverse. It is for this reason PVA sincerely enjoys this opportunity to demonstrate our gratitude to an individual who has consistently been a leading proponent of many meaningful programs for veterans.

The career of Senator Robert Byrd, both as Majority and Minority Leader of the United States Senate, is deserving of the highest accolades. His willingness to listen to and judge issues based upon merit is representative of his service to West Virginia, America's veterans, and the nation, itself.

Again, on behalf of the 11,000 members of Paralyzed Veterans of America, it is a pleasure to join with the Vietnam Veterans Institute in saluting Senator Robert C. Byrd and honoring him with the 1984 Award for Life Service to Veterans.

RICHARD D. HOOVER,
President,
Paralyzed Veterans of America.

VIETNAM VETERANS INSTITUTE

The Vietnam Veterans Institute is proud to join with the Paralyzed Veterans of America this year, in presenting the Award for Life Service to Veterans to the Honorable Robert C. Byrd.

The Award is non-partisan and is intended to pay tribute to outstanding Americans who, through public or volunteer service, have consistently contributed to the well being of American veterans. It is an award for loyalty. The kind of loyalty that works to assure that the needs of American veterans are not overlooked, once the nation's need for their loyalty, while in uniform, has passed.

Robert C. Byrd is such an American. Since 1959 (the 86th Congress) he has introduced or supported 66 pieces of legislation on behalf of the veterans of this nation. In his legislative support, he has taken on the tough issues as well as supported the popular ones. In 1965, he backed legislation prohibiting the closing of 11 VA hospitals. Throughout his career, from the FHA mortgage program, to education and training benefits, to cost of living increases in pensions, Robert Byrd has been consistent.

For Vietnam veterans alone, he has supported the Emergency Employment Act of 1971, the Vietnam Era Veterans Readjustment Assistance Act of 1972, Health Care Expansion Acts, as well as Drug & Alcohol treatment and Rehab programs. In 1974, he overrode a presidential veto to assure the Vietnam Veterans Education Act became law. In 1984, he took on the hard and controversial task of supporting an Agent Orange Compensation bill.

In 1983, he also secured passage of his amendment to authorize a bronze medal to be presented to the next of kin of those Americans missing or unaccounted for in southeast Asia.

In our dealings with him, he has been accessible, accommodating and open in his agreement, and just as importantly, open in his disagreement. It is with great pleasure that the Paralyzed Veterans of America and the Vietnam Veterans Institute unveil a portrait of a gentleman, and our recipient of the 1984 Award for Life Service to Veterans.

JERRY E. YATES.
President,
Vietnam Veterans Institute.

A MESSAGE FROM THE PRESIDENT—AS READ BY VICE PRESIDENT BUSH

Mr. BUSH. Ladies and Gentleman, I have the honor of reading a letter from our President that says:

Dear Bob. I am pleased to send my congratulations as you are honored by the Paralyzed Vietnam Veterans Institute Board of Directors at the unveiling of your portrait. It is truly fitting that such an honor is being bestowed on you, for you have devoted so much of your time and energy as a

Senator to those who have served our Nation on the field of battle.

Nancy joins me in sending you our very best wishes.

Sincerely,

RONALD REAGAN.

And I would add, for the President of the Senate, and my wife Barbara, we feel exactly the same way.

EXCERPTS FROM COLLEAGUES' TRIBUTES

Senator THURMOND. Bob Byrd is a true statesman. West Virginia can be proud of him. The Nation can be proud of him. And for all he's done for the veterans, I know they're proud of him. As you know, Bob, when you work for the veterans, you're working for the people who saved this Nation. The men who wore the uniform or the women who wore the uniform are responsible for our freedom today. To our veterans, I can only say you could not have selected a finer person to receive this outstanding award than Bob Byrd.

Senator SIMPSON. It is a deep privilege to be here tonight. Robert Byrd is an extraordinary man, and we are all awed by his prowess and his skills. And to the Vietnam veterans group, I commend you all for your recognition of this great leader. During the time he was majority leader, the Congress passed an amazing array of legislation for the Vietnam veteran. He has shown his full awareness of America's historic obligation to its veterans.

Senator CRANSTON. Too often in our business the hard work that individual Members do in the Congress gets lost in the shuffle, and they don't receive recognition, or enough recognition for their efforts. For not allowing that to happen in the case of Robert Byrd and his work on behalf of veterans, I congratulate all of you and the Vietnam Institute Board of Directors and the Paralyzed Veterans of America. I know of no Senator who has been more steadfast in support of all the right things for veterans.

Senator MURKOWSKI. I think it's appropriate to recognize the solid support of America's veterans which Senator Robert Byrd has demonstrated over the years. He is a man who has never forgotten where the Nation's strength lies, and who through his own selfless work in the Senate, has proven to be a great contributor to a strong America.

Senator ROCKEFELLER. To serve as a junior colleague to Senator Byrd is an experience. He has a great deal of skill and majesty in this complex and excellent Senate. I am proud to be his junior colleague, and look forward to being in that position for many years to come. God bless you, Senator Byrd, for all that you've done for the veterans and for what they this evening are doing for you.

Representative SONNY MONTGOMERY. As far as I know, Senator Byrd has never voted against a veterans' bill and I doubt if he ever will. Robert Byrd has been instrumental in securing funding for VA programs both in West Virginia and across the Nation-especially for the establishment of the new State medical schools at VA hospitals.

I express my pleasure at being able to be with you tonight in paying high tribute to a true friend of West Virginia veterans, of all veterans, and all Americans, Senator Robert C. Byrd.

ACCEPTANCE REMARKS: SENATOR ROBERT C. BYRD

To a large degree, world history has been written on the battlefield. The Trojan War, the Punic wars, the campaigns of Alexander and Napoleon, World Wars I and II and the Vietnam and Korean conflicts—in those mighty clashes. Empires have risen and fallen, and destiny has been changed. And for centuries after, historians and poets glorify the kings, generals, admirals, and marshalls who led the armies or commanded the navies.

Unfortunately, however, battles are fought mostly by private soldiers, sailors, and airmen—men in many cases who, in Abraham Lincoln's words, "gave the last full measure of devotion." But more often, survivors of those conflicts must go on suffering from their wounds an disabilities long after the guns have fallen silent, and the flags have been stored away.

In that regard, an old epigram says, "Nothing is so neglected as a chimney after a house burns down, or a soldier after the battle is won." Too often in the past, that saying was shamefully true. In war after war, men were called from peaceful pursuits to defend their country, and if they were fortunate enough to survive, they were sent home to fend for themselves, whatever their condition.

Some generations ago, that neglect was only too obvious. All across our country, many towns and communities included their share of dramatically disabled veterans—the old soldier hobbling about on a wooden pegleg, the Union Army veteran with the empty shirt sleeve, or the broken doughboy who had been gassed in the trenches of 1918. To America's shame, men who had literally sacrificed "the best years of their lives" for their country, were left to knit what remained of those lives together in the best ways they could.

Fortunately, recent generations of Americans have awakened to their duty to those who have given so much to keep our country free and strong. Most Americans realize what kind of world this would be if Hitler had won World War II, or if communism had been allowed to spread unchallenged across continent after continent. Our freedom and the security of our way of life depend on those who have served in our military forces—the Army, Navy, Air Force, Marine Corps, and others—and most Americans know that we owe those men and women lasting gratitude.

I am glad that Congress has, over the years, enacted legislation to make that gratitude real—to plan programs and provide opportunities to try to repay veterans for the years in which they exchanged their civilian clothes for uniforms, and to ensure that the wounded and disabled be given a chance for a better life, thus fulfilling the duty of a grateful country toward those of our young men and women who have helped make and keep this the greatest Nation in the world. In this regard, I am supportive of legislation to upgrade the non-competitive entry level for Vietnam veterans in the Federal civil service system. Further, in recognition of the brave men who honorably gave their all for our country in Vietnam, I have today introduced a resolution to make May 7 Vietnam Veterans Recognition Day, marking the 10-year anniversary of the official end of America's involvement in its longest war.

Today, I thank the Vietnam Veterans Institute and the Paralyzed Veterans of America for the honor they have bestowed on me in this award. I hope that a grateful Nation's contributions to our veterans have helped in part to repay them for their sacrifices. And in the years to come, we shall continue to work to see that our country keeps faith with those who stood in the ranks to protect us against our enemies and to ensure that our children and grandchildren might enjoy the privilege of being proud, free Americans.

Mr. DOLE. Mr. President, the Senator from Kansas would like to also pay tribute to the very talented artist who created the award portrait. Tom Nielson can be tremendously proud of his wonderful work of art which captures so well the character of the distinguished minority leader.

I would also salute the many veterans who attended the ceremony. Their very presence was a true testament to the esteem that they have for Senator BYRD and a tribute to his dedication to their lives. American veterans, from every war, hold a special place in American society. And men like Senator BYRD will always see to it that their place is secure.

VIETNAM VETERANS RECOGNITION DAY

Mr. DOLE. Mr. President, I call up Calendar No. 94, Senate Joint Resolution 128, and ask for its immediate consideration.

The PRESIDING OFFICER. the joint resolution will be stated by title.

The legislative clerk read as follows:

Joint resolution (S.J. Res. 128) to designate May 7, 1985, as "Vietnam Veterans Recognition Day."

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

Mr. BYRD. Mr. President, I want to thank the distinguished majority leader for calling up this resolution. I also thank him for his cosponsorship of the resolution.

The PRESIDING OFFICER. Are there amendments to the text of the resolution?

Mr. BYRD. No. Mr. President, the amendment to the preamble, of course, will not be read until after action on the resolution takes place. I do have a brief statement, if the Chair will indulge me.

The PRESIDING OFFICER. The Senator may proceed.

Mr. BYRD. Mr. President, this resolution is long overdue and is a symbol of my concern that our Nation's Vietnam veterans be afforded the recognition they are due for their patriotic service.

Next Tuesday, May 7, 1985, marks the 10th anniversary of the official end of America's involvement in the conflict in Vietnam. Some 3.4 million American men and women served in the Vietnam theatre during that long war—the longest conflict this Nation has been involved in since we gained

our independence. More than 57,000 Americans lost their lives there, and an additional 2,400 Americans are still listed missing in action in Southeast Asia. Some 300,000 were wounded and some 75,000 have incurred permanent physical disabilities as a result of their service.

Regardless of the ultimate verdict of history about U.S. involvement in that war, the service that patriotic Americans performed is deserving of their country's recognition.

Mr. President, the Nation is now beginning to review in a more dispassionate and even-handed manner the history of our involvement in the Vietnam conflict. We are still learning the lessons of that conflict. For too long we have taken the painless road of avoiding that history. It is a healthy sign, I believe, that there has been a recent upsurge in commentary and analysis of our role in Vietnam. If we cannot examine our past, then we will be unable to chart our future with wisdom.

It is, then, appropriate that we now take steps to honor our veterans, and the memory of those who did not return from Vietnam. This resolution would designate next Tuesday, May 7th, as "Vietnam Veterans Recognition Day." It is a modest measure, but an essential step in the healing process which is so important for our country.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, I thank the distinguished minority leader for permitting me, and others, to cosponsor his resolution. I believe this is a fitting tribute. I commend the minority leader, and others, Vietnam veterans and others, who have sought this initiative.

I am pleased to cosponsor and support Senate Joint Resolution 128, to denote May 7 as Vietnam Veterans Recognition Day.

Although we have not yet fully resolved our national debate about the Vietnam war and our involvement in it, there is one aspect of the war on which there should be bipartisan, indeed unanimous, agreement—that the more than 3 million Americans who served our country in the Vietnam theater did so with honor, with distinction, and in a manner consistent with the highest traditions of our military services.

Some 57,000 of those service men and women lost their lives doing their duty. Two thousand four hundred of them are still listed as missing in action, and we must continue to demand from the Communist authorities in Indochina a complete accounting for them. Tens of thousands of others suffered injury, some of them permanently disabling injury, which has altered their lives.

And all of those who served—including those who were fortunate enough to have escaped death or injury—sacrificed greatly for their country, in ways that only other combat veterans can fully appreciate. All of them gave a part of themselves and their lives to do what they thought was right. All of them deserve the recognition and the thanks of their fellow citizens for what they gave.

It is not only fitting that we should set aside a day to honor their service and their contribution. It is imperative that we do so. It is not something that we are giving to the Vietnam veterans—it is something we owe to them.

I commend those who have taken this initiative to denote May 7 as Vietnam Veterans Recognition Day.

But, far more importantly, I want to salute the memories of all of our Vietnam service men and women—those who are fallen, those whose fate is still unknown and those who have returned to resume their lives here at home. Let us remember and honor each of them on May 7 and, indeed, every time we reflect on the duties and privileges of being an American.

As the distinguished minority leader indicated, it will designate May 7 as Vietnam Veterans Recognition Day.

Mr. MURKOWSKI. Mr. President, I rise to join my distinguished colleague, ROBERT BYRD, in the resolution he has introduced and which I have cosponsored, which provides that May 7, 1985, be designated "Vietnam Veterans Recognition Day."

At the time, I want to again congratulate Senator BYRD on being honored by the Paralyzed Veterans of America earlier this week, and for the presentation of a portrait painted by Veterans' Administration artist, Tom Neilsen.

At that ceremony, many of Senator BYRD's colleagues commended him for his service to America's veterans—all our veterans, not just those from the Vietnam era, or World War II, Korea or World War I. And I join with my colleagues in echoing those praises for Senator BYRD.

Mr. President, the resolution before us reflects the highest values we place on all veterans. But it is specially designed to honor the unique service of the Vietnam veteran.

We must recognize and appreciate the unique nature of the Vietnam war, and we must continue to address the special needs of its veterans in light of the times during which the conflict occurred.

Mr. President, we must also recognize and appreciate that the vast majority of Vietnam veterans have shown a remarkable ability to overcome physical, psychological, and economic hardships; they are among the most productive members of our society and they have achieved educational and salary levels higher than many of their nonveteran peers.

As to their feelings for America, you will not find a more patriotic and freedom-loving citizen than the Vietnam veteran. As any of our Nation's veterans will attest, only by fighting for freedom can one truly appreciate the consequences of its loss.

The 10 years since our disengagement from Southeast Asia have been a bittersweet time for America. But I believe it has been one in which all Americans have seen, once again, that despite the public criticisms and a heated national debate over our involvement in that conflict, the men and women of our Armed Forces who were sent to try to secure freedom in distant lands stuck to their end of the bargain and upheld the finest traditions of the American military.

Vietnam veterans are deserving of high praise and recognition, just as their colleagues-in-arms have deserved such praise and recognition throughout our great history. Let us show them that although our Nation was divided regarding military involvement in Vietnam, we, as a nation, are truly grateful for their contributions, given selflessly and often with the ultimate sacrifice. The resolution is meant to pay a formal tribute to the patriotic efforts made on our behalf by our Vietnam veterans.

For those efforts we will be forever grateful, and that gratitude, in some measure, is what the good Senator's resolution is all about. So I support this resolution and urge my colleagues to join with us in making May 7 a formal day of recognition for the Vietnam veteran.

Mr. SIMPSON. Mr. President. I am most pleased to lend my support to Senate Joint Resolution 128, to designate May 7, 1985, as "Vietnam Veterans Recognition Day". May 7, 1985, will mark the 10th anniversary of the ending of the Vietnam war. With this anniversary has come much reflection and examination of America's role in Vietnam and the sacrifices made by American fighting men and women who served in the Vietnam theater. More than 57,000 Americans made the ultimate sacrifice for their country during that war. Another 2,400 Americans are still listed as missing in action in Southeast Asia.

It is very right and our duty that the country should pause on May 7, 1985, and remember with feelings of compassion and pride the men and women who fought in Vietnam. It is right and good that the Senate should support Senate Joint Resolution 128, designating "Vietnam Veterans Recognition Day" and requesting the President to issue a proclamation calling upon all Americans to observe that day.

So then, I commend the efforts of Senators BYRD and CRANSTON in intro-

ducing this resolution which I have cosponsored and I join my colleagues in support of this well deserved recognition. Throughout the 10 years since the end of the war, Congress has kept and honored its obligations to the Vietnam veteran through the enactment of significant legislation specifically targeted at assisting those soldiers. It is only fitting that we should take this time for a moment of pause in our daily activities both here in Congress and throughout the Nation to pay tribute to the Vietnam veteran.

Mr. DOLE. Mr. President, the Senator from South Dakota, a Vietnam veteran, would like to say a word.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. PRESSLER. Mr. President, I am happy to join as a cosponsor of this resolution. I commend its sponsors. Let me say that I have taken a particular interest in Vietnam veterans since having served in Vietnam as a lieutenant many years ago. Only recently, I joined with some other Vietnam veterans in this Chamber in sponsoring legislation regarding the mental health and physical health of Vietnam veterans. This legislation would improve our Veterans' Administration hospitals, particularly for our Vietnam veterans still suffering from posttraumatic stress disorder.

We have also joined in offering legislation regarding special training for Vietnam veterans who have not gotten into the job market—both vocational-technical training as well as higher education.

We have also urged that the VA take special account of the fact that the Vietnam war was a different kind of war in terms of veterans, and that many Vietnam veterans have suffered feelings of guilt or feelings of stress, and have not fit into the regular job market as veterans of other wars who were welcomed home. The attitude in the country has changed substantially. I recall when I first returned from Vietnam that very few people would wear their uniforms on the streets because they were accosted or would run the risk of an insult. That was a rather sad day in our country's history. That has changed fortunately. Vietnam veterans are now being recognized.

I think it is a much healthier atmosphere. But it is indeed appropriate that there should be a "Vietnam Veterans Recognition Day" and I am happy to join as a cosponsor and urge its immediate passage.

The PRESIDING OFFICER. Are there amendments to the resolution? If there be no amendments, the question is on the engrossment and the third reading of the joint resolution.

The resolution was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. DOLE. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 47

The PRESIDING OFFICER. The clerk will now state the amendment to the preamble..

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] for himself and Mr. DOLE, proposes an amendment numbered 47.

On page 2, in the 1st Clause, after the word suffer, strike "physically and psychologically"

On page 2, in the 4th Clause, strike, "and respond appropriately to the needs of"

The PRESIDING OFFICER. The question is on agreeing to the amendment to the preamble.

The amendment to the preamble (No. 47) was agreed to.

Mr. DOLE. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The joint resolution (S.J. Res. 128), with its preamble, as amended, is as follows:

S.J. RES. 128

Whereas over three million American fighting men and women who served in the Vietnam theater for over a decade acquitted themselves in the highest traditions of American service personnel;

Whereas more than fifty-seven thousand Americans lost their lives there, and an additional two thousand four hundred Americans are still listed as missing in action in Southeast Asia;

Whereas thousands of Vietnam veterans still suffer from the effects of the war, including many who are permanently disabled;

Whereas regardless of the ultimate verdict of history about United States involvement in that war, the service that patriotic Americans performed in the Vietnam theater is deserving of continued and reemphasized grateful recognization;

Whereas the Nation is now beginning to review in a more dispassionate and even-handed manner the history of our involvement in the Vietnam conflict;

Whereas for too long the Nation failed to honor the service of Vietnam veterans and was instead anxious to place the Vietnam experience behind it; and

Whereas May 7, 1985, marks the tenth anniversary of the official end of America's involvement in the conflict in Vietnam: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That May 7, 1985, is designed "Vietnam Veterans Recognition Day" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such a day with appropriate activities.

Mr. BYRD. Mr. President, I thank again the distinguished majority leader for calling up this resolution, and also for his chief cosponsorship. In addition to Mr. DOLE and myself, the following Senators are cosponsors of the legislation:

Mr. MELCHER, Mr. DODD, Mr. CHILES, Mr. ABDNOR, Mr. STAFFORD, Mr. SIMPSON, Mr. WARNER, Mr. GOLDWATER, Mr. NICHOLS, Mr. STEVENS, Mr. PRYOR, Mr. BOREN, Mr. LAUTENBERG, Mr. MURKOWSKI, Mr. PRESSLER, Mr. KASTEN, Mr. DOMENICI, Mr. MATSUNAGA, Mr. MATTINGLY, and Mr. METZENBAUM.

I thank all of those who have joined in cosponsoring this measure.

Again, I thank the majority leader for providing that other cosponsors may, during the day, add their names.

Mr. DOLE. Mr. President, I also would like, if there is no objection by the minority leader, to ask unanimous consent that Members may have the right to submit statements throughout the day to the resolution.

Mr. BYRD. I have no objection, Mr. President.

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The time for morning business has expired.

FIRST BUDGET RESOLUTION FOR FISCAL YEAR 1986

The PRESIDING OFFICER. The clerk will state the pending legislation.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 32) setting forth the congressional budget for the U.S. Government for the fiscal years 1986, 1987, and 1988 and revising the congressional budget for the U.S. Government for the fiscal year 1985.

The Senate resumed consideration of the concurrent resolution.

Pending:

Dole (for Grassley and Hatfield) Amendment No. 46 (to Amendment No. 43, as amended), to limit the growth in Fiscal Year 1986 budget authority for defense to an inflation adjustment.

Mr. GOLDWATER addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. GOLDWATER. Mr. President, what is the situation relative to time?

The PRESIDING OFFICER. The Senator controlling the time in opposition has 27 minutes. The proponents of the amendment have 13 minutes.

Mr. GOLDWATER. I thank the Chair.

Mr. METZENBAUM. Will the Senator from Arizona yield for just a question?

Mr. GOLDWATER. Well, all right.

Mr. METZENBAUM. I only want to ask the Senator from Arizona whether he intends to use the remainder of the time until 12 o'clock. I have no objection, but I just want guidance.

Mr. GOLDWATER. No, I shall not use 27 minutes, but I cannot tell him how many minutes I will use.

Mr. METZENBAUM. I thank the Senator from Arizona and I apologize for the interruption.

Mr. GOLDWATER. That is all right.

The PRESIDING OFFICER. The Senate may proceed.

Mr. GOLDWATER. Mr. President, I believe it is time once again to remind my colleagues of the hard facts concerning the security of our Nation. It has become obvious over the past few weeks that many of my colleagues have conveniently forgotten that there is a growing threat to our national security. I want to ensure that the Senate is fully aware of the impact of further reductions in the defense budget.

I might remind my colleagues, if they will look at their Constitution, that the first responsibility of Members of Congress is to provide for the defense of their country. It is not to provide for food stamps, social security, retirement, COLA, or anything else; it is to defend their country and defend this country's freedom.

Mr. President, for a brief period in the early 1980's, Americans shook the shortsighted notions of the 1970's. But now, as the price of defending our interests and holding to our cherished principles has become the focus of popular attention, too many Americans in positions of leadership want to return to the policies of weakness, conciliation, and isolationism.

Mr. President, I recognize that in Washington, DC, and in other parts of our Nation, there are many organizations that are opposed to our strong defense and offense position. This is their right. I watched, for example, on channel 26 last Sunday night a complete program against the structure, the ability, and so forth, of our Armed Forces. All I am asking my colleagues is that when they are supplied information on our Armed Forces, they realize the source and whether they are willing to stand behind the veracity of the statements that they will receive.

Mr. President, the threat that we face is real, is ominous, and it is growing. The Soviet Union has not frozen its defense efforts over the last 4 years; it has moved ahead rapidly in all categories. Over the past 10 years, the Soviet Union has fielded an additional seven divisions and has outproduced us in virtually all ground force weapons systems. The Soviets have produced tactical aircraft at twice the rate of U.S. production and have increased their fleet of nuclear attack submarines by 50 percent.

Mr. President, I might remind my colleagues that we have not, in almost 20 years, purchased enough tactical aircraft to meet the normal attrition of accidents that occur within those forces.

Over the same period, talking now of the Soviets again, they have quadrupled their arsenal of ICBM warheads and deployed more than 420 intermediate range nuclear missiles.

Mr. President, I have to comment here that if there is one thing the Soviets worry about in relation to the United States it is our mastery of technology. I want to say at the same time that the technology of the Soviet Union has increased rapidly. The equipment that they are putting into use today is far, far better from a technological standpoint than they were a few years ago; nevertheless, we retain that leadership. As long as we do, that respect from the Soviet Union will exist. In fact, I think it is one of the reasons that the Soviets agreed to come back to the bargaining table in Geneva—that plus the fact that we have probably the strongest conventional forces in the world regardless of size.

There are no reliable indicators that the Soviet arms buildup is abating and there is no logic in assuming that the Soviet military budget would be frozen if we froze the U.S. defense budget. As President Reagan has said, we are not free to size our defense efforts simply in terms of our domestic economy. We must respond to requirements that are outside of our control.

Let me remind my colleagues also that when I speak of the Soviet Union, I speak of them only as one potential enemy of our freedom.

We are committed, Mr. President, to military action with no treaty. For example, we have promised the country of Israel that, if they are attacked, we will come to their defense. Now, that is a matter of honor. It is a promise that I think we would have to honor. So we are not only talking about the possibility of having to engage in combat with the Soviet Union. We have another country coming up that we have, unfortunately, blessed by our recognition, Red China—just to mention a few of the places that we did not have as possible enemies or sites of conflict a few years ago.

Four years ago the Congress and the American people endorsed a defense recovery program which would help our Nation recover from the neglect of the 1970's, but the Congress has reneged on that endorsement and made significant reductions in the President's defense budget plan.

Since March 1981, when the President submitted a 5-year defense budget in response to the mandate provided by the American people in November 1980, the Congress has cut almost $100 billion from the defense budget. The President's budget request for 1986 is almost $60 billion less than what he proposed in his original 5-year plan for this coming fiscal year.

Now, the President has agreed to reduce his defense request for 1986 by an additional $10 billion, resulting in a total cut from the March 1981 plan of $165 billion. And still some of my colleagues in the Congress want to cut more.

It has become sort of a fetish with my colleagues in the Congress that the only place we can achieve any hope of reducing our deficit is through the defense budget. Let me remind my friends that we could eliminate the defense budget and it would not solve our deficit problems. We are not in trouble because we have been spending money on defense. It might contribute to it a bit. Our trouble stems from the almost unlimited number of welfare programs Congress has enacted in the last 50 years. It is contributed to by the inability of Social Security to support itself, by the inability of almost every Government retirement plan, civil service, railroad retirement, veterans, and now my colleagues say, "Well, we will take it out of the hide of our Armed Forces."

Many of my colleagues argue that the defense budget has grown at the expense of domestic programs. I will tell you unequivocally that this statement is untrue. The Congress has cut the defense budget request to varying degrees in 8 of the past 10 years while adding to the domestic budget in 6 of those 10 years, and on the whole the size of the increases in the nondefense area have far exceeded the cuts in defense. This demonstrates to me that the major share of responsibility for rising deficits must rightfully be pinned on growing domestic programs rather than defense, contrary to the assertions of some of my colleagues.

Now, Mr. President, several of my colleagues will propose amendments to the budget resolution which would accomplish similar levels of deficit reduction either by raising taxes or by cutting defense but not by significantly reducing spending for politically popular domestic programs. But what share of the deficit reduction burden must defense bear? According to OMB, the defense budget represents approximately 26 percent of Federal outlays in 1985. Under the Senate-administration compromise plan, defense provides over 36 percent of the total deficit reductions in 1986, and 33 percent of total reductions over the 3 years.

Mr. President, Senator GRASSLEY's proposal, which I in part am addressing, would cut an additional $5 billion from 1986, making the defense share in that year over 44 percent of the total reductions. Over 3 years, the Grassley amendment would take 43 percent of total deficit reductions from the defense function.

Now, I believe that the Senate-administration compromise represents more than a fair share of reductions from the defense budget and that Senator GRASSLEY's proposal goes too far.

I ask my colleagues who want more cuts in defense, from where would these cuts come?

I mentioned yesterday on the floor that I have been in this community almost every day since last November's election. I have been begging my colleagues to tell me where they want defense cut. I think the first statement I made was, "Yes, we can reduce defense spending. Where do you want to cut it?" I have not had one single proposal of where we might cut this defense budget.

The Armed Services Committee, which I chair, has reported a national defense authorization bill for 1986 which represents approximately 3 percent real growth in defense over 1985. Now, we took a shot at marking that bill to a level allowing no real growth, and a bipartisan majority of the committee would not endorse that level of reduction. I ask, therefore, that those who advocate greater reduction tell me precisely where they would take those cuts.

I have a hunch that there will be 50, 60, or 70 amendments offered on this floor in the next several days pointing a finger at precise places where my colleagues feel there can be further cuts.

It is not enough, however, to say cut this weapon system or that one in order to achieve the major outlay savings required by a budget freeze. It is not that simple. Looking at the outlay distribution for the 1986 defense budget, one finds the following: 42.9 percent will be devoted to pay and related expenditures; 7 percent will go for operating expenses; 38.3 percent will be spent to fund prior year commitments, and only 11.9 percent represents discretionary investment for 1986. This means that unless we are willing to sharply curtail operations, significantly reduce pay or cancel existing contracts, the brunt of cuts must be absorbed in the discretionary investment area. And Congress has shown over the past 4 years that we will not substantially reduce pay for military personnel and defense civilians or make significant cuts in the operation and readiness area.

Now, Mr. President, in that respect I would like to warn my colleagues against entertaining the idea of introducing amendments that have anything to do with retirement or anything affecting the military. I will be the first to recognize that the whole retirement structure needs going over. I will tell you at this time that Senator NUNN and I and other members of the Armed Services Committee have been working on a very, very thorough, heavily detailed document that will outline the real problems that we face in the Pentagon in the command structure. This is the first time it has been attempted since the 1920's.

I further remind my colleagues that the Constitution charges us with raising the Army and the Navy and retaining control over them.

So I do not want to see amendments offered to tamper with personnel, because at the present time we have the best personnel we have ever had in the armed services in my long, long association with them.

I do not want to see at this time a beginning of a loss of great interest, as shown in our ability to fill our ranks, not just with young men and young women, but young men and young women of high school level, which is something we have never accomplished before.

My colleague from Iowa offered an amendment yesterday to cut the defense function in the budget resolution by more than $17 billion in outlays for 3 years. In explaining his reasons for offering this amendment, my colleague cited the familiar theme of waste, fraud, and abuse in Pentagon procurement practices.

Senator DOMENICI correctly made the point the other day that we can all complain about inefficiencies in defense procurement practices. But when the Pentagon is involved in almost 15 million transactions and awards, over $146 billion in contracts annually, cutting the defense budget is not going to eliminate these inefficiencies.

I want to take my hat off to my friend from Iowa for the great work he and the Senator from Delaware [Mr. ROTH] and others have been doing in this general area of calling the attention of the American people to obvious examples of waste, such as $5 nuts and bolts, $200 wrenches, and so forth. But when you are engaged in 15 million transactions a year, it is pretty difficult to figure out how we are going to eliminate these things.

However, if we study the bill we have introduced from the Armed Services Committee, we find an amendment that lists every bad piece of business that Senator GRASSLEY and Senator ROTH have pointed out. The bill lists them and prohibits them and provides not just minor penalties but very severe penalties—jail and money. Even though most of these would probably be allowed by the Internal Revenue Service, we do not propose to allow them in the general conduct of the business of purchasing equipment.

I might also make a comment relative to the Navy, and the Navy is merely an example. Through Secretary Lehman, there has been established a competitive group. I spoke with this group several months ago. Every one of them has at least the rank of captain, many the rank of commodore. Their job is to go around the country and try to chisel, try to get the cost of equipment down. Have they done any good? They did enough good last year to refurbish the U.S.S. *Missouri* and build two frigates, without any additional cost to the taxpayer.

The other services, I can report, are now engaged in similar exercises. I think that those facts, along with the work that Secretary Weinburger has been doing in this field, will have an immediately demonstrable effect.

I should like to make my colleagues aware of a few of the instances in which the Department of Defense has discovered and combatted waste and inefficiency in the procurement process.

Critics charge that the weapons costs are growing out of control. The Congressional Budget Office reports, however, that the annual rate of cost growth for major defense systems has declined from 14 percent in fiscal 1980 to less than 1 percent in 1984.

For example, the cost of the C-5B transport plane dropped by 10 percent in the last year. The Army's UH-60 Blackhawk helicopter costs 9.5-percent less than last year. The CG-47 Aegis class cruiser costs 8-percent less than last year. Reductions in weapons costs indicate a major improvement in the procurement process—contrary to the allegations of my colleagues.

I might comment on another piece of equipment. The AH-64 attack helicopter has dropped in price from $16.5 million to under $10 million.

The major achievement of the Department of Defense is increased competition for procurement contracts. Since fiscal year 1980, the number of yearly competitive contracts has increased by 37 percent, to over 6 million contractors. During fiscal year 1984 alone, the Department of Defense competitive awards increased to more than $53 billion, or 43 percent of all procurement dollars. Only 28 percent of contract awards were not competitive.

Internal audits in the Department of Defense uncovered most of the so-called horror stories relating to spare parts procurement. For example, while the Pentagon did buy a diode for $110, they received a refund for that single overcharge and in the same year purchased more than 120,000 of the same piece for only 4 cents each. The Pentagon did buy a hammer for $435, but subsequently received a refund of the overcharges and purchased over 87,000 hammers for $6 to $8 each. DOD never bought the $9,600 allen wrench because the purchase was stopped when the excessive charge was discovered.

Critics charge that the Pentagon allows excessive contractors charges and ignores fraudulent practices. But the facts show that DOD will recover over $200 million from two manufacturers who billed the Pentagon for improper charges from 1978 to 1983. The Pentagon has suspended payments to

contractors who make false claims. DOD investigative services opened over 48,000 fraud and larceny charges over the past 3 years, referring over 20,000 for prosecution or administrative action and winning over 1,500 convictions. Over 1,000 unscrupulous defense contractors have been suspended or debarred from doing business with DOD since 1981.

My colleague was probably unaware of these facts, and I am happy to enlighten him.

Mr. President, our budget problems are very real, and we must address them responsibly and with dispatch; but our deficit problems cannot be remedied at the expense of national security.

I have to say that freezing the defense budget has quite a bit of sex appeal the first time you hear it. A freeze of everything across the board would make every committee's job practically nonexistent. It would be a lot easier than what we go through today. When we look at the defense budget and realize what we are talking about, freezing is going to result in only one thing—ultimately, much higher cost for each item we freeze.

For example, in this year's military budget there is only one new item. It is a $40-million contract to buy communications equipment so that the Army will have better access to the entire area they are defending, and it will allow them at this time to have better communications with the Air Force.

That is the only item that we have in this year's budget that is not new.

Where does the rest of the money go? It goes to pay for things that we have not only bought but for things which are now in our inventory. For example, the F-15 aircraft, the F-14, the F-16, the F-81, the B-1B, the M-1 tank, the Bradley Battlewagon, so on and so on.

These are moneys that we owe and if the United States all of a sudden says to these manufacturers across this country "We are not going to pay you this year," I do not think it take much imagination to realize what is going to happen when we start paying contractors again and start placing orders again as we should be. Freezing would be a giant step backward after 4 years of success in restoring our military posture and regaining the confidence of our allies.

We must make the difficult and politically unpopular decisions which are necessary to make responsible reductions in both defense and domestic spending, and I urge my colleagues to continue to support the Senate-administration compromise.

In closing, Mr. President, I have spent almost every year of my adult life close to the military. I have to say that I speak with some prejudice when I speak in favor of the military. I have never known the military strength of the United States to be as well off as it is today. I hear a lot of so-called academic experts, I have read a lot of books, pooh-poohing this idea, but I go out in the field, Mr. President, I travel around this world, and I talk to the men in uniform. I do not talk to the officers. I talk to the enlisted men. That is where you get the real truth.

Never have we had as well prepared Armed Forces as we have today not only from the standpoint of equipment, although we do not have enough of it, but from the standpoint of individual proficiency in the use of this equipment and individual respect, discipline, and loyalty to the cause.

So, when we begin looking at places we might cut this budget, let us think about that. Let us think about our country. Let us stop trying to think a way we can get reelected, and that seems to be the only exercise we have been going through on this floor. How many votes can I cast that will get me reelected. Getting reelected is not the important thing. Protecting our freedom, defending our rights, and the rights of the American citizen is our first prerogative, and I urge you do not forget it.

I yield the floor.

The PRESIDING OFFICER (Mr. WILSON). The Senator from Ohio.

Mr. METZENBAUM. Mr. President, how much time remains on the amendment and how much time on the resolution?

The PRESIDING OFFICER. Remaining time on the amendment is 15 minutes under the control of the majority leader.

Mr. METZENBAUM. I yield myself such time as I may need on the resolution.

The PRESIDING OFFICER. The Senator may proceed.

Mr. METZENBAUM. Mr. President, I think that the amendment being considered at this moment is probably as important as any amendment we will consider.

I think that the Senator from Iowa, whom I commend for having offered this amendment, stated it so well when he said yesterday that we have created a new group of welfare queens, defense contractors.

The Senator from Iowa is right. The five largest defense contractors in this country received $620 million in Federal tax refunds even though they did not pay a penny of Federal income tax on their profits of $10.5 billion over a period of 3 years, 1981 to 1983.

Defense contractors are the ones who participate in the ads telling us we ought to balance the budget, but not at their expense.

Boeing made $1.5 billion and received $267 million in refunds. General Dynamics made $931 million and received $71 million in refunds. Grumman Corp. $474 million; no taxes paid. And Lockheed $1.08 billion in profits; no taxes paid.

And let us not forget General Electirc which earned $6.5 billion in profits from 1981 to 1983, paid no taxes, and received refund checks totalling $283 million.

Of course, some major defense contractors did pay taxes but at very, very low rates. Martin Marietta Co. paid 1.5 percent; Rockwell International, 3.1 percent; and TRW 6.7 percent.

My distinguished colleague, chairman of the Armed Services Committee, said, how are we going to balance the budget, what are we going to do? Well, I think that one of the things we could do in order to balance the budget is to see to it that every corporation in this country that makes profits bears a fair share of that tax burden.

I think that we ought to understand full well that the proposal of the Senator from Iowa is not to cut defense spending. I think if I stood here for the next 20 minutes and repeated myself over and over again, it might still be difficult to get the media to explain to the American people that there is not a Senator in this body who has come forward with a proposal to cut defense spending. Some argue that we cut defense spending when we spend less than some figure the President has set as the amount needed for defense spending. But even the Budget Committee proposal provided for an inflation allowance, which is not the same way that every other program in this country was treated. And this proposal is for 3 percent in excess of inflation.

In other words, the Senator from Iowa is trying to eliminate that 3 percent above inflation. He is not attempting to eliminate the inflation increase. He is just saying, "Look, enough is enough."

What he is saying and what all of us are saying who support this amendment is that in considering a budget you have to look at the priorities, you have to be fair, and you have to see what you get for your money; and there has been so much waste and fraud and abuse in the Department of Defense that it is embarrassing.

The man who heads that department had a reputation in his younger years as being Cap the Knife, and many of us thought that when he came into office in the Department of Defense that we would really see a tough-minded approach being brought to the whole issue of defense spending. And as a matter of fact, there is not that much secret about it, that the distinguished chairman of the Armed Services Committee and I some years ago wrote an eight-page letter to the Secretary of Defense indicating how there might be some economies and ef-

ficiencies in the Department of Defense.

Nor is it a secret that he and I joined together trying to force the Department of Defense to utilize competitive bidding in the purchase of a plane called the CTX. The CTX purchase is not the most major item in the Defense Department expenditures, but it is indicative of the determination of the Department of Defense not to use competitive bidding unless forced to do so.

I remember when Mr. Carlucci was the Deputy Secretary of Defense, and an able one was he. I remember when Senators ARMSTRONG and WARNER and I met with Mr. Carlucci and Cap Weinberger to talk about our concerns about wasteful Department of Defense spending, and he indicated then, and I have no reason to doubt his commitment, that indeed the Department of Defense was going to move into this area and we indicated our concern at that point that the failure to use competitive bidding by the Department of Defense in something like 90 percent of the dollars spent for procurement was wasteful and inefficient.

No local township trustee or city official or county official or State official could get by with the same failure to use competitive bidding.

This issue of competitive bidding is not a new one for the Senator from Ohio. I have stood on the floor of the Senate when there was a Member of my own party, the chairman of the Armed Services Committee, and I have fought and proposed amendments to require competitive bidding. And I have seen the acceptance of those amendments on the floor of the Senate only to see them disappear in the conference committee.

No matter how you slice it, there remain serious problems with competitive bidding and other businesslike practices in the Department of Defense. Everyone talks about it as being a wish and a hope.

But the situation with respect to Mr. Carlucci was an interesting one because, after we had had the meeting with him and after we had urged upon him the utilization of competitive bidding, we found Mr. Carlucci issued 31 new initiatives by the Department of Defense. And by some strange reason that I still have never had explained to me, there was one initiative that was not included and that was the requirement to use competitive bidding.

And so when we raised the issue with him again, there was a 32d change that was made, and competitive bidding was included, but it was alleged there was an oversight at that point.

One thing we know. Everybody wants to balance the budget. Not one Member of the U.S. Senate says that we should not have a balanced budget. And everybody in America writes letters, or some do, but all those who do urge this Congress to balance the budget. Often, when I get a letter from somebody of that kind I usually point out to him or her the fact that he or she may also be supporting at the very same point some part of the budget, some part of our tax laws, some part of our expenditures that would really not help us to balance the budget.

Everybody wants to balance the budget provided that somebody else pays the tab. And so what we are thinking about with the Grassley amendment is a strong move in the direction of balancing the budget by agreeing to give the Department of Defense an increase in their spending commensurate with the amount of inflation for the period but nothing more.

What we are talking about is whether or not we are going to spend for a single MX missile the same amount of money that could be used to eliminate poverty in 100,000 female-headed families for a year.

As a matter of fact, for the cost of one nuclear attack carrier, we could pay for all the foster care needed in the United States for the next decade. That would be about 100,000 foster care arrangements per month for 10 years.

For the cost of a single M-1 tank, we could send 5,311 children to remedial reading classes for 1 year. And would we not have a better America if we did that instead of buying the tanks and some of the equipment that is presently being purchased that does not even work, such as the Divad?

In 1980, defense was 23 percent of Federal outlays. It will reach 30 percent by the end of fiscal year 1986. In fiscal year 1980, we spent $144 billion in defense; by fiscal year 1985 we will be spending $293 billion, more than a 100-percent increase over 1980. And by 1990, we will be spending $488 billion, about 3½ times, as a matter of fact, the amount that we were spending in 1980. We have doubled the defense budget in 5 fiscal years and we will nearly double it again by 1990 if we proceed along the present path.

Over the next 5 years, the President wants $2 trillion for defense. Now what is $2 trillion? Two trillion dollars is so much money, it is such a big number, that hardly any human being can conceive of what $2 trillion is. But I think everybody ought to understand what it is. I think those who work here ought be understand what it is. I think everybody in the media ought to understand what it is.

The simplest way that I can explain to them what $2 trillion for defense is over the next 5 years is to say that every single household in this country will have to pick up the tab to the extent of $25,000—$25,000 for every single household in America. That is what a $2 trillion defense budget means to America.

Secretary Weinberger's credibility has become an issue in this whole matter of defense spending. Now the Secretary, who I respect and who I think is a decent human being, frankly speaking, has a credibility problem. And that credibility problem is not just in the Senate. It is with the American people.

Cap Weinberger in 1981, said this:

> We can do this because the American people are prepared, for the first time in two decades, to make major increases in resources available for defense.

Cap Weinberger was right. And I do not question what he said in 1981. Because in 1980, 71 percent of all Americans, according to the Harris survey, wanted defense increases. But 4 years, and $1 trillion later, the American people are saying: "Stop. Enough is enough." But the Secretary of Defense, unfortunately, and Ronald Reagan, unfortunately, are not listening.

The Harris Poll in January of this year has support for increased defense spending not at 71 percent, not at 61 percent, not at 40 percent, not at 20 percent, but at 9 percent of the American people, according to the January Harris Poll. That is the lowest that it has been in 14 years. Yet the Department of Defense comes to the Senate with a $2 trillion defense budget—that is the 5-year projection—$25,000 for every household in America. So I say that the Secretary has a big credibility problem.

He says it is the Russian threat, their superiority, that dictates the budget increase. By a 57 to 37 percent majority, Americans reject that claim, accordiing to the Harris survey.

The Secretary says he has brought cost overruns under control. But, Mr. President, by an 84 to 11 percent majority, the American people do not agree with him.

The Secretary says he has come to grips with waste, fraud, and abuse in the Department of Defense. But by 89 to 8 percent majority—89 to 8—the American people believe there is still too much waste in defense spending.

The Secretary says we need every single weapons system in the budget, but by a 74 to 19 percent majority the American people say that the military keeps coming up with too many systems that just will not work.

And then the Secretary says that the Defense Department does not contribute to the deficit in a major way, and the President adopts that line of reasoning. And he say that budgets for other programs are largely irrelevant to the defense budget.

But those of us in the Senate know differently. We know that budgets are about choices. The Secretary and the President would say there is no con-

nection. The American people do not agree with that. They know that there are choices, tough choices, to be made. They are not making them the way the President and the Secretary would have us believe. According to the Harris survey, by 77 to 15 percent, or 5 to 1, an overwhelming majority would cut defense spending before cutting Medicare benefits, and by a 74 to 20 percent majority they would cut defense spending before cutting Federal aid to education.

Another substantial 71 to 21 percent majority would cut defense spending before making any further cuts in Federal health and nutrition programs. By 57 to 32 percent, a clear majority would prefer to seek cuts in defense spending before cuts in Federal farm price supports.

Of course, we do not run Government by polls, and I know that I have belabored the point with respect to the Harris survey. But I think those who would come to the Senate and say that the American people want to spend more and more on defense are not reflecting the will of the American people. I think those who would say that in order to balance the budget we have to gut social programs while increasing defense by $23 billion are not reflecting the will of the American people.

I do not think I ever received as many comments and reactions as I did on a recent trip to Ohio from people who indicated their concern—about how they were going to send their children to college; about whether they were going to have a larger tax burden or be unable to run their local communities by reason of cutbacks in general revenue funds.

The American people are scared. They are afraid of what the President of the United States and we here in the Congress are doing to them. The American people still believe in a strong defense, but they no longer believe that $1 billion a day defense budget is a guarantee. They want the Department of Defense to live within this Nation's means. They also want to cut the deficit. They want restraint and shared sacrifice. You can no longer pass off a $23 billion increase next year as being a tough cut on the Department of Defense. Quit kidding the American people. The American people know that an increase is not a cut. We ought not try to convince them that increasing defense spending is indeed a cut from some mythical figure that the President of the United States and some Members of the majority party arrived at in the Rose Garden sometime ago.

I say to you that I believe that the challenge before us is one that we can accept. We can meet our responsibility by bringing an element of fairness, and an element of equity to this budget. In order to do that, we must determine what kind of defense spending we should have as compared to what kind of spending we should have for domestic programs in this country.

A very famous President, a very famous Commander in Chief made this statement on the question of national priorities. On April 16, 1953, Dwight Eisenhower said the following:

> Every gun that is made, every warship launched, every rocket fired signifies . . . a theft from those who hunger and are not fed, those who are cold and are not clothed. This world in arms is not spending money alone. It is spending the sweat of its labors, the genius of its scientists, the hope of its children.

Now is the time to heed the eloquent advice of our former Commander in Chief, our former President.

Mr. DOMENICI. Parliamentary inquiry, Mr. President. How much time remains in opposition to the amendment?

The PRESIDING OFFICER. All of the time in opposition has expired.

Mr. DOMENICI. How much time remains for those who support the amendment?

The PRESIDING OFFICER. Thirteen minutes.

Mr. DOMENICI. I understand the distinguished Senator from Indiana desires to speak in opposition to the amendment. Senator, we have about 11 hours on the resolution. I think the other side has about 16. I yield such time as you might need off the resolution. Do you need 10 minutes? I yield 10 minutes to the distinguished Senator from Indiana off the resolution.

Mr. QUAYLE. Mr. President, I thank the distinguished chairman of the Budget Committee for yielding time.

Mr. President, I serve on the Budget Committee and also the Senate Armed Services Committee, and have spent a lot of time on looking at the defense budget, and trying to figure out what we ought to be spending, and what kind of needs we have in the area of national security. Having served on those two committees, I have had the privilege of listening to a lot of reasons that we ought to cut defense spending, and quite frankly a lot of reasons to cut defense spending have been rather irrational. We somehow come up with: If we cut Social Security, we must cut defense. If we cut nondefense here, he have to cut defense there, forgetting the fact that defense spending is judged on the threat and the allocation of resouces to meet that threat.

Now we have just heard somewhat of a reason to cut defense spending: Defense corporations do not pay any taxes. I might also state that is one that is really one of the more irrelevant matters as to how much money we should be spending on national defense. That argument on whether defense corporations or any other corporations ought to be paying taxes ought to take place in the tax simplification proposal that the administration will be suggesting. But that does not disabuse anyone nor does it change the tenor of the debate on defense spending because I think the whole debate has been many times very irrelevant to the fundamental point, that is, what should our allocations of defense spending be to meet the Soviet threat?

I have the deepest personal affection for the Senator from Iowa. He and I had the privilege of serving together in the House of Representatives. We were elected in that class, or infamous class, of 1980 that we will be hearing one heck of a lot about in these next few months. We have enjoyed a very good personal relationship over the years. But having said that, we do have violent policy differences on how we ought to approach the area of national security.

I know that he will take my remarks in the policy area and not as a personal matter. But I really believe, Mr. President, that in fact in this budget debate we are simply picking numbers out of the air. We have one day a 3-percent real growth defense budget, next day we have 4-percent real growth defense budget, and now we have a zero-percent real growth budget. There also was a proposal to freeze military spending at the nominal level we approved last year. That would mean we would have a negative 4-percent real growth in defense spending. In the Budget Committee the Senator from Iowa had positioned that he was for a zero, and absolute zero growth: minus 4 percent. Now we are on the floor and the amendment before us is a zero growth but to allow for inflation. And so we have had a change of opinion of the Senator from Iowa from the Budget Committee to the floor that I think has moved in the right direction. Maybe if we had this debate a few months later on we might get the Senator from Iowa and others to move from that zero percent to 3 percent. I do not know. I do not know what factors went into the change of opinion of the Senator from the Budget Committee to the floor but I certainly welcome it. I welcome those who have moved from supporting zero growth, which is a minus 4 percent, to have a nominal increase of 3 or 4 percent. It is heading in the right direction. I am hopeful, though, quite hopeful, that this amendment will be defeated.

Mr. President, what we are doing here is playing bingo. We are calling off numbers, numbers that nobody knows what meaning they have except those in the Armed Services Committee, who have diligently, under the leadership of Chairman GOLDWATER and ranking member Senator NUNN, gone through and analyzed back to where we can make reductions and

cuts in the area of national defense. But, no, right now, it is a bingo game out here. You know, zero percent—that is a zero-percent increase, not zero minus 3 or 4 percent. You can just get up and call off numbers and make a speech and that is it.

Let me tell you, Mr. President, I do not think we ought to be playing bingo with national security. This is a very, very important issue. This is an issue of vital concern to this country. Certainly, defense spending is going to take its licks like everybody else. We have cut defense spending. We have cut defense spending from the rose garden over the 3-year period of time, with the 3-3-3, about $125 billion over the next 3 years—a $125 billion cut. The Senate Armed Services Committee, to get down to the 3-percent real increase, cut out $19 billion in 1 fiscal year; $19 billion of cuts in 1 year, $125 billion over 3 years. That is, in fact, a serious cut in defense.

Believe me, Mr. President, I understand the politics of the situation so well. I understand that it is in fact politically popular to say, well, we are just going to cut defense. Well, we have cut defense. The question is now, do we want to cut defense even more? We had a very, very good discussion of this situation in the Senate Armed Services Committee. It was a bipartisan vote. We took hours and hours of testimony. We reported it out overwhelmingly at 3 percent and here we are on the verge of saying, well, we have come down and cut the President's increase in half; now, that is not good enough and we really need to cut it down even further.

I suggest that if we, in fact, do that, we are really getting into the high-risk area, and I hope that the Senate will follow the lead of the Armed Services Committee on a bipartisan basis and not the lead of just a number that happens to be plucked out of the air and put into the budget resolution, and say this is what we ought to be spending on national defense.

Mr. President, one of the things that we all look for is some degree of stability and some feeling that when the Government of the United States says something, there is a reasonable degree of assurance that they are going to live up to that commitment.

The commitment that the United States has made with our allies in the past few years is that we are in fact going to increase defense spending because of the neglect we had in the decade of the 1970's and the fact that we do not want to return to being a nation that lacks respect, that lacks credibility, that is viewed by the world as impotent. That decision was made by the people of the United States in 1980 and was reaffirmed in 1984, that if given the choice and the risk, we believe we ought to decide on the side of being too strong. But if you give the American people or give somebody else a choice, particularly our allies, in the question, would you rather have an America too strong or would you rather have an America too weak, they will say, we will risk on the side that we would rather have an America too strong rather than an America too weak.

Mr. President, last year, on the floor of the Senate, by a vote of 76 to 16 on June 7, we adopted an amendment that confirmed and said, it is the sense of the Congress "that the President should insist that the pertinent member nations of the North Atlantic Treaty Organization meet or exceed their pledges for an annual increase in defense spending during fiscal year 1984 and 1985 of at least 3-percent real growth." We said of our allies that we expect them to have a 3-percent real growth. We have a lot of alliance bashing. We say, "Oh, come on, NATO, do your share; come on, Japan, you are not doing your bit."

We had Senators stand up and they said, "It is a paltry 1.2 percent to 1.7 percent average real growth rate for our European allies. We and our allies can afford a mutual defense. As a matter of fact, we cannot afford not to defend ourselves."

Again, this Senator reaffirms that NATO ought to have a 3-percent real increase in defense. By asking NATO and our other allies to have a 3-percent real increase in defense implies that the United States will do equally well.

I can say one thing, Mr. President. We are now down to 3 percent and if, in fact, we go below that, but even as we are now at that level, there will not be too many NATO amendments this year. As a matter of fact, I would not be at all surprised if perhaps in the Bundestag or the British Parliament, they might introduce resolutions over there saying, "United States, you ought to live up to your commitment. You said we ought to spend up to 3 percent; why don't you?"

Mr. President, where does that put us as a nation, that we are as a matter of fact not going to live up to that commitment we have made, that commitment that we have made as a nation, the commitment we made as a Congress just a year ago? And all of a sudden, because of some other reason, we decide just to pull the plug on a steady projection of increasing defense spending by 3 percent over the next 3 years.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. QUAYLE. May I have 5 more minutes?

Mr. DOMENICI. I yield 5 additional minutes off the resolution.

The PRESIDING OFFICER. The Senator from Indiana may proceed.

Mr. QUAYLE. I thank the Chair.

I would like to read a couple of other statements that were made by Senators during the debate that stated our commitment of 3 percent. Senators said, "We are asking the Europeans just to live up to what we do." Last year, we asked them to live up to a 3-percent commitment. Now what are we going to tell them? Live up to a zero-percent commitment? I mean, come on, we have to have some degree of harmony, some degree of consistency.

Another Senator said, "I submit that if this alliance is not strong enough so that we can have a team which operates as a team and meets its commitments as a team, then we are going to be weakened."

I would say that we, in fact, will be severely weakened if, in fact, we adopt this amendment.

Mr. COHEN. Mr. President, will the Senator yield for a question?

Mr. QUAYLE. I shall be glad to yield.

Mr. COHEN. As I recall, and perhaps he will refresh my recollection, last year, there was a major amendment debated in this body as to whether or not, if the Europeans did not measure up and do more, we were going to start withdrawing our troops. It seemed to me that sent shock waves through not only this country's military establishment, but the Europeans'. And they are still bruised by that particular amendment.

I happen to have agreed with the goal of the Senator who offered the amendment, but not necessarily the method used. Here we are, less than 1 year later, talking about doing far less. It seems to me the Senator makes a very valid point that it is difficult to argue to the Europeans that they have not measured up, and we are going to pull troops out if they do not shape up or ship out, as I recall the phrase used last year. Here we are, maybe 8 or 9 months later, calling for doing exactly the same thing the Europeans were doing a year ago.

Mr. QUAYLE. The Senator is absolutely correct. And the Senator, who was a very pivotal person in that debate, knows full well the parameters of that debate. That debate, as he said, was either shape up or ship out. I believe that is what it was.

I think the point the Senator makes and perhaps one good thing would come out of this, is that at least this body is not going to get any NATO amendments this year. I think it would be difficult for the Senate to stand up and say, "NATO, you live up to your commitment." What is that commitment? That commitment, if we adopt the Grassley amendment, would be zero.

I agree with the Senator from Maine, who is an expert in this particular arena, that perhaps some of

our legislators across the ocean might be introducing amendments to ask the United States to live up to their commitment.

It would be sort of the reverse NATO amendment.

Last year we adopted a sense-of-the-Senate resolution that we ought to spend 3 percent at least. I remember on the campaign trail last year, former Vice President Walter Mondale's defense budget was the NATO budget of a 3-percent increase. Now we are seeing the possibility that we are not going to have 3 percent, that we are going to go down to zero growth.

Mr. President, I also want to discuss the issue of fairness and that somehow defense is not paying its fair share of the budget deficit reduction package.

The budget deficit reduction package now with Social Security added back into it, if this amendment would pass, would make defense spending cuts about 43 percent of the total budget deficit reduction package. Defense spending is only 26 percent of the budget.

If you want to play with numbers and statistics, I can produce statistics showing that you are going to be making an inordinate amount of cuts in defense spending, and I do not believe we want to do that. I do not think it is fair.

Looking at the issue of national security, I do not think that is the right thing to do. But fairness is a very important argument that has in fact been waged over these past months.

Now, Mr. President, I want to refute a couple statements that have been made by my friend from Iowa. He has stated that competition is somehow alien to the Defense Department. I can tell you that competition is becoming much more the rule rather than the exception. Consider that tactical missiles—the Sidewinder, Sparrow, Maverick, and Hellfire—are being produced by two competing manufacturers. Second sources are also planned for the Phoenix and AMRAAM, and the committee has directed the Army to evaluate a second source for the TOW missile.

As chairman of the acquisition subcommittee, I can also assure the Senator that competition and how we get more for the dollar in the Department of Defense is something about which I am vitally concerned, and the committee is also concerned. I know the chairman of the Armed Services Committee has said that this subcommittee is perhaps one of the most important subcommittees of the Senate Armed Services Committee, because we are going to get a better procurement system, we are going to get more competition. I know the Senator from Maine has an intense interest in this area. We have more competition. Competition is in fact saving money.

Competition by dual sourcing, once you award a contract and get another contractor involved, sometimes takes up-front money, but it is going to save money in the long run. If in fact we go down to zero growth, I can assure you competition is going to take two steps backward, because one of the vital things that we put in the defense bill that is going to come to this floor is encouraging more dual sourcing.

I asked the question of all the services when they were before the committee: "In the cases where you have had dual sourcing, does it cost you less in the long run or more?" Each and every time they said, "It costs less."

I can tell the Senator that what he is trying to achieve—more competition and less cost—will not happen; his amendment will be counterproductive, and we will be having a debate on why unit costs are coming up, why we are not having dual sourcing and why we are not getting efficiency in the Department of Defense.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. QUAYLE. Mr. President, I ask for 2 more minutes.

Mr. DOMENICI. I yield the Senator an additional 2 minutes.

Mr. QUAYLE. The reason why, Mr. President, simply would be that with a budget squeeze we could not afford to have some of the dual sourcing that I would like to see and some of the dual sourcing that in fact the Senator from Iowa says he would like to see.

The Senator also says that the unit costs are supposed to decline as production rates increase, but he claims this has not been the case. Again, I have to take strong exception.

Two years ago the administration proposed to buy six EA-6B electronic aircraft for the Navy at a cost of $66.6 million each. In this year's budget, by increasing that production rate to 12 aircraft per year, the unit cost is reduced to $38.9 million each, a reduction of over $27 million per aircraft.

There are other examples, Mr. President. I ask unanimous consent that other items where in fact we have lower unit costs be make a part of the RECORD.

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

Two years ago when we bought only 230 HARM missiles, they cost over $800,000 each. This year, by procuring 1,715 missiles, that price is reduced to $278,000 each.

Two years ago, when we bought 112 AH-64 attack helicopters for the Army, each helicopter cost $11.9 million. This year by increasing the production rate to 144 aircraft, that price is reduced to $8.8 million per aircraft.

Mr. QUAYLE. Finally, Mr. President, now is not the time to cut defense, for the reasons I outlined, and many more that others will state. We have made a reasoned approach on a bipartisan basis of 3 percent. We have reduced defense. Defense is a part of the deficit reduction package. But we have other considerations. In fact, the national security interests of our country are at issue. If others cannot look to the United States for leadership, for respect, for commitment, for resolve, stability and determination, then I do not know to what country they can look. National security is in fact the No. 1 priority of any nation. It is the No. 1 priority of this Nation. We should take it seriously. The Senate Armed Services Committee has taken that effort seriously. It has produced a bipartisan resolution and I hope that the entire Senate will accept that proposal rather than the proposal offered by the Senator from Iowa.

Mr. DOMENICI. Mr. President, did the distinguished occupant of the chair desire to speak in opposition to the amendment?

The PRESIDING OFFICER. The Chair does and would be grateful for relief.

Mr. DOMENICI. Mr. President, I yield 5 minutes to the distinguished junior Senator from California to speak in opposition. While he is taking his chair as a Senator, let me yield myself 1 minute.

Mr. President, I am having difficulty understanding just what the rationale is for cutting defense. I have not yet heard what I perceive to be a valid reason for anyone to cut defense. I understand some think that, if we cut deep enough, we may reduce the cost overruns, the so-called cost growth, of major weapons systems.

Well, we do not have to dramatically cut defense to see that happen. We have already seen it happen dramactically: In 1981, that overage was 14 percent; in 1982, it was 12 percent; in 1983, it was 3 percent; and in 1984 it was 1 percent.

I really do not know how one could expect much better performance. If you want to save money by getting rid of weapons systems you can do that but that would put America in the position where our deterrent strength invites those who do not like what we stand for, to involve us around the world and ultimately make us weak enough where we will risk a war. But I will have some more to say about the other view that maybe by cutting defense, we will automatically stop all of the waste. I will give some analysis of why that will not work and how we are already making some dramatic improvements in that area at a later time. Now I yield to the distinguished junior Senator from California.

The PRESIDING OFFICER (Mr. QUAYLE). The Senator from California is recognized.

Mr. WILSON. I thank the Chair and the distinguished manager.

Mr. President, 3 years ago when our Nation began to face the awesome

threat of a crippling Federal deficit, one of our own, a Senator of unusual courage and compassion, a Senator taken tragically and all too early from us, cautioned his colleagues against the temptation to solve our domestic fiscal crisis by savaging our Nation's defense. Mr. President, the Senator I refer to is Scoop Jackson. I quote him today and bid my colleagues heed his wisdom now as we did then. Senator Jackson said:

> Mr. Chairman, I would hope that this would be a time of steadiness, a time to go about our work in a manner and in a way which will demonstrate to the world that we can provide a very strong and steady hand in a very unsteady world. I think that is the challenge that we all face because the world looks to this country with only seven percent of its population and the world expects at times bigger things than we are capable of providing, but above all else I think we need to provide a steadiness, not only in reality, but in appearance that will give confidence to others.

Mr. President, Congress must neither retreat nor shirk its responsibility to deal with these cancerous deficits despite the difficult and painful nature of that task. Reducing the deficit is one of the most painstaking processes. The issue remains in doubt, and nothing should escape our scrutiny, and nothing has.

Defense has already made a most significant contribution. But we must recognize, as our colleague Scoop Jackson recognized in that speech on this floor a few brief years ago, that unlike other portions of the Federal budget that are purely internal matters, the defense budget of the United States not only protects the safety, freedom, and security of our own citizens, but also, that of millions of people around the world who depend upon our assurances and upon our strength. We have not made these assurances, these commitments, lightly. The Senate of the United States has been required by the Constitution to ratify the treaties that our defense spending honors, and we should not and cannot take lightly the consequences of those treaty obligations.

The defense budget, Mr. President, represents the tangible manifestation of our commitments to our allies—commitments, Mr. President, that without resources lose credibility. Heeding Senator Jackson's caution, we have embarked on a steady course to insure defense resources commensurate with our commitments. The American people have overwhelmingly endorsed this course. They have rejected the imprudence of "defense on the cheap," and have reaffirmed the inextricable link between ourselves and our allies.

In 1979, our Nation and our NATO allies, in recognition of an ominous and growing threat, pledged to each other to provide at least 3-percent real growth of our individual defense resources, to deploy almost 500 intermediate range nuclear weapons in Europe and to unilaterally dismantle over 1,000 nuclear weapons in the NATO arsenal. These historic agreements, Mr. President, proved to be watersheds in alliance relations and have led the way for the solidarity we enjoy today. There are many Senators, Mr. President, who, while applauding our allies for their fortitude with respect to these intermediate range nuclear force deployments, have chided our allies, have goaded our allies, and—as I have heard personally from many senior alliance defense ministers—have publicly rebuked our allies for falling short in meeting the agreement on 3-percent real growth in defense expenditures.

It has been argued on this very floor, Mr. President, that Americans must ask why it is that we should bear the burden for Europe's defense when the Europeans will not even spend their fair share. Many allies have claimed that domestic fiscal crises have made meeting the resource commitments of 1979 excruciatingly painful, and politically very difficult. This Senate, Mr. President, last year came within a few votes of withholding our resources for the defense of Europe pending NATO compliance with the 1979 accord on 3-percent real growth in defense spending, despite the economic crises faced by our European allies.

Yet, Mr. President, our allies have cinched up their belts. They have courageously taken the political heat. Many have sacrificed their political bases, and this year they have met the 3-percent real growth target.

Can you imagine what now—after their meeting their goals by such painful efforts—a reduction in U.S. defense expenditures this year below the 3-percent real growth that we insisted upon, will do to our credibility with those allies? Can you imagine the impact on the morale and solidarity of the NATO alliance? What other inference can our allies worldwide draw from such an action? They will infer, Mr. President, that U.S. commitment to our allies is more rhetorical than real, and no more lasting than a passing political fashion, full of sound and fury but signifying little in the long run as our limited national attention is diverted by some new domestic pressure. Mr. President, this inconstancy does not serve us or our allies well. It undermines both our real and symbolic strength and thus our value as an ally. As this amendment would shrink and demean America's part as leader of the free world, so would it immeasurably weaken the whole of free world alliances.

Mr. President, because of the constraints of time, I will leave it to my distinguished colleagues who have informed the Senate already as to the direct impact on readiness, military capability and quality of life for our service men and women that such reductions necessarily involve. I will leave to them the direct and indirect economic impact of these cuts on employment, on the jobs of millions of Americans who proudly serve this Nation by insuring that democracy's arsenal is and will always be the finest we are capable of providing.

Yes, this amendment threatens both the security of our Nation and the jobs of honest, patriotic working men and women, steelworkers, engineers, machinists, scientists, iron workers, and tradesmen who unfortunately and inevitably bear the financial and psychological burden of attacks on the integrity of our defense industry. We cannot justify defense spending as a stimulus to employment. Neither can we ignore the fact that our national security interest coincides with our national interest in providing needed jobs to millions of defense workers.

Of course there must be continued efforts, as the distinguished Senator from Indiana has said, in terms of reforming procurement.

But Mr. President, there is no line item in the defense budget for waste, fraud, and abuse. If there were such a line, we would all gladly reduce it to zero. But it is not that simple. Procurement reform is vitally needed, as the Senator from Indiana has pointed out, but meat axe cuts to the defense budget will not achieve reform. It will impede reform. A vote for this measure is not and must not be thought to be a vote for procurement reform.

In fact, Mr. President, cuts of the type contemplated in this amendment may well serve to aggravate and prolong procurement abuses by excising funds that would otherwise be used to pay the upfront costs of increased competition which challenge comfortable sole source procurements.

Nor is a vote for this amendment a vote for fairness. Defense has taken its fair share of the burden of defense reduction. We have already whittled almost $60 billion from the original defense request for fiscal year 1986. Further cuts can represent only a shortsighted, punitive action against legitimate and necessary defense spending.

Procurement, even were the excesses of the process accurately portrayed by media reports, is not the bulk of the defense budget, nor even close to it.

What will inevitably be the consequence of these reductions, Mr. President, is the kind of incremental erosion of U.S. military capabilities that we saw in the seventies. And this erosion, Mr. President, will inevitably impact on our commitments to our allies. There are many in the Chamber today who can recall all too vividly the consequences of this erosion. They re-

member when President Carter sought to withdraw U.S. troops from Korea because, he said, his defense budget did not match our commitments.

Who among us, Mr. President, will tell us which of our commitments we can fail to honor, or what costs such failure will carry? Which ally we can turn our back on? From which free people we can withhold our shield? And how long, Mr. President, will we be able to claim the leadership of the free world? Or even claim the trust and loyalty of our allies? If America is seen as faltering in our resolve, if we are seen as an unreliable ally, our alliances will exist on paper but not in fact.

Mr. President, I would urge my colleagues to reject this amendment as I suggest our colleague, Scoop Jackson, would have urged us. Let us show the kind of steadiness that he counseled, the kind of leadership the world expects of us. Let us again meet the challenge of freedom as Americans have done for generations. Let us do so with clear will and purpose, knowing that the cost of this defense spending will avoid an infinitely greater and more precious cost in lives.

The PRESIDING OFFICER. Who yields time?

Mr. GRASSLEY. Mr. President, I yield myself 7 minutes from the amendment. If I need more time, I will ask to take it from the resolution.

The PRESIDING OFFICER. The Senator is recognized for 7 minutes.

Mr. PRESSLER. Mr. President, will the Senator from Iowa [Mr. GRASSLEY] yield for a brief colloquy on his amendment?

Mr. GRASSLEY. I am happy to yield to my distinguished friend from South Dakota.

Mr. PRESSLER. As a cosponsor of the amendment of the senior Senator from Iowa, I would like to briefly explore the effects of the amendment.

As I understand it, this amendment would hold the increase in fiscal year 1986 defense spending to an inflation increase, and would allow a 3-percent increase above inflation during each of the next 2 fiscal years. Is that a fair interpretation?

Mr. GRASSLEY. The Senator from South Dakota is correct.

Mr. PRESSLER. In other words, for fiscal year 1986, both Social Security cost-of-living adjustments and the national defense budget function would receive the same treatment? Both would be held harmless for inflation?

Mr. GRASSLEY. The Senator is correct. Both receive an inflation adjustment for the coming year.

Mr. PRESSLER. May I ask the Senator how much of an increase would occur in defense spending under his amendment? And how does that amount compare to the cost of the full Social Security COLA for which we both voted yesterday?

Mr. GRASSLEY. Mr. President, this amendment would restore the total deficit-reduction package to $52 billion. It would save the $3.2 billion lost yesterday in Social Security.

Mr. PRESSLER. I appreciate the Senator's remarks. They are indeed reassuring.

At this point, Mr. President, I ask unanimous consent to print in the RECORD a brief statement on the Social Security COLA vote yesterday.

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

THE SOCIAL SECURITY COLA

I recently conducted a poll in my home state to determine what South Dakotans consider to be the most serious problem facing the nation. By an overwhelming margin, the budget deficit was selected as the number one problem. I have supported and fought for a balanced federal budget ever since coming to Congress. I support much of what is accomplished by the Administration/leadership compromise budget package. It does make some meaningful cuts in the huge deficit. However, I could not support the proposed reduction in Social Security cost-of-living allowances for several reasons.

The Social Security Act Amendments of 1983 created significant reform in the Social Security system. These difficult changes were made in order to ensure the continued solvency of the system. Many were not popular. However, they were necessary. One major reform resulting from these Amendments was the removal of the Social Security program from the unified budget beginning in FY 1993.

Although currently Social Security payroll taxes are counted as revenues and benefits are counted as outlays under the unified budget, the Social Security account is separate from other budget functions. Social Security is not a discretionary spending program. It is financed completely by its own tax. Any revenue savings achieved through a COLA reduction cannot, by law, be used for any other purpose than Social Security. This fact should be recognized by every member of Congress in these deliberations.

This means that any deficit reduction Congress claims to accomplish through reduction of Social Security COLAs is a false savings. Because these savings cannot be applied against the budget deficit it is unfair to tell the citizens we represent that a reduction of Social Security COLAs will result in a reduction of deficits. This is simply untrue. More importantly, this line of logic paints a false picture of the true nature of the deficit problem. Because these savings cannot be used to reduce the deficit, to include them in the total deficit reduction figure is truly misleading.

Reduction in Social Security COLAs will have a severe impact on a very vulnerable constituency—the elderly and handicapped living on fixed incomes. The Congressional Buget Office tells us that the COLA changes contained in the compromise budget would have caused 650,000 Americans to fall below the poverty level over the next three years. Most of these would have been the elderly who worked all their lives to help build this country. They have contributed part of their hard-earned income to the Social Security system. Are we to show our gratitude by forcing them into poverty in the name of false deficit reduction? I say, "No."

It is important to reduce the budget deficit, but it must be done truthfully, meaningfully, and fairly. Americans are willing to accept their fair share of the burden of deficit reduction. How can we ask those we represent to accept cuts and freezes in virtually every domestic program and then not apply all these savings to the deficit issue? To ask for these cuts and then allow a huge increase for defense spending is simply not fair. This amendment would place defense on an equal footing with Social Security. In fact, by removing the three percent real growth increase in defense spending, we will—unlike with Social Security COLA reductions—achieve actual, additional reduction in the federal deficit. For fairness' sake, I supported the restoration of Social Security COLAs. For fairness' sake, I will support this reduction in defense spending.

DEFENSE EXPENDITURES

Mr. PRESSLER. In addition Mr. President, as chairman of the European Affairs Subcommittee of the Foreign Relations Committee, I have long been concerned about the failure of our European allies to contribute their fair share to our mutual defense burden. We spend close to 60 percent of our defense expenditures in defense of Europe, and I have argued that this is unfair to American taxpayers. Why should they spend more of their tax dollars on European defense than the Europeans spend on their own defense. I am glad we have a strong alliance, but we need a better balance in defense contributions. U.S. forces are spread thinly throughout the world. We cannot do the job alone, and we need more help from our wealthy allies in NATO and Japan.

As the Senator from Iowa knows, the NATO Allies agreed in 1979 to commit themselves to spend annually on defense an amount that is 3 percent in excess of inflation. Over the entire period since 1979, the United States has consistently exceeded that pledge, while the European NATO partners collectively have fallen below the 3 percent real growth standard.

In view of these facts, would the Senator care to comment on whether his amendment would be consistent with our NATO commitments?

Mr. GRASSLEY. Over the last 4 years, the defense budget has grown from $211 billion in fiscal year 1982 to $292 billion in fiscal year 1985, a 39-percent growth rate in current dollars and 22 percent in constant dollars. This growth is unprecedented in the post World War II era. The last four appropriations exceeded, in constant dollars, the four most costly years of the Korean and Vietnam wars. More import, the cumulative effect of a hypothetical 4-year freeze at today's levels would exceed the cumulative expenditures of the last 4 years by 10 percent in constant dollars.

In short, the defense budget would be frozen at a very high level. This would be more than enough, by any

measure, to meet our NATO commitment.

Since 1978, when we reached a common understanding with our NATO Allies to increase defense expenditures or outlays at a rate of 3 percent annually, we have exceeded that commitment every year. That surplus now stands at nearly $117 billion. In fact, had we held to that 3-percent spending commitment, defense outlays would have been approximately $40 billion lower in fiscal year 1985. Even if we freeze defense budget authority for 3 years, outlays will grow at 3 percent—exactly our NATO commitment.

Mr. PRESSLER. I thank the Senator, and commend him for his vigorous leadership to reform our defense modernization effort of the past several years, but I certainly agree with him that we cannot write blank checks for the Pentagon.

I certainly agree with you that the United States has overfulfilled its pledge. The Senator has made a strong case, both on the grounds of equity and fairness, as well as greater efficiency in managing our defense resources, for this amendment.

Mr. President, I commend the Senator for this amendment to allow an inflation increase for defense during the next fiscal year, the same treatment we have accorded Social Security. His amendment also provides for a real growth increase for defense in fiscal years 1987 and 1988. The overall package which we approved on Tuesday is not unravelled by yesterday's vote for a full Social Security COLA. I am pleased to be a cosponsor of Senator GRASSLEY's amendment, which saves enough money to cover the full COLA without destroying the overall savings in the leadership-White House compromise budget package.

Mr. GRASSLEY. I compliment Senator PRESSLER not only for this amendment, but also for his help over the last 3 years in our efforts to have an across-the-board budget freeze which would affect defense as well.

I would also wish at this point to add that it is necessary for me to repeat a portion of my statement from yesterday, and a point I just raised with Mr. PRESSLER, because I think it speaks to many of the questions that the Senator from Indiana raised and also a lot of consideration that has to be given to just where are we as far as the level of defense expenditure is concerned, and what we can do within that level.

Yesterday I said:

> Over the last 4 years, the defense budget has grown from $211 billion in fiscal year 1982 to $292 billion in fiscal year 1985, a 39 percent growth rate in current dollars and 22 percent in constant dollars. This growth is unprecedented in the post WW2 era. The last four appropriations exceeded, in constant dollars, the four most costly years of the Korean and Vietnam wars. More important, the cummulative effect of a hypothetical 4-year freeze at today's levels would exceed the cummulative expenditures of the last 4 years by 10 percent in constant dollars.
>
> In short, the defense budget would be frozen at a very high level.

That is a quote from my statement of yesterday.

I would like to say that in my judgement this would be more than enough by any measure to meet our NATO commitments.

Since 1978, when we reached a common understanding with our NATO allies to increase defense expenditures or outlays at a rate of 3 percent annually, we have exceeded that commitment every year. That surplus now stands at nearly $117 billion. That is money we have got in the bank. In fact, had we held to that 3 percent spending commitment and not exceeded it, defense outlays would have been approximately $40 billion lower in fiscal year 1985.

The evidence shows DOD can get tough and it can squeeze out excess costs and overhead. I referred to a study yesterday and I have another study here. The study I have here shows 7 percent factory efficiency and 420 percent scrap-and-rework. I would like to know if we should ignore this evidence. Now, there is no effort on my part to say that the workers in our defense industry are unproductive or unpatriotic. In fact, I would say they are probably some of the most patriotic and could be much more productive if the system in which they worked would look internally and not through the subsidization that we have provided the industry, and be able to ignore the great inefficiency there. Our people will produce according to the system they are in, but we need some changes for greater efficiencies within our defense industry.

Mr. President, the entire Nation—our constituents—are focusing today on this vote to freeze the defense budget.

They are wondering what our response will be. They are wondering how their elected officials will repond to the horror stories they have read about in their hometown newspapers.

They are expecting us to correct what they perceive as a very serious problem. And serious, indeed, it is.

Will we reward the payment of $750 for a pair of pliers? Or $7,000 for a coffeepot? Or charging taxpayers to board Fursten-the-Dog?

Will we reward on a larger score of 33 percent factory inefficiency? Or 41 percent scrap-and-rework?

And will we reward a Defense Department which was given 75 percent more in constant dollars over the past 4 years than the 4 years under President Carter for tactical fighters and bought 11 percent fewer planes?

These abuses have occurred for no other reason, Mr. President, than because there is just too much money available for defense.

Why else would pliers cost $750? It's because that is what the market will bear—that is what we in Congress are willing to provide.

The PRESIDING OFFICER (Mr. WILSON). The Senator's 7 minutes have expired.

Mr. GRASSLEY. I yield myself 5 minutes off the resolution.

The PRESIDING OFFICER. The Senator is not entitled to do that.

Mr. GRASSLEY. Could I have 5 minutes off the resolution?

Mr. DOMENICI. I will be glad to do that. I understood that the Senator managing the floor on the other side wanted to yield the Senator 5 minutes.

Mr. GRASSLEY. Will the Senator in control from the other side yield?

Mr. PELL. I yield 5 minutes to the Senator.

Mr. GRASSLEY. Now our constituents across the country are standing by right this minute. They are waiting. They are waiting to see how we are going to respond to this problem.

The worst action we can take as a representative body is to ignore the problem and to dash their expectations. And what a terrific signal that would send.

But I am confident, Mr. President, that this body will send a very strong message to our people that we will take this very important first step toward gaining control of a bureaucracy, an industry, and, yes, even a Congress, which have encouraged these abuses.

It is time for us to use that simple two-letter word which, alone, is powerful enough to correct this serious problem. That two-letter word is: "No."

I have heard my distinguished colleagues who oppose this amendment, yet they have failed to refute the input/output analysis I presented yesterday on the floor: That unprecedented budget growth in defense has not bought more tanks, planes, and ships, but rather what has it brought? It has brought exhorbitant costs and overhead.

Indeed, no one can refute this analysis because it is made with DOD's own data.

Let no one doubt my interest in a strong defense for this country or my support of the President in what he has done in this world to restore credibility to our Nation's defense posture. However, that defense base cannot remain strong if our industrial base erodes or if we spend money unwisely on defense equipment which will neither provide the right quantity nor quality of weaponry to defend this country and the lives of our fighting sons and daughters.

This country has over the years been extremely good to business. It is now

time for our defense industry to return that kindness to this great country of ours and our fighting men and women.

Let me say, too, that I have a great deal of respect for the chairman of the Armed Services Committee. I happen to have had so much respect for him, and I still do, that in 1964 I was the Butler County chairman for the "Goldwater for President" campaign. I first heard him speak in Iowa City 4 years before that, and I was a supporter of his since that early day.

I think in a very real sense that I am doing what the Senator from Arizona said before Christmas when he was quoted in U.S. News & World Report. He said "I expect to be chairman of the Armed Services Committee next year." Of course, he has become that.

I am going to make my final 2 years in the Congress an effort to get the cost of weaponry down. I would favor freezing military spending at last year's level.

And he had this to say about the manufacturers. He said:

The average manufacturer in this field knows that he has had a gravy train ever since World War II. I just have a strong gut feeling that we can cut military contracts, maybe not a lot, but we can head manufacturers' prices for weapons the other way or we can't buy them.

That set a tone before Christmas when I figured that we would really be able to make a great change in the way the Defense Department does business.

I have been working on this for 3 years. I think we have a real opportunity to make a difference right now, to send a signal, to send that very same signal I think my friend and colleague from Arizona was trying to send before Christmas in 1984.

Mr. GOLDWATER. Will the Senator allow me a couple of minutes?

Mr. DOMENICI. I yield to the Senator from Arizona.

Mr. GOLDWATER. The Senator quoted me correctly. I am not one who stays hitched to an idea when I find out it is no good. And I found out that the freezing would be disastrous.

But I would like to ask my friend from Iowa one question that has plagued me. During all the 3 years of research, how much is the total amount that you have come to on screwdrivers, toilet seats, et cetera, et cetera? Are we talking about a couple of billion dollars?

We have already cut $10 billion out of the defense budget. You want to cut another $9 billion out. And I know of amendments coming up that will result in a $40 billion cut.

I would like to have the total figure of all the bad buys that we made. I think it would be a great addition to our knowledge. I do not think it is great. I do not like it any more than my friend from Iowa likes it. But at the same time I am wondering just how much it amounts to.

Over the past 20 years, 1966 to 1985, the total Federal budget has grown in real dollars from $456.8 billion to $928.9 billion. Defense spending accounted for 11 percent of that increase, while domestic spending and net interest payments accounted for the other 89 percent. In comparing just domestic and defense expenditures during that period, the growth in domestic spending outpaced defense and increased by a ratio of 7 to 1.

And I might add that the Armed Services Committee has already knocked that figure way down.

Mr. DOMENICI. Mr. President, I am going to yield shortly to the distinguished Senator from Alabama.

I yield myself 3 minutes.

I heard my good friend from Arizona talk about the overall budget, and I recall that the distinguished Senator from Ohio quoted President Eisenhower.

Well, let me tell you that the United States of America has done precisely what Dwight Eisenhower recommended. Since he left office in 1960, we have increased education spending for the needy 2,300 percent, medical spending, 2,700 percent.

We have had no real growth in defense for an entire decade; one whole decade, no real growth. We saw social spending at the same time grow 1,400 percent.

Now, this year, my best estimate is that for nutrition type programs and programs that help the poor children, since somebody addressed that, we are spending $91 billion this year, for needy children in America.

We had the implication that we ought to cancel the B-1 bomber so that we could spend some money for the needy. The welfare of the needy is a good goal, but so is the defense of our country. It is not that one is good and one is not, that one is necessary and the other is not. They are both things that we have to do. We have not, in the last 15 to 20 years neglected the needy in this country so that we could build the defense of our country.

I mean there are some who would put defense in a higher priority—I might—but we have increased spending for both. And to stand up here and ignore what we have done and say, "if you just do not build some battleship you could feed some children," is a repudiation of the way we make public policy.

If you do not like Amtrak,—that is $800 million a year—that could be put to use for the needy. If you do not like Job Corps, which helps a little tiny group, that could be used to put more in a lunch program. I hope nobody believes that any of this is a solid reason for cutting defense.

I just cannot understand how we are here and nobody is talking about what we need for defense. I mean, we have been here talking for 2 days and all I am hearing is that we are spending too much for toilet seats. Well, we have already cut defense over the last 4 years by hundreds of billions of dollars. We are prosecuting more people for cheating and fraud than ever in history. We brought down cost overruns from 14 percent to 1 percent, in 4 years.

Why are we not talking about what our free Nation needs to maintain the peace? It seems to me that peace is as admirable a goal as any other goal we have got. Sooner or later we have got to come down to the Senate floor and discuss what we need for defense, not what our thoughts are about how we will make the Defense Department more responsive if we squeeze them far enough. It seems to me that we are neglecting the very basic thing we should be talking about.

If there is somebody who can come down and say we ought to take $30 billion or $40 billion out of defense because they know we do not need something, that makes a good argument. Or if you can really convince anybody that the Defense Department that has to execute 52,000 procurement actions a day—and that is what I understand the number is, why would anyone think that a reduction of a couple billion dollars is going to catch some more waste.

They are catching waste, they are catching it in bushels. They are prosecuting more offenders than ever in history. So we ought to be talking about continuing all of this and deciding how much money is legitimately needed for defense.

And maybe there is somebody that knows enough about defense that can convince the President of the United States and the U.S. Senate that we do not need 3 percent growth. I have not heard that kind of argument here in the last 12 or 15 hours.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DOMENICI. Mr. President, I yield 10 minutes to the distinguished junior Senator from Alabama.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. DENTON. We are facing an issue here, Mr. President, which has been eloquently addressed but not adequately addressed yet because we do not have the time. I want to side with my chairman on the Armed Services Committee, Senator GOLDWATER, and with the bipartisan majority on the Armed Services Committee in oppos-

ing a further cut in our defense spending.

I want to summarize some of the major reasons why further cuts to the defense budget, beyond those already made by the administration and the Armed Services Committee, are a bad thing. The amendment before us should, indeed must, be defeated in the interests of our Nation.

First, Mr. President, it is our obligation to provide for the defense and the security of our country. Bipartisanly, we must recall that the Preamble to the Constitution states the purposes to include providing for the common defense and promoting the general welfare. The first is a mandate, the second leaves a lot of maneuvering room. If the Federal Government does not do all that might be done for the general welfare, the States have the power and the resources to act, but the States themselves can do nothing if the Federal Government fails to provide for the common defense.

Second, we face a very real current and growing threat to our security and freedoms, and to those of our allies. What is required to provide for the defense of our country must be determined by the threat that we face, not by other considerations. Had we learned that lesson in, say, the 1930's, World War II might not have been fought and certainly would have been less costly in blood and treasure.

Third, national defense is not simply another Government program like food stamps or agricultural subsidies or loans for education. If we are not secure, then whether or not we provide those other programs is a meaningless question.

Fourth, the argument that our spending on national defense has increased unreasonably is simply not true. I call the attention of my colleagues to the fact that, in 1962, when John F. Kennedy was President, expenditures on national defense amounted to 45.9 percent of the budget and expenditures on human resources amounted to 28.8 percent of the budget. In that calculation, human resources included the functions for education, training, employment, social services, health, income security, and veterans benefits and services.

Under the so-called Senate-administration compromise, however, the compromise that we narrowly approved on Tuesday, spending on national defense amounts to only 28.5 percent of projected outlays, and expenditures on human resources amount to 48.9 percent of outlays.

In other words, the pattern of expenditures has more than reversed itself in only 24 years. In fiscal year 1986, we would, under the compromise, spend almost exactly the same percentage of the budget on defense as we expended on social services in 1962, while we would spend a greater proportion of the budget on social services in 1986 than we spent on defense in 1962. I think that we have to bring ourselves up short or the Nation is going to be in peril.

Let me point out, in addition, that human resources spending does not include functions for general science, space and technology, energy, natural resources and environment, agriculture, commerce and housing credit, transportation, or community and regional development, many of which would be considered generally as social programs.

I would be happy to show my colleagues the figures, and explain how I calculated the numbers for fiscal year 1986, which I did myself because I did not get much assistance from the General Accounting Office in updating its charts from its 1983 study on defense and the national budget.

Let me also point out that, as a fraction of the gross national product, defense expenditures now are lower than they were in any year of the Kennedy or Eisenhower administrations. Even as recently as 1969, the last year that we had a balanced budget, defense consumed 9 percent of GNP as compared with about 6.6 percent in fiscal year 1985.

I hope that my colleagues will recognize that the budget problem we face today does not come from unrestrained expenditures on national defense but, rather, from a massive increase in our spending on human resources and social programs during the last 24 years. That is not a judgment on the value of that social spending as a whole or on any specific program. It is simply a statement of fact.

Fifth, I doubt that there is anyone in this Chamber, or any informed person anywhere, who would argue that the threats that we face today, to ourselves, to our allies, and to free and independent countries throughout the world, are less serious than they were in 1962. Indeed, I believe that most of us would agree that the threats are more serious, more acute, than they were then. Yet we devote a smaller proportion of our national resources to meeting them.

Let me give my colleagues just one example, which is a Navy example. It is an example that I think, perhaps more forcefully than any other I could use, shows you what has been happening to the balance of power between the Soviet Union and the United States on seas. Keep in mind that the U.S.S.R.'s landpower has no need to defend from the sea. We have to defend from the sea because we are seapower. The Soviet Union had no navy to speak of during World War II.

I want to focus on a measure of the ability to project naval force. That measure is called "ship days out of area," which means the days that ships are deployed out of their home waters, the days that they spend projecting naval power. I have gotten several charts that show what has happened during the past 20 years.

Keep in mind that it takes a lot more naval power to control the seas and permit their use than it does to interdict the seas. Any war at sea will show you how with a handful of submarines the Germans were able to just about permanently interdict the seas against our necessary communication with Europe.

The first chart shows worldwide ship days out of area for the United States and the Soviet Union in 1965, 1972, and 1983. It shows a dramatic change. In 1965, the United States had 17 times more ship days out of area than the Soviet Union, 109,500 to 6,300. By 1972 the Soviet Union had two-thirds as many deployed days as we had, and in 1983 the United States had only 1,000 more deployed days. The trend is clear.

Take a look at a snapshot of 1 year, the turning point 1979. In that year the Soviet Union actually had more ship days out of area than the United States did. That shows what President Reagan has been about, to redress the situation in just one field of military activity, the sea.

So we have come back some but we are not far enough. We are nowhere near the point we need to be in terms of power to control our communications by sea.

If we look at the Mediterranean, the change is even more dramatic. In 1965, the United States had more than four times as many ship days as the Soviet Union did. In 1983, the Soviet Union had 50 percent more deployed days than we did.

The next chart shows the same dramatic change in the Atlantic. In the Pacific, we have gone from more than 50 times as many ship days in 1965 to only 1⅔ as many in 1983.

Finally, in the Indian Ocean, the Soviet Navy had no presence in 1965. Today their presence is nearly as great as our own, and we all know how critical that area has become.

The trends are facts. They are disturbing, sobering, even frightening. They are indications of the degree to which our security has slipped. We cannot for political reasons, for partisan reasons, neglect to look at those facts. The Red Star is now carried by a real blue water navy and it threatens our lifelines and our vital interests.

Sixth, while I am talking about proportions, let us recall that, under the previous administration, that of a President from the other party than mine, we called upon our NATO allies to get them to allocate resources to their defense at a rate of at least 3 percent real growth per year.

Now today what kind of example will we be giving if we cannot do at least that in a time of severe pressure from places we have not experienced before: Central America, Southeast Asia, with Thailand staying alive not because of fear of the United States but because Communist jackals are fighting over the spoils of that which we lost in the Vietnam war. Laos, Cambodia have gone down the drain. Thousands of Vietnamese people drowned in an effort to vote by swimming away from that country, not to mention the number that are enslaved, have been killed, and are being reeducated now.

Mr. President, how can we expect our friends and allies to increase their own contributions to our mutual defense efforts if we are going to decrease our own? Can anyone here fathom the consequences that might ensue from the abandonment among the NATO countries of their efforts to correct a situation of imbalance that we all know was critical and getting worse? After Afghanistan, do my colleagues really want to bet that the Soviet Union will not under any circumstances utilize its own armed forces in a way that directly threatens the free nations of Western Europe? Can they guarantee, for example, that the Soviet Union will keep its hands off Austria, or Finland, or Yugoslavia, none of whom are members of NATO but all of whom exist in independence under the NATO shield?

Seventh, consider the message that a reduction in defense expenditures below the 3-percent level would send to the Soviet Union, particularly in the context of our negotiations underway in Geneva. If the United States unilaterally reduces its defensive strength, then there is little incentive for the Soviet Union to bargain away its own forces and capabilities. The Congress will do it for them. Once again, we are in danger of seeing the real negotiations conducted not with the Soviet Union but within the Congress of the United States.

Eighth, and of particular interest to those of my colleagues who approach this problem as cost accountants rather than as statesmen and strategists, cuts in defense outlays today will produce increased costs tomorrow. As production rates slow, costs are increased. Essential manufacturing capabilities are lost. Skilled labor is dispersed. Slow production rates also increase unit costs, whether for tanks or trucks or aircraft or ships. Contracts already signed must be fulfilled, and in consequence other, more necessary contracts may never be concluded at all.

Whatever the views of my colleagues about battleships, it is worth noting that our country no longer has the capability to build them, because we have no current industrial capability to make the armor plate. Perhaps more to the point, we no longer have the industrial capability to manufacture SR-71 aircraft. Not that we want to build any of them either, but the point does demonstrate that manufacturing capabilities and capacities are lost if they are not sustained.

Ninth, the Armed Services Committee did conclude, in its deliberations, that a real growth of 3 percent in the defense budget is required for our security and to meet our obligations. Our chairman and many Members are generous in the way that they looked at the matter and frequently changed their views, and most of us did when we looked soberly at the consequences of zero growth, which would actually be a reduction because of the situation with contracts and other obligations. And we took a lot more time reaching that conclusion than we will take here on the floor when we are considering the matter as just one part of the budget resolution. Although there was disagreement in the committee, the votes for the 3-percent figure were bipartisan. And I believe that I am correct in saying that every Member who voted against the 3-percent figure had concerns about items that were cut, or that might be cut at a lower rate of real growth. In several cases, they asked to have the money restored, and it was.

We started, the President started, with an increase that was much greater than the 3 percent now in the compromise. That was trimmed, modified, and Rose Gardened down, and then further reduced to 5.9 percent. In the Armed Services Committee, I pledged to fight and die for 4 percent, and here I am arguing to preserve 3 percent. Frankly, I feel a little silly to be in that position, kind of like the butt end of the salami.

Nonetheless, to paraphrase from the song, I've gone about as far as I can go, and my colleagues who share my support for a strong defense have gone about as far as they can go. We've compromised, and then compromised the compromise. Yet we cannot afford to compromise our national security, and it is time to take a stand on that and to be counted, win or lose. We have gone about as far as one can go and still look ourselves in the eye as being worthy of the mandate to provide for the common defense.

Even by going to 3 percent, we have done damage to our national security by reducing funds available for spare parts, for operation and maintenance, for procurement of vital weapons systems, for research and development. It is true that we in the committee did not wield a meat axe and eliminate a bunch of programs. Rather, we tried to do our job conscientiously and effectively, but nonetheless the reduction to 3 percent impairs our national security, not only this year but in years to come. I won't recite the cuts in detail, but they are there, and they hurt.

I don't know who is keeping a tally on votes on final passage, but whoever it is should make a note that this Senator will not vote for a budget resolution that contains anything less than 3 percent real growth for defense.

Tenth, a rapidly growing broad coalition of businesses and organizations, gathered together in the deficit reduction coalition, has strongly supported the so-called Senate-administration compromise, including 3 percent real growth in defense spending. I have talked with their representatives, and I have heard from many of them in writing. There is no question that their concern that we act to control and reduce the deficit is tempered by a recognition that we cannot sacrifice our national security in the process, that we cannot balance the budget on the back of defense.

Moreover, they understand the vital link between our national security policy and our domestic economy. They know that when we lose allies and access to resources, when other nations conclude that we have lost the will to look after our own vital interests, our trade and our economy suffer. The best example of that is the devastating effect of the OPEC oil price increases of 1973 and subsequently upon our domestic economy, increases that would not have taken place so suddenly or in such magnitude had we not demonstrated in Vietnam our unwillingness to persevere in our commitments.

Finally, let us recall that, in both 1980 and 1984, the people of this country voted overwhelmingly for a Presidential candidate who ran openly on a platform of further strengthening our national defenses.

How can we dismiss that as a body? How can we dismiss that in some political orgy, led by the press, that we have to cut everything equitably? There is no connection between providing for the common defense and promoting the general welfare. We must provide what we need.

I believe that the amendment before us is ill-advised and not in the best interests of our country. I wish we were going to deliberate it as long in this body as we did in the Armed Services Committee, but we are not. I regret that.

I urge my colleagues to remember their obligation to ensure our national security, to ignore partisan politics, to bipartisanly back this President just as I would have hoped that we would have backed President Carter in what he wanted to do about stopping the action in Angola. We did not. We did not back our Presidents in trying to continue to send aid to Vietnam when we could have saved that situation

after we won the military victory. We are in a similar position today. I ask my colleagues to think about it, to defeat this and any other efforts further to reduce spending on our national defense.

Thank you, Mr. President. Thank you, Senator DOMENICI.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

ORDER FOR RECESS UNTIL 2:33 P.M.

Mr. DOMENICI. Senators are asking when we are going to vote. Some are coming to the floor in anticipation. As I understand it, Senator THURMOND wants to speak, and I am going to yield him 5 minutes shortly. But I understand that the distinguished majority leader desires that we go in recess immediately thereafter for an hour and time to be charged against neither side.

So everybody will understand, Mr. President, I yield 5 minutes to the distinguished Senator THURMOND, I ask unanimous consent that immediately thereafter the Senate stand in recess for a period of 1 hour, and that the time not be charged against the resolution.

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

The Senator from South Carolina.

Mr. THURMOND Mr. President, I rise in opposition to the pending amendment that would reduce defense expenditures for fiscal year 1986 to a level of zero real growth over expenditures for fiscal year 1985. Further cuts in the defense budget are unnecessary and unwise.

Defense spending has already undergone its fair share of budget restraint compared to nondefense spending. Twenty-five years ago, defense spending accounted for 52 percent of the Federal budget. Today, it accounts for little more than 26 percent of the Federal budget—about one-half. During this period when defense spending was declining as a portion of the Federal budget, our security needs did not decline. In fact, they rose substantially. We cannot afford to view our levels of defense spending solely as a budget function; we must take full account of the threat we face and our commitments to our allies.

Mr. President, in the 20-year period from 1964 to 1984, defense spending grew by only 12 percent in real terms while nondefense spending grew by 178 percent in real terms during the same period. The deficit is not a result of excessive growth in defense spending; it is a result of excessive growth in nondefense spending.

While we debate how to further cut defense spending, the Soviets continue to out-produce the United States in nearly all categories of weapons systems. During the last 25 years, our defense posture has declined in all but 6 of 29 major weapons systems categories. The Soviets have been relentless in their production of new equipment and show no signs of slowing. President Reagan summed it up nicely when he stated that we are not free to size our defense effort simply in terms of our domestic economy. We must respond to requirements that are outside of our control.

Mr. President, the compromise adopted by the Senate on April 30 calls for real growth in defense spending of only 3 percent for fiscal year 1986 over 1985. This compromise also calls for defense cuts totaling 36 percent of the deficit reduction for fiscal year 1986. Over a 3-year period, defense cuts will average 33 percent of the deficit reduction. Cuts of this nature, while disproportionate to defense spending's portion of the Federal budget, will afford us the capability to meet our defense requirements. To go below this level is unwise and will be seen as an effort to avoid the tough decisions in cutting nondefense spending.

Mr. President, I strongly urge all of my colleagues to oppose this amendment.

Mr. President, defense does not have constituents. Food stamps have constituents; nearly every domestic program in our budget has constituents. Why is defense so important? Mr. President, I want to say the chief enemy internally of the people today is crime, the criminal. The chief enemy externally is the Soviet Union. They have not abandoned their goal of world aggression. They still have that as their goal. That is to be seen in places like Afghanistan today and down in Nicaragua.

There they have attempted to establish a foothold as they did in Cuba.

We have to keep this country stronger if we are going to keep it free. It is that simple. I hope Members of this body will have the courage and have the wisdom not to cut the defense budget below a 3-percent growth. We need that growth to keep this country free.

RECESS FOR 1 HOUR

The PRESIDING OFFICER (Mr. DENTON). In accordance with the previous order, the Senate will recess for 1 hour.

Thereupon, at 1:33 p.m., the Senate recessed until 2:33 p.m.; whereupon, the Senate reconvened when called to order by the Presiding Officer (Mr. WARNER).

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOLE. Mr. President, how much time remains on the amendment?

The PRESIDING OFFICER. Six minutes.

Mr. DOLE. I am prepared to yield back the 6 minutes. I understand the distinguished Senator from Oregon is on his way to the floor to speak briefly on the amendment. I do not want to deprive him of that opportunity.

Mr. President, it is my understanding that there will be a tabling motion by the chairman of the committee, so there will be a vote very soon.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that there would not be sufficient time remaining to call for a quorum. Under the precedents of the Senate, a Senator making such a request must have at least 10 minutes.

Mr. DOLE. Speaking on the resolution, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Mr. President, how much time remains on the amendment?

The PRESIDING OFFICER. Five minutes remain on the amendment.

Mr. DOLE. Mr. President, I yield 5 minutes to the Senator from Oregon.

The PRESIDING OFFICER. Five minutes are yielded to the Senator from Oregon.

Mr. HATFIELD. Mr. President, I am very pleased to join with my colleague from Iowa (Mr. GRASSLEY) in offering this amendment. I think the basic question we are really dealing with here today is not so much a question of dollars as it is the more important question, the security of our Nation, the defense of the United States. I believe that any nation that is a debtor nation, carrying a $200 billion budget deficit and a $140 billion trade deficit, is not a secure nation in any sense of the word.

Our future military security is critically dependent upon a healthy economy. I think most of us realize that that was demonstrated very eloquently during World War II, particularly when the industrial productivity of this Nation was capable of being increased and sustained at a level to produce the armaments not only for our own fighting personnel, but for our allies as well. The real distinction in those forces arrayed against each other in World War II, I feel, was ultimately spelled out in industrial capacity and economic strength. There is no one any more concerned than I am on the matter of the security of this Nation. I think the mistaken view is held that any kind of increase in ap-

propriations translates into increased security.

Let me point out to my conservative brethren particularly that this was precisely the thesis acted on by Mr. Roosevelt in the New Deal: the more money you spent on a social problem, the more likely you were to correct it. It did not prove any more accurate in dealing with social problems than it will today on defense.

It does not work that way. In fact, I think this amendment offered by Senator GRASSLEY and myself would achieve a goal that we all want. That is, we build more security for the Nation because we would be working toward a smaller deficit, thereby establishing a stronger productive economy, lower interest rates, and so forth. Second, we would slow down the rate of military spending.

Mr. President, I defy anybody in this Chamber to tell me that we can actually manage and manage well the spending of $1 trillion in the last 4 years for military and the proposed $2 trillion that the administration wants to spend for the next 5 years. All of these $150 wrenches, hammers, and screws, and everything else we read about, are illustrative of our inability to manage the flow of that rate of spending. It is not feasible. 53,000 people in the procurement program of the Pentagon—53,000 people. If we would return it back to the Navy, the Air Force, and the Army to procure, we would probably have a little more ability to control.

Right now, the Secretary of the Navy cannot do anything about it, the Secretary of the Army cannot do anything about it, the Secretary of the Air Force cannot do anything about it. The Secretary of Defense has too much of a pyramid, too many layers of bureaucracy between himself and the departments he is procuring for to get this done well. We get these expenditures—Senator ROTH's toilet seat and all the other examples that are bizarre, that are indicative that when you have such a flow of money, you really cannot manage it. This would slow that down.

Last, this does not in any way impair the procurement of the weapons programs that we are committed to; in fact, recent reports indicate that those weapons would not be affected by this slight reduction.

I want also to indicate, Mr. President, that the Appropriations Committee has had a very interesting experience. If you recall, in the fiscal year 1984 supplemental appropriations last year, the reactivation of the battleship *Missouri* was accomplished with $336 million in budget savings—budget savings. Shortly thereafter, the Appropriations Committee eliminated over $2.8 billion in excessive cost adjustments, in the fiscal year 1986 operation and maintenance account alone. This year, the MX has been funded with unobligated balances of previously appropriated funds. These large unobligated balances indicate that the flow of money is not being managed properly, and I do not think it can be with the kind of heavy expenditure that is being heaped upon the Pentagon.

Mr. President, we are certainly cognizant of the fact that the Soviet Union has a fundamental part in our whole security planning and our foreign policy. Let me say that this is not the sole factor in making military policy that relates to military spending. In addition, we have to be concerned about feeding the hungry, clothing the naked, and housing the homeless. We have to be concerned about those other components of our national security—a good education system, a strong productive economy, good trade relations, and good trade balance, less dependence upon imported energy—all components of our national security. Money alone is not the objective, it is but one course and one means toward achieving security.

Let me close with my favorite statement, made by a five-star general who understood national security better than any President I know, General Eisenhower. He warned the Nation on many fronts, military-industrial problems, and so forth.

He said there may come a time when spending additional money for rockets and bombs in the name of national security, when there are people who hunger and are not fed, who are cold and not clothed, far from strengthening the Nation's security, will actually weaken it.

I ask the Senate to consider that spending for the military program is but one component of our national security; getting this deficit down is as important to our future and our security as any other part of that very complex picture that we call national defense.

Mr. KENNEDY. Mr. President, I rise in support of the amendment to hold the increase in defense spending to the rate of inflation—the level recommended by the Budget Committee.

I believe that the Congress can fulfill its obligation to provide for the national defense within a budget that is limited to a cost-of-living increase for the Pentagon in budget authority. Even with such a limit, outlays—actual spending—would continue to grow significantly in real terms. After providing for substantial real growth over the last few years, a period of consolidation—particularly in our procurement programs—is warranted. We can continue to provide for real growth in readiness, sustained progress in research and an adequate pay raise within the zero real growth target approved by the Budget Committee.

In our deliberations in the Armed Services Committee we considered what reductions were necessary to achieve zero real growth. An analysis of this effort demonstrates that the required cuts can be made without jeopardizing critical programs. Although this level requires reducing the production rate for some programs and cancelling a few programs of marginal worth, the overall impact is quite modest. In some respects, reductions would actually improve our security, through elimination of wasteful and dangerous programs like the MX ($2 billion) and substantial reductions in others, such as SDI, where the committee has approved a $2 billion increase in funding, to more than twice last year's level of $1.4 billion. For this reason, I offered an amendment in the Armed Service Committee to report the bill at the zero real growth level, as in this amendment.

Many in this debate have argued that the defense budget should not be determined by arbitrarily picking a total funding level. I couldn't agree more. But 3 percent real growth is itself just an arbitrary level. What matters is what we actually receive in national security for our dollar. And I am convinced from our work in the Armed Services Committee that we can have a stronger, and more effective defense with the level of spending proposed by this amendment, if we shape our defense budget wisely.

FOR THE GRASSLEY AMENDMENT

Mr. PELL. Mr. President, amendment No. 48, offered by the distinguished Senator from Iowa is the keystone of this whole debate on the restoration of fiscal solvency for the Federal Government. It would permit us to live within the overall limits of Senate Concurrent Resolution 32 while restoring reasonable levels of funding for programs that many of us feel are essential, but it would do so without compromising our national security.

By freezing Defense Department budget authority to zero growth adjusted only for inflation, the Grassley amendment would provide the same level of funding as proposed by the Senate Budget Committee. But most important, it would realize savings of $10.3 billion from the overall total of the leadership compromise budget in fiscal year 1986. These savings will comfortably cover the $4.4 billion cost of restored Social Security COLA's and conforming adjustments in civil service and veterans' pensions, with enough left over for education, Amtrak, the SBA, and other worthy programs.

I would prefer that the budget authority for the outyears of fiscal 1987 and 1988 be frozen at zero growth as well, or at a lesser rate of increase than the 3 percent allowed by the

Grassley amendment, and I believe we will need to address those levels next year to assure continued integrity of the budget.

For the present, it is important to note that the Grassley amendment would do nothing more nor less for the defense budget than we have already done for Social Security, namely, we have adjusted it to allow for the inexorable process of inflation. But in doing so, I am quite satisfied that we would not be compromising national security one iota.

It is worth noting in this regard that the staff of our own Armed Services Committee has found that a freeze in defense spending would not force cancellation of any weapons systems and would in fact allow for significant increases in many of them. A zero growth budget would still allow a 6-percent increase in aircraft purchases, a 44-percent increase in missile purchases, and no decrease in procurement of combatant ships, according to a report of the committee's minority staff.

Moreover, the distinguished Senator from Iowa has presented what I believe is overwhelming evidence that our vast defense outlays not only are failing to produce commensurate results in terms of improved defenses, but that they are being squandered on egregious inefficiencies and outright fraud by defense contractors.

The public, I believe, is fed up and disgusted by the outward evidence of malfeasance by defense contractors—overcharges, fraudulent billings, and high living charged to the Federal Government, not to mention $600 toilet seats and $7,000 coffeemakers. No matter who roots out the problem—and of course the administration is to be congratulated for its efforts in this regard—the point is that all of these problems are symptoms of a system gone amok, the excesses of which must be counted as major contributing factors to our current budgetary dilemma.

In these circumstances, to fund the Department of Defense at anything more than a zero growth level is tantamount to force-feeding a goose. What else are we to assume when we hear that there are some $50 billion in prior budget allocations still in the clogged fiscal pipelines of the Pentagon. The Grassley amendment would slow down the furious pace of defense expenditures and hopefully allow us to get control of the defense budget before it controls us all. I support it and I urge my colleagues to do the same.

Mr. HATCH. Mr. President, I am supporting the compromise budget resolution calling for 3 percent real growth in defense spending in each of the next 3 fiscal years. I take this position with the caveat that the Senate has a duty to review the national security implications of this reduction in defense spending from what had been estimated in previous budget resolutions.

There is no doubt that defense spending can be cut—but less spending means less capability, and less capability will compel us to reassess our defense and national security commitments and the threats that generate them.

What is the threat? In the last 5 years, the Soviets have nearly doubled the number of strategic warheads targeted at the United States. They have deployed twice the number of new weapon systems introduced by the United States; and their rate of production of tanks, aircraft, and ships is double that of the United States. Furthermore, the Soviet Navy is now a global challenge to the United States. Their Cuban surrogates pave a Marxist-Leninist path into Africa and Central and South America. Soviet military forces and advisers fight in or occupy more foreign territory than at any other time in post-war history.

The U.S. response to this Soviet threat has been a mere $19 billion—in 1972 dollars—increase in defense spending during the so-called 4-year buildup of the first Reagan term. In fact, it is entirely conceivable that the 1988 Presidential campaign will turn on deficiencies in America's defense capabilities—despite the antidefense rhetoric of the early and mideighties. For, in truth, there has not been a massive defense buildup. There has only been the redressing of the decade of neglect which began in the early seventies. Defense spending in the Carter years typified this neglect, constituting only approximately 24 percent of the Federal budget and 5 percent of our GNP. In 1961, in contrast, in peacetime under John F. Kennedy, defense spending equaled about 48 percent of the budget and 9 percent of GNP.

President Carter recognized the mistake of this neglect and underspending. He revised the projected levels of spending upward of his last 5-year defense plan. President Reagan has not outspent what Jimmy Carter planned. In fact, what was proposed in his original fiscal 1986 budget was below what Carter proposed for 1986. What the President has accepted and is included in this compromise budget is below what Jimmy Carter planned for fiscal 1985. I repeat, this year's recommended level is below what Carter proposed to spend for last year.

The reverse has happened with nondefense spending. Nondefense spending by both the public and private sectors has risen by $145 billion—also in 1972 dollars—over the same period. It has risen this much despite such substantial economic prosperity as a 24-percent increase in GNP and 25-percent growth of national income. Thus, the difference of our approach to defense spending, on one hand, and nondefense expenditures, on the other, seems to defy logic:

We are spending less on defense in the face of a greater external threat; and

We are spending more on domestic social programs, despite the high level of domestic economic prosperity.

The 3-percent real-growth defense budget will save nearly $98 billion from originally planned levels over the next 3 years. But before we applaud this short-term recoupment, let us examine the consequences. More specifically: since less defense spending means less capability, the Senate will ultimately be faced with hard decisions as to what commitments have to be reduced concomitantly with reduced spending. What commitments will the Senate reduce?

Will we reduce our presence in NATO, and will our allies see a return to the late seventies when Europe was a low U.S. defense priority?

Will we foster instability on our southern borders by ignoring Cuban subversion and Soviet encroachments into Latin America?

In the Middle East and Southeast Asia, will we be able to ensure the security of Israel, or of world access to precious resources?

Will our own States and territories in the Pacific Basin be secure, and our allies and friends there confident of our strength?

Will we be able to continue to support the friendly, independent, and stable nations of Africa?

The Secretary of Defense told the Senate Budget Committee on March 7 where cuts could be made; but they will expressly and necessarily limit our capability to continue all these commitments. This will force our attention back to the need to reconcile spending reductions, made willy-nilly, with our commitments. For example:

The deletion of C-5B aircraft will curtail our airlift capacity for contingencies worldwide, but especially in the Middle East and NATO.

A loss of 240 M-1 tanks will create greater risk in NATO.

The nonavailability of A-6E and A-6F fleet aircraft will make our worldwide force-projection capacity inconsistent with the threats that our carrier groups face in the Far East, the Indian Ocean, and the Mediterranean.

I warn my colleagues that morally we cannot cut our defense capacity without adjusting our commitments, nor can we look to DOD and the administration to make these difficult decisions alone. As a senior partner in defense policymaking, the Senate cannot escape its constitutional responsibilities. I will support reducing defense spending as agreed to in this compromise budget agreed to by the President. But I also warn my col-

leagues that I will continually remind them of their concomitant responsibility to ensure our national security adequately once they have taken the first step to cut defense spending.

Mr. GRASSLEY. Mr. President, I hope my colleagues' lunches were not interrupted by too many trans-Atlantic phone calls.

I would like to submit for the RECORD a couple of articles that are pertinent to informal discussions off the Senate floor right now.

These articles relate to the boondoggle-nature of military bases.

The statements follow:

[From Forbes Magazine, Apr. 22, 1985]

GOLD BRICKS?

(By Richard Behar)

One of the oldest claims of budget cutters is that hundreds of millions of dollars can be saved annually by closing unneeded military bases. And one of the oldest political truths is that they can't be closed. Now there's some respectable evidence that closing a base doesn't guarantee local catastrophe. Rather, with some work, it can lead to even more jobs.

"The key to success or failure is local initiative," says William Laubernds, president of the Chippewa County Economic Development Corp., in Michigan's cold, empty Upper Peninsula. The Air Force closed a 4,500-acre base in Kinross township there in 1978. Gone were 650 civilian jobs, a $40 million payroll and 25% of the county's 40,000 population.

Today the base site contains a 1,200-unit housing development, a 1,850-acre industrial park, a railroad, power plant, shopping mall, waste-treatment facility, golf course and an airport, most gifts from Uncle Sam. "The military was actually still constructing buildings after they left the place," laughs Laubernds. "And we're turning around and offering leases at as low as 10 cents a square foot." A dormitory for soldiers is now a medium-security prison, and the entire former base employs 1,000 locals in 49 firms, many defense-related. "In the long run the community is probably better off," says Laubernds. "Every government program ends, and you better have something else planned with the private sector."

Rhode Island issued bonds to buy land at Quonset Point-Davisville in North Kingstown when the Navy closed most operations there in 1974. "At first it was devastating," recalls Fred Santaniello, manager of an industrial park that replaced the base. Now 73 companies from computer designers to seafood processors to car importers are housed there, he says. An 8,000-foot runway accommodates cargo jets. The largest employer, General Dynamics, pays $1 per square foot annually for 206 acres, building nuclear subs with 5,400 jobs, vs. 4,500 lost when the Navy left.

There are failures, too, since bases are often in faraway places. In Glasgow, Mont., an agricultural community about 150 miles from Billings, the Air Force closed a B-52 base in 1968. Gone were 4,000 jobs, and Glasgow's head count shrank 50%, to 4,500. The industrial park has only one paying tenant: a drug program operating out of the old military hospital. There's no use for the gymnasium, nightclub, chapel, movie theater and bowling alley and 2 million square feet of available space.

From 1961 to 1981, 94 major installations were padlocked, but none since. The Pentagon's Office of Economic Adjustment, set up in 1961 to help the transition, says most are now thriving industrial centers with a better than 1-to-1 civilian job replacement ratio.

Senator Barry Goldwater, the Arizona Republican, is studying a proposal for 22 military base closings across the country. One of his targets is Fort Devens, 35 miles outside Boston. Devens, an intelligence training center and the early home of the Green Berets, has a payroll of $194 million for 9,000 military and civilian personnel. But Boston and New England are in much better economic shape than they used to be. "We're much better able to absorb a closing if it ever happened," says Robert Cogan, chairman of a local industrial commission.

Cogan helped lead a fight to save the base a decade ago and doesn't relish the thought of taking on the Pentagon again. But things could be worse. Those 9,338 acres have enormous civilian potential. "From an economic development standpoint, it's paradise," he says.

Moral: There may be money in plowshares just as in swords. It just takes a lot of work.

[From the Reader's Digest, April 1985]

THE MILITARY-BASE BOONDOGGLE

(By Randy Fitzgerald)

Historic Fort Sheridan sits on the shore of Lake Michigan, about 28 miles north of downtown Chicago. Established in 1887, the old Army base is now staffed mostly by recruiting and administrative personnel. While 62 of its acres are devoted to training or operations, and 32 to administration, over 150—including two lovely beaches and a superb 18-hole golf course—are used for recreation.

For more than a decade the Department of Defense (DOD) has wanted to close Fort Sheridan. This would save taxpayers at least $9 million annually, with another $50 million or more coming from sale of the property. An Army study is blunt: "No strategic or mobilization mission has been identified for Fort Sheridan." But fearing the economic impact of closure, members of the Illinois Congressional delegation used their legal and political clout to keep Fort Sheridan open.

Of the DOD's 4000 military facilities nationwide, at least 50 are obsolete and could be closed. Many were established long before modern communications, interstate highways and jet aircraft rendered them uneconomical and unneeded. If the military-base structure was realigned, savings to the taxpayers—as calculated in 1981 by the Office of Management and Budget and in 1983 by the Grace Commission—could be $2 billion a year.

But no military-base-realignment package has been sent by the DOD to Capitol Hill since 1979. The reason is that any attempt by the Pentagon to close unnecessary facilities is met by widespread Congressional opposition. Every state and about half of Congressional districts contain military installations, and the pervasive Congressional attitude, summed up by one lawmaker, is: "Protect my pork and I'll protect yours."

In the face of such reaction, it is little wonder that the Pentagon has practically given up on closing bases. "Tragically," says Rep. Denny Smith (R., Ore.), "national-security decisions are being thwarted by local political interests that sabotage efforts to provide a strong national defense in a fiscally responsible manner."

Until 1977, the Executive Branch enjoyed a relatively free hand in fashioning the nation's base structure. Then Congress passed, and President Jimmy Carter signed, legislation creating hurdles against closures. The new law required, first, that the Pentagon notify Congress when it is even considering closing a base. The Pentagon must then prepare economic-, environmental-, and strategic-impact studies that can take up to a year and $1 million each to complete. Finally, Congress can veto any closure simply by refusing to consider it.

President Carter's signature came back to haunt him a year later when Secretary of Defense Harold Brown released to Congress a list of 85 base closures and reductions intended to save taxpayers $337 million a year. Democrats and Republicans, liberals and conservatives, put aside their differences to join in opposition to the package of economies.

Consider the case of Goodfellow Air Force Base in Texas, described in a 1979 Pentagon study as "a small, single-mission training base with a relatively high per-capita operating cost." Shutting down the base, the study estimated, would save $11 million annually.

Sen. John Tower (R., Texas)—since retired—thundered that the elimination of Goodfellow was "a major national-security risk." Rep. Tom Loeffler (R., Texas), whose district includes Goodfellow, added language to the 1980 military-construction legislation ordering the Pentagon not to close Goodfellow until a new series of studies had been prepared analyzing the "socioeconomic factors in the affected area." Since 1981, Tower, then chairman of the Senate Armed Services Committee, and Loeffler, a member of the House Appropriations Subcommittee on Military Construction, added money to the military budget for construction at the base. They appropriated $41 million for new facilities, a ploy designed to make it even more difficult for the DOD to justify eliminating the base in the future.

Fort Monroe, Virginia, continuously manned since 1823, was targeted for closure because it is too old and too small. The Pentagon estimated savings of $10 million a year if the fort's occupants were transferred to another post a few miles away. Rep. Paul Trible (R., Va.)—now a Senator—whose district encompassed the fort, objected that closure would cause "severe economic disruption" to the surrounding community. Vowing to maintain the historic military post, he inserted into the 1980 military-construction bill the same language that helped prevent the closing of Goodfellow.

After the Reagan Administration took office in 1981, the DOD drew up a new list of at least 50 obsolete, under-utilized or too costly facilities. As news of the possible closures leaked out, the Northeast-Midwest Coalition, representing over 200 members of Congress, demanded a complete moratorium on base closings in their states. Rep. Margaret Heckler (R., Mass.)—later named Secretary of Health and Human Services—wrote the Secretary of the Army that she would "be severely constrained" from supporting any increase in the defense budget if Fort Devens in Massachusetts was closed. The protests paid off. The Administration abandoned plans to ask Congress to close Fort Devens or the other obsolete bases.

Though lawmakers argue that base closures would jeopardize the local economy, it need not be that way. Take, for instance, Benicia, Calif. When the Pentagon announced in 1961 that the 110-year-old arsenal there would be closed, it seemed that a killing economic blow had been dealt the surrounding community. With a payroll of

2400, Benicia's arsenal was Solano County's largest employer.

But some civic leaders recognized that the 2000-acre abandoned facilities—with a port, airstrip, roads and buildings already in place—posed a golden industrial-development opportunity. Today, the Benicia Industrial Park is home to dozens of businesses from specialty manufactures and warehouses to a refinery, employing over 4500 people.

Consider also the case of Kincheloe Air Force Base in Michigan's Upper Peninsula. When the $700-million base was closed in 1977, 700 jobs and $36 million in annual revenues were lost to the rural community of 26,000. But the closing proved to be an economic boon. The Chippewa County board of commissioners established a local economic-development corporation to offer low-interest loans and lease the land at bargain-basement rates. Nearly 30 companies have established commercial and industrial operations at the former base, creating more than 1000 new jobs. Reports Industry Week magazine: "Amazingly, in what was once a town of deserted buildings and shattered dreams, plans are now under way for the construction of additional facilities to meet expansion demands."

The experiences at the Benicia arsenal and Kincheloe Air Force Base are not unique. Numerous communities nationwide have overcome the initial shock of base closings to turn apparent disaster into an economic blessing.

A Pentagon-commissioned study of 12 converted military installations found that in most cases the base closure turned out to be a boon. "Not only have the local economies not suffered the severe setbacks anticipated," the study reported, "but civilian acquisition and operation have had unexpected benefits. In almost every case, the civilian jobs lost because of the base closure have been offset with an equal or greater number of new jobs."

If the budget deficit is to be lowered, Congress must summon the courage to shut down economically indefensible installations and place the national interest above shortsighted local concerns. No longer should Congress force the Pentagon into the business of combating unemployment and subsidizing the local economy of communities with costly, unnecessary military facilities. Shutting down just ten unneeded installations, says Senate Armed Services Committee Chairman Barry Goldwater (R., Ariz.), would save one billion dollars a year.

Congressman Smith has introduced legislation to give the Executive Branch more flexibility in operating the military structure. His bill would limit the requirement for the Pentagon to perform lengthy, costly closure-impact studies. Smith has been unable to line up a single co-sponsor in the House or Senate. But the Congressman, a decorated F-4 combat pilot with 180 missions over Vietnam, vows to keep up the fight.

"Congress must remove the unnecessary legislative barriers that bar the President and the Secretary of Defense from taking the swift action necessary to manage our base structure efficiently," Smith says. "We need to shelter national-security decisions from local self-serving political interests."

To which beleaguered taxpayers can—along with letters of support to Rep. Denny Smith—add an amen.

Mr. SIMON. Mr. President, Senator GRASSLEY has offered an amendment to freeze defense budget authority for fiscal year 1986 at the level of inflation, and to increase these levels in fiscal year 1987 and fiscal year 1988 at 3 percent above inflation. That works out to $302.5 billion in fiscal year 1986, $323.4 billion in fiscal year 1987, and $346.8 billion in fiscal year 1988. Secretary of Defense Caspar Weinberger has urged this body not to pass the Grassley amendment, raising a number of objections relating to capability, costs, and commitments. I support Senator GRASSLEY in his efforts to regain control over runaway defense budgets, and I would like to take a few moments to respond to Secretary Weinberger's assertions.

In a letter to me dated April 25, 1985, the Secretary made eight general points, to which I will reply in turn. First, it is claimed that a defense budget freeze will not meet our national security requirements. National security, however, is not easily translatable into a dollars-and-cents figure; it is by definition based upon perceptions of United States and alliance interests, hostile threats, and the degree of power necessary to provide for the common defense. Naturally, these are assumptions which are subject to wide interpretation. Beyond a certain point, do we really gain an extra increment of deterrence by pouring a disproportionate sum of dollars into highly questionable programs? I do not believe that we do.

If we can be as creative in saving money in a sound way as we are in building new weapons systems, we can save money and have a sounder defense.

There is a further argument to be made on the question of requirements. National security has surely been defined too narrowly when we view it only in terms of military acquisition and the accumulation of hardware. Economic solvency is an essential prerequisite to sustaining defense strength. Cost over-runs and perennial inefficiency is detracting from a strong military establishment. Raging deficits, fueled in large part by excessive defense budgets, will reduce our security over the long run by weakening the Nation's defense industrial base.

Second, the Secretary asserts that programs are not made any cheaper by delaying spending this year. The assumption here, of course, is that stretched-out procurement raises associated costs—for example, through the necessity of restarting closed production lines. We seldom ask, however, just how genuine the program was in the first place, and whether we need to fund it year after year at ever-increasing budget authority. There are many such dubious programs in this year's defense budget.

Third, the Secretary maintains that a freeze will undercut our leadership in NATO and compromise the 3-percent real growth commitment. But as members of the first Reagan administration have acknowledged, percentage-increase commitments do not necessarily purchase commensurate gains in security. A stronger conventional defense cannot be measured solely by the dollar inputs, but rather must instead be measured by force posture outputs—outputs that depend mostly on less tangible yardsticks, such as innovative strategy and tactics, combat morale, where spending priorities are directed, and so on. Foolish spending commitments at 3 percent real growth is much worse than wise spending at zero growth. We have exceeded the expenditure of any of our NATO allies.

Fourth, the Secretary tells us that research and procurement will end up short-changed. Leaving aside the glaring need to reassess a number of provocative or unnecessary expenditures—particularly those falling under strategic modernization—the growth in noncompetitive bidding, supersecret research projects estimated by some to have increased by 52 percent this year alone without sufficient congressional oversight, and endemic procurement problems indicate a more-than-sufficient budget in research and procurement. When the strategic defense initiative organization within the DOD spends only 2.5 percent of its budget authority after nearly half a year of such authority, I do not see the pressing need to surge forward with these types of programs.

Fifth, the Secretary says that our military capability will be adversely affected. However, Senator GRASSLEY's fine report of February 7, 1985, details the large percentage increase in operations and maintenance spending over the past several years and the concomitant decrease in flying hours and steaming days. Readiness, therefore, cannot be said to depend on additional increases in budget authority.

Sixth, the Secretary argues that the Soviets don't freeze their spending on defense. Irrespective of this statement's validity—and we have seen historical spending patterns reevaluated downward by the CIA—this doesn't guarantee that Moscow is buying improved force effectiveness. The futile comparison of spending levels between the United States and the U.S.S.R. is, as historian Barbara Tuchman has written, rather like judging a beauty contest by how much the contestants spend at the hairdresser.

Seventh, the Secretary claims that a freeze will display a lack of resolve. I would contend that just the opposite will occur: A freeze will show that we are committed to economic growth and solvency just as surely as we are to military strength. Our resolve and international prestige are based on more than the amount of dollars we are willing to spend, and certainly overspend, on defense. I will discuss

this in the future on the floor in more detail.

Finally, the Secretary says that his request for fiscal year 1986 is already $63 billion below the 1981 plan and $45 billion below last year's plan. These so-called budget cuts are based upon planning documents that initially asked for $1.6 trillion over 5 years, estimates that in turn were and in large part still are based on highly inflated threat projections. In reality, the defense budget will have increased by 26 percent in constant fiscal year 1986 dollars and by 47 percent in current dollars since fiscal year 1981, that is, including the first Reagan budget of fiscal year 1982.

A defense budget freeze, in short, will not only give us time to get our defense contracting house in order, but will greatly contribute to growth in our economy without jeopardizing the combat effectiveness and deterrent power of our Armed Forces.

Mr. CHAFEE. Mr. President, I support the Hatfield-Grassley amendment to reduce the level of spending for defense in the Federal budget for fiscal year 1986.

The adoption of this amendment is essential in order for us to succeed in cutting the Federal deficit. Not only will it further reduce outlays—it will demonstrate Congress' resolve that no segment of the Federal budget should be exempt from savings as we attempt to bring the deficit under control.

As soon as it became apparent that decisive action was needed this year to attack the deficit problem, every Senate committee began to examine the programs within its jurisdiction in the search for savings. The compromise budget package which we have adopted achieves these savings through a combination of spending freezes and reductions which touch virtually every Federal program and every segment of society. Programs such as Mass Transit, Rural Housing Assistance, Education, Economic Development, Health Research, and many others have been asked to help shoulder the burden of reducing the deficit.

I have supported the budget package now before us because reducing the deficit is absolutely critical in order to keep our economic recovery on track. One of my chief concerns has been to assure that the reductions be balanced. It is essential for the public to know that Congress has acted, to the greatest extent possible, to assure that all elements of our society share in the burden of deficit reduction.

The administration's original spending request for the Department of Defense called for an increase of 6 percent in terms of real growth in the next fiscal year. I believe such an increase would be excessive, and am pleased that the compromise plan which we have adopted reduces that increase to 3 percent. However, at a time when the deficit crisis compels sacrifice from every sector of society and every segment of the budget, we must do more.

The amendment I am supporting will further reduce defense spending to zero real growth in the next fiscal year, resulting in budgetary savings of $21.5 billion next year and $115 billion over the next 3 years. This provides an additional 3-year saving of $17.7 billion beyond the compromise plan which has been adopted.

I do not think it is fair to ask the public to support stringent reductions in domestic programs and exempt the military from sharing part of the burden. Our national security will not be imperiled if, for 1 year, we tell the Pentagon to live on a diet of zero real growth. While a military freeze—that is, providing the same number of actual dollars in 1986 as we provided in 1985—would undoubtedly do harm to our shipbuilding, modernization, and conventional arms programs and could require shortsighted manpower reductions, I am convinced that the Defense Department could survive zero real growth with no real harm to essential components of our national security.

Every action we take in this budget debate will affect our Nation's economic vitality. If we succeed in reducing the deficit, our economic future will be a brilliant one. By adopting this amendment we will help to complete the job of reducing the deficit in a way that is truly balanced and fair.

I hope my colleagues will join in supporting this amendment.

Mr. HEINZ. Mr. President, I support a freeze in defense spending and my support for an across-the-board package including a defense spending freeze has been on the record for some time. However, I will vote to table the amendment offered by Senator GRASSLEY because I believe that this is not the best way—there should be a package, and because, in part, it is too early in the budget process to reduce defense spending. I have addressed the issue of the need for a package many times. Let me say a word on the second point. If we cut defense now, it will not go for deficit reduction, it will only be ploughed back into other areas of the budget. Indeed, Mr. President, I know of one amendment that may be offered which would transfer the $18 billion saved by freezing defense for a year to agriculture programs. Quite frankly, I would not mind taking that $18 billion and putting it into programs which benefit Pennsylvania and other States in the Northeast and Midwest. That money could go a long way toward maintaining Amtrak, urban mass transit, rural housing unemployment assistance, job training—I have a long list, Mr. President. And that is just the point. All of us have a long list of things we would like to accomplish, but the one thing we must accomplish is a reduction in spending, and a big one. We need to adopt a deficit reduction package that gets us on a path to a balanced budget by the end of the decade, and we will not do that if we start redistributing money in the budget. We need to cut money out of the budget, not redistribute it. So let there be no doubt—I favor a freeze in defense spending and will support it at the proper time as part of an appropriate package, but we have got to make some tough decisions first. We cannot balance the budget by taking money from defense and putting it back into other programs. We can only do it with across-the-board reductions in all programs, except those which protect our poorest citizens, devoting the savings to deficit reduction.

Mr. DECONCINI. Mr. President, I support the provisions of the amendment offered by Senator GRASSLEY which would set defense spending at fiscal year 1985 levels and allow a 3-percent real growth rate for the next 2 years.

Let me make very clear that I am for a strong defense of our Nation and I support the procurement of the major military systems that are being brought into our Nation's arsenal as a result of initiatives taken by the Carter and Reagan administrations, such as the B-1 bomber, the Apache helicopter, the MX missile, and the Trident submarine. I intend to use whatever influence I may have in ensuring that our Armed Forces have the best equipment and the best living conditions possible to ensure a strong and vital protective force for our Nation and our allies.

Under the budget proposal before us, defense spending would climb to a level that is $35 billion higher—after inflation—than at the peak of the Vietnam war in 1968 and $81 billion higher than the peak year of President Kennedy's defense buildup. But along with the massive pumping of funds into the Defense Department has come wasteful spending of shocking proportions.

Not a week goes by without another story in the news of a $44 lightbulb or an $8,000 coffee pot or a $400 hammer that the Defense Department has used Americans' tax dollars to buy. Defense Department figures which show that despite an 87-percent increase in the procurement budgets for tanks and helicopters, we have only added 30 percent more tanks and 45 percent more helicopters to our arsenal clearly indicate that we are spending more and getting less. Add to this the frequent reports of enormous cost overruns and of weapons systems that either don't work or might not work due to workmanship errors or design problems and the result is a spending procedure that is out of control.

The Grassley amendment represents a positive approach to bringing to a halt the waste and abuse of the tax dollars that have been freely flowing into and out of the Defense Department. It is a critically important first step in bringing defense spending under control and in reforming defense spending procedures to prevent further waste. Right now, the American people are not getting the military force that they have paid for. This amendment is our opportunity to ensure that the national defense of the United States is protected by developing a military force that operates like a fine-tuned machine instead of an insatiable giant.

Mr. NUNN. Mr. President, will the Senator from Kansas yield?

The PRESIDING OFFICER. The Chair wishes to advise the Chamber that time on the amendment has expired.

Mr. NUNN. Will the Senator yield to me 1 minute on the bill?

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. NUNN. Mr. President, I will not vote for the Grassley amendment, but I would like to share with my colleagues a couple of thoughts I have on this subject.

First, I believe the appropriate level of defense spending today, considering the threat, is in the 3- to 5-percent range. Considering the deficit, I believe we have to have restraint in defense. I would agree with the Senator from Oregon when he said national security is defined in broader terms than just military spending and includes the economy of the United States. For that reason, I voted in the budget deliberations in the Armed Services Committee to go to a 3-percent level in 1986, 3 percent in 1987, and 3 percent in 1988.

Yesterday I voted against the continuation of the COLA at 2-2-2 by voting for the Hawkins amendment. I did that, though, and said to my colleagues at the time, although not on the floor, that if we had a responsible overall package I would vote to freeze COLA's preferably for 1 year. I have voted that way before. I do not consider the package to which the Grassley amendment is addressed, that is, the compromise package, to be responsible fiscal policy. This package that we are voting on never gets the deficit, according to the Congressional Budget Office, below $100 billion, even going out to 1990. The deficit in 1988 is $145 billion. I simply do not choose to go to my State and tell my elderly citizens that I voted to freeze their COLA in order to get the deficit down to $145 billion. If I am going to ask for sacrifice on the part of the elderly citizens and some of the most vulnerable groups in our society, then I think it ought to be in a cause which gets the deficit under control. By that I mean a 4- to 5- to 6-year glidepath that would get the deficit down to zero. Not $100 billion, but zero.

I feel the same thing about defense. Defense is, I think all of my colleagues know, one of my top priorities. I am not willing to see defense cut to zero growth in order to get the deficit down to $145 billion, but I add to that that I think Senator GRASSLEY and others have made a very legitimate point. Defense must play a role in deficit reduction. If this body votes on a package with a fiscal glidepath to get the budget under control over the next 4 to 5 to 6 years, then I will be prepared to vote to go to zero real growth on defense, which is what this amendment does.

I will not vote for the Grassley amendment, but I think the point is being made. I think the President has to recognize that we cannot continue down the road that he has chosen to lead us for the last 4 years, that is, an adamant refusal to look at new revenues, an adamant insistence on increases in defense, and a continued inability to project a budget which gets the deficit under $100 billion even with extremely optimistic economic assumptions and with Draconian cuts in some areas. So I am waiting on a responsible package. I think there is one being worked on. I happen to believe the only way we are going to reach these conclusions is to have a bipartisan approach at some point. If we do not, the country is going to suffer. I hope to be a part of that before this budget deliberation concludes.

Mr. President, I thank the Senator from Kansas for yielding.

Mr. GOLDWATER addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. GOLDWATER. Parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. GOLDWATER. Has all the time expired?

The PRESIDING OFFICER. All time has expired under the amendment.

Mr. GOLDWATER. Mr. President, I move to table the Grassley amendment. I ask for the yeas and nays.

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

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I ask unanimous consent that the distinguished Senator from Georgia [Mr. NUNN] may proceed for 1 minute.

Mr. NUNN. Mr. President, I will not even take that long.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. NUNN. Mr. President, the Senator from Mississippi [Mr. STENNIS] heard my remarks on the defense budget, on the national security implications of the deficit, and on the overall budget deficit and asked that he be known to agree with these views.

I just report that to my colleagues.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arizona to lay on the table the amendment of the Senator from Iowa.

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 North Carolina [Mr. EAST] is absent due to illness.

SEVERAL SENATORS. Regular order, Mr. President.

The VICE PRESIDENT. Is there any other Senator in the Chamber who desires to vote?

Mr. HATFIELD. Mr. President, how am I recorded?

The VICE PRESIDENT. Regular order has been called for.

Mr. HATFIELD. Mr. President, I would like to vote.

The VICE PRESIDENT. The Senator may vote.

Mr. HATFIELD. I would like to vote aye.

The VICE PRESIDENT. The Senator will be so recorded.

Mr. HATFIELD. Mr. President, I would like to be recorded voting nay.

The VICE PRESIDENT. Are there any other Senators in the Chamber who desire to vote?

Mr. CRANSTON. Regular order.

SEVERAL SENATORS. Regular order.

The VICE PRESIDENT. Regular order has been called for.

Are there any other Senators in the Chamber who desire to vote? Senators may only vote. Regular order has been called for.

The clerk will report, unless there are other Senators in the Chamber desiring to vote.

Mr. METZENBAUM. Regular order.

The VICE PRESIDENT. The clerk is compiling the tally.

Mr. METZENBAUM. Regular order.

The VICE PRESIDENT. Regular order has been called for. The clerk will report.

SEVERAL SENATORS. Regular order.

The VICE PRESIDENT. The Senate is not in order. Will Senators please take their seats so the clerk may report?

The Senate is not in order.

Is there any other Senator who desires to vote?

The result was announced—yeas 48, nays 51, as follows:

[Rollcall Vote No. 36 Leg.]

YEAS—48

Armstrong	Hawkins	Packwood
Bradley	Hecht	Quayle
Cochran	Heflin	Roth
Cohen	Heinz	Rudman
D'Amato	Helms	Simpson
Denton	Humphrey	Specter
Dole	Johnston	Stafford
Domenici	Kasten	Stennis
Durenberger	Laxalt	Stevens
Evans	Long	Symms
Garn	Lugar	Thurmond
Glenn	Mattingly	Trible
Goldwater	McClure	Wallop
Gorton	McConnell	Warner
Gramm	Murkowski	Wilson
Hatch	Nunn	Zorinsky

NAYS—51

Abdnor	Dodd	Mathias
Andrews	Eagleton	Matsunaga
Baucus	Exon	Melcher
Bentsen	Ford	Metzenbaum
Biden	Gore	Mitchell
Bingaman	Grassley	Moynihan
Boren	Harkin	Nickles
Boschwitz	Hart	Pell
Bumpers	Hatfield	Pressler
Burdick	Hollings	Proxmire
Byrd	Inouye	Pryor
Chafee	Kassebaum	Riegle
Chiles	Kennedy	Rockefeller
Cranston	Kerry	Sarbanes
Danforth	Lautenberg	Sasser
DeConcini	Leahy	Simon
Dixon	Levin	Weicker

NOT VOTING—1

East

So the motion to lay on the table was rejected.

The VICE PRESIDENT. The majority leader is recognized.

Mr. DOLE. Mr. President, I suggest the absence of a quorum.

Mr. STEVENS. Will the Senator withhold for one moment?

Mr. DOLE. I will.

Mr. STEVENS. Mr. President, I deplore that conduct we have just witnessed. I remember holding a vote for 2 hours or more for a Member on the other side. To have that kind of display because it might have been a vote in the other direction to me reflects on this Senate. I really deplore that, I believe it should stop. It is the leadership's prerogative to determine when the votes are in. That was a legitimate waiting for an absent Member at the time. That kind of display, I think, really brings the wrath of the public on the Senate. We have a right to wait for every Member to come. I believe the leadership was right in waiting this time despite the fact that they knew the vote would not be for the side the majority leader was taking.

Mr. DOLE. Mr. President, I suggest the absence of a quorum,

The VICE PRESIDENT. The clerk will call the roll.

The legislative 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 (Mr. HECHT). Without objection, it is so ordered.

Mr. DOLE. Mr. President, we know there was a motion to table the Dole-Grassley-Hatfield amendment. While we are waiting here for a minute or two, could the Chair advise what the vote was on that motion to table?

The PRESIDING OFFICER. The vote was 48 yeas, 51 nays.

Mr. DOLE. Still the same.

[Laughter.]

Mr. DOLE. Based on that vote, we have been visiting with a number of people, without success at this time. It is now 5 minutes after midnight in Bonn, too late to place a call and have him come over. So we were discussing with the distinguished minority leader if there might be some way to accept the amendment on a voice vote. He is now making inquiries on his side.

I have talked with the principal sponsors—the sponsors of the amendment, Senator GRASSLEY and Senator HATFIELD. They are ready to proceed on a voice vote. I think we are just waiting for the distinguished minority leader.

Mr. President, while we are waiting for a final check, 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. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. PELL. Mr. President, I understood there were to be a series of votes and I was supposed to go to the funeral of my stepfather-in-law in England. The plane has left now. Was I incorrect about that assumption?

Mr. DOLE. No, Mr. President. I shall offer for myself conforming amendments on military retirees and civil service veterans. Then it is my understanding that, from that side, there will be a Medicare amendment.

I do not know if that is correct or not. That would be followed by additional amendments. As I have indicated from the start, the two big sticking points were COLA's and defense. We saw the need to resolve those up front so we could start working on a final package. So, the Senator is correct. I guess there could be three or four rollcall votes yet this evening and probably some tomorrow.

Mr. PELL. I thank the Senator.

Mr. DOLE. We do hope to leave at a reasonable time tomorrow because I know a number of Senators on both sides have indicated a desire to do so.

Mr. DIXON. Will the majority leader yield for a moment?

May I say to the majority leader, without any criticism whatsoever, that I canceled midafternoon and dinner events last week and there were no rollcalls. I have engagements this Friday, which I am perfectly willing to cancel. I understand my first duty is here, but can we have some assurance we should go ahead and cancel them? I hate to keep people waiting. I am perfectly willing to stay here and vote tomorrow. But the first engagement would be early in the morning, and it is a major business group in the Rock Island area. I would sort of like to let them know if I am not coming. I have no problem about not coming.

Mr. DOLE. I would indicate to my friend from Illinois that we intend to come in early in the morning, and there will be amendments. Now, I cannot demand rollcalls.

Mr. DIXON. No, but the Senator does expect to do business tomorrow?

Mr. DOLE. Yes.

Mr. DIXON. I thank the majority leader.

Mr. DOLE. We have been expecting to do business all week, and we have done a little. I do not know whether it is the right kind of business.

Mr. President, I do suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative 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.

Mr. DOLE. Mr. President, I think the distinguished Senator from Alabama wishes to make a statement, but I believe we can dispose of the amendment. I have discussed it with the manager, and I think he is prepared to accept the amendment.

I am happy to yield 2 minutes to the Senator from Alabama.

Mr. HEFLIN. Mr. President, I only want to make a statement to the effect that I oppose the Grassley amendment and I wish to be recorded as having voted "no" on a voice vote. I did not feel that we would do it on a voice vote. However, I have discussed it with a number of Senators, including the leadership on both sides of the aisle; and rather than delay the proceedings of the Senate further, when we need to get on with the business, I am not going to object to a voice vote. Neither will I request the yeas and nays on this amendment. But I clearly want it understood that I oppose this amendment.

Mr. BYRD. Mr. President, I have run the cloakroom line on this side of the aisle. We have no objection to proceeding with a voice vote on this matter, and I personally recommend that we do that. I join the majority leader in making that request.

Mr. DOMENICI. Mr. President, is all time yielded back on the amendment?

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the amendment (putting the question.)

Mr. BYRD. Mr. President, I ask for a division.

The PRESIDING OFFICER. A division is requested. Senators in favor of the amendment will rise and stand until counted. [After a pause.] Those opposed will rise and stand until counted.

On a division, the amendment (No. 46) was agreed to.

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

Mr. CRANSTON and Mr. GRASSLEY moved to lay the motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 48

(Purpose: To restore COLA reductions for non-Social Security Retirement Programs)

Mr. DOLE. Mr. President, I send to the desk an amendment for myself and the Senator from Alaska [Mr. MURKOWSKI].

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Kansas [Mr. DOLE], for himself and Mr. MURKOWSKI, and other Senators, proposes an amendment numbered 48.

Mr. DOLE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 3, increase the amount on line 12 by $200,000,000.

On page 3, increase the amount on line 13 by $900,000,000.

On page 3, increase the amount on line 14 by $1,700,000,000.

On page 3, increase the amount on line 18 by $900,000,000.

On page 3, increase the amount on line 19 by $2,400,000,000.

On page 3, increase the amount on line 20 by $3,900,000,000.

On page 3, increase the amount on line 25 by $900,000,000.

On page 4, increase the amount on line 1 by $2,400,000,000.

On page 4, increase the amount on line 2 by $3,900,000,000.

On page 4, increase the amount on line 6 by $900,000,000.

On page 4, increase the amount on line 7 by $3,300,000,000.

On page 4, increase the amount on line 8 by $7,200,000,000.

On page 4, increase the amount on line 12 by $900,000,000.

On page 4, increase the amount on line 13 by $2,400,000,000.

On page 4, increase the amount on line 14 by $3,900,000,000.

On page 24, increase the amount on line 3 by $700,000,000.

On page 24, increase the amount on line 13 by $1,700,000,000.

On page 24, increase the amount on line 22 by $500,000,000.

On page 24, increase the amount on line 23 by $2,700,000,000.

On page 27, increase the amount on line 4 by $200,000,000.

On page 27, increase the amount on line 5 by $200,000,000.

On page 27, increase the amount on line 13 by $500,000,000.

On page 27, increase the amount on line 14 by $500,000,000.

On page 27, increase the amount on line 22 by $800,000,000.

On page 27, increase the amount on line 23 by $800,000,000.

On page 33, increase the amount on line 2 by $200,000,000.

On page 33, increase the amount on line 3 by $200,000,000.

On page 33, increase the amount on line 11 by $400,000,000.

On page 33, increase the amount on line 12 by $400,000,000.

On page 37, decrease the second amount on line 20 by $276,000,000.

On page 37, decrease the amount on line 22 by $694,000,000.

On page 37, decrease the second amount on line 23 by $1,124,000,000.

On page 41, decrease the amount on line 17 by $372,000,000.

On page 41, decrease the amount on line 19 by $922,000,000.

On page 41, decrease the amount on line 21 by $1,480,000,000.

On page 43, decrease the amount on line 7 by $231,000,000.

On page 43, decrease the amount on line 8 by $209,000,000.

On page 43, decrease the first amount on line 9 by $541,000,000.

On page 43, decrease the second amount on line 9 by $514,000,000.

On page 43, decrease the amount on line 10 by $843,000,000.

On page 43, decrease the amount on line 11 by $819,000,000.

On page 44, decrease the second amount on line 19 by $276,000,000.

On page 44, decrease the amount on line 21 by $694,000,000.

On page 44, decrease the second amount on line 22 by $1,124,000,000.

On page 49, decrease the second amount on line 3 by $372,000,000.

On page 49, decrease the amount on line 5 by $922,000,000.

On page 49, decrease the amount on line 7 by $1,480,000,000.

On page 50, decrease the amount on line 18 by $231,000,000.

On page 50, decrease the amount on line 19 by $209,000,000.

On page 50, decrease the first amount on line 20 by $541,000,000.

On page 50, decrease the second amount on line 20 by $514,000,000.

On page 50, decrease the amount on line 21 by $843,000,000.

On page 50, decrease the amount on line 22 by $819,000,000.

The cosponsors of the amendment are: Mr. DOLE (for himself), Mr. MURKOWSKI, Mr. TRIBLE, Mr. ROTH, Mr. ABDNOR, Mr. WARNER, Mr. DOMENICI, and Mr. STAFFORD.

Mr. DOLE. Mr. President, yesterday the Senate voted to make no adjustments to Social Security cost-of-living adjustments. The majority leader disagreed with that result and voted against the Hawkins-D'Amato amendment.

Nevertheless, if we are going to make no adjustments in Social Security COLA's, many Senators believe that equity demands that we not make adjustments in other pension programs, such as civil service retirement, military retirement, veterans' benefit, black lung, and other miscellaneous pension programs.

Accordingly, I have offered an amendment on behalf of the distinguished chairman of the Veterans' Affairs Committee [Mr. MURKOWSKI]; the Senator from Virginia [Mr. TRIBLE]; and the Senator from Delaware [Mr. ROTH], the Senator from South Dakota [Mr. ABDNOR], the Senator from Virginia [Mr. WARNER], the Senator from New Mexico [Mr. DOMENICI], and the Senator from Vermont [Mr. STAFFORD]. This is simply a conforming amendment that follows from the Senate's action yesterday on Social Security.

Mr. DOMENICI. Mr. President, I support this amendment. I did not favor putting back full cost of living adjustments for Social Security, and I had ample opportunity to explain why yesterday. My view did not prevail, nor did that of the majority leader.

Frankly, I have been of the opinion since I started this budget process this year—it seems months ago—that if we were going to modify in any way the cost-of-living index for any of the pension plans, whether to freeze them for 1 year, or provide a guarantee of at least 2 percent that was before the Senate, we should treat all retirees alike—that is, military retirees, veterans pensioners, veterans compensation, retired Federal employees, Coast Guard retirees, black lung retirees, and so forth. That is why I support the pending amendment. Since we have used the word "fair," I think it is only fair that we treat all pensioners the same.

This amendment will add about $7 billion to the deficit. That means, when you add this to what we did yesterday on Social Security, we will be adding a little more than $30 billion to the deficit. I am not for adding to the deficit, obviously, but I think that in the interest of fairness, we should treat all retirees alike. I hope the Senate will adopt this amendment tonight. I believe it is the right thing to do.

Mr. CHILES. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER (Mr. QUAYLE). Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. CRANSTON addressed the Chair.

Mr. CHILES. Mr. President, I yield Senator CRANSTON such time as he requires on the amendment.

VETERANS' ADMINISTRATION—COMPENSATION AND PENSION COLA'S

Mr. CRANSTON. Mr. President, as the ranking minority member of the Veterans' Affairs Committee, I rise in support of the pending amendment. This amendment would provide for full cost-of-living adjustments, in fiscal year 1986, 1987, and 1988, in, among other benefits, VA compensation benefits paid to service-connected disabled veterans and to the survivors of those who die from service-connected causes, and in VA pension benefits paid to needy, non-service-connected disabled and aged wartime veterans and to the needy survivors of wartime veterans. These COLA's would be provided at the same percentage as the Social Security COLA's on which the resolution—as amended by the Senate in adopting the Social Security full COLA amendment—is premised, that is, the COLA's scheduled to be granted to Social Security beneficiaries under the indexing provisions of current law.

As my colleagues are aware, on behalf of myself and the other Democratic members of the Veterans' Affairs Committee, Senators DECONCINI, MATSUNAGA, MITCHELL, and ROCKEFELLER, as well Senators INOUYE, SARBANES, KENNEDY, EXON, RIEGLE, LEAHY, BURDICK, and BINGAMAN, I am planning to offer an amendment to provide for adequate levels of funding for veterans' programs. On April 2, I announced my intent to offer this amendment in a letter sent to all Senators. I had the amendment printed in the RECORD on that same day.

The pending amendment, by providing for full COLA's in VA compensation and pension benefits, would eliminate just one of the inequitable results that the so-called Reagan/Senate Republican leadership agreement would impose upon our Nation's veterans and which our amendment would correct.

To make the other changes that fairness requires, I still intend to offer those portions of that amendment that address other issues in function 700, veterans' benefits and services.

As presented to the Senate, the Republican leadership/Reagan package would apply to the VA's service-connected disability compensation and need-based pension programs the same arbitrary, complex COLA-reduction formula it has proposed to apply to Social Security and which the Senate has now rejected. Thus, instead of COLA's at the administration-projected inflation rates of 4.1, 4.3, and 4.1 percent in fiscal years 1986, 1987, and 1988, respectively—on which the Republican leadership/Reagan budget proposal is premised—The President proposes to cut veterans' compensation and pension COLA's by more than half, to only 2 percent, in each of those years.

FAIRNESS TO VETERANS

Major veterans organizations have stated clearly that if all COLA's are foregone in fiscal year 1986 so should be VA compensation and pension COLA's. Presumably, they would be equally as willing to share in an across-the-board COLA's reduction—although perhaps not one that cuts into their COLA's in each of 3 years running. In any event, that is not what the Republican leadership/White House package entailed and, with a full Social Security COLA, now approved is not what the pending resolution would entail.

Rather, in addition to the fact that the President's package would provide Supplemental Security Income and Food Stamp beneficiaries with full COLA's in all 3 fiscal years, a full COLA for Social Security would also now be given. But either way, the full compensation and pension COLA's should be provided.

I have heard the argument made with respect to the COLA's for SSI and Food Stamp beneficiaries that veterans should not feel that the Reagan/Republican leadership package discriminates against them, that they should acknowledge fairness in a policy that enable benefits for welfare recipients to keep pace with inflation while denying such treatment to those who served our Nation in time of war and those disabled in military service.

That argument plays on the conceptual distinction between compensation and pension, which are considered benefits earned through honorable service, on the one hand, and welfare programs, such as SSI and Food Stamps for low-income persons, on the other hand, which are not earned benefits. But, this argument turns the distinction inside out. Veterans' benefits, by virtue of being earned benefits, are more—not less deserving of favored treatment.

The Reagan/Republican leadership package seemed to consider veterans especially deserving of unfavorable treatment. And not that the Senate has gone on record as supporting full Social Security COLA's, that unfavorable treatment would be aggravated if the pending amendment is not approved.

COMPENSATION

The VA's service-connected disability compensation program has been and should remain a top priority of the Congress. Under this program, benefits are paid to the veteran to replace the average impairment of earning capacity attributed to his or her service-connected disability, and benefits to replace lost earnings are paid to the survivors of those who die from service-connected causes.

In the cases of many seriously disabled veterans, VA compensation is the only source of income.

Based on the administration's projections of inflation, in the case of a 100-percent service-connected disabled veteran, the reduced COLA formula on which the resolution is premised would mean the loss of more than $2,100 over the 3-year period encompassed by this resolution, and over $4,400 in a 5-year period. Assuming 45-year-old totally disabled compensation recipient lives to be 65, the loss for those 20 years would total almost $29,000 If COLA rates remained at 4 percent after fiscal year 1988.

It has been asserted that the Republican leadership package treats service-connected disabled veterans and the survivors of those who have died from service-connected causes more equitably than did the version reported by the Senate Budget Committee, which would simply have denied them a COLA in fiscal year 1986. The fact is, however, that the Republican leadership package would even more seriously erode the value of compensation benefits than the Budget Committee had proposed.

Based on the Administration's projections for Social Security COLA's, as of December 1, 1987, compensation for a veteran with a service-connected disability rated totally disabling would be $420 per year less under the Republican leadership package than it would have been under the Budget Committee's proposal. Through the end of fiscal year 1990, the totally disabled compensation recipient would receive $1,044 less under the Republican leadership's COLA reduction proposal than under the Budget Committee's 1-year freeze.

PENSION

In the case of VA pension—a needs-based program as is SSI—individuals would be penalized simply being wartime veterans or survivors of wartime veterans since SSI, as well as Social Security, recipients would receive full COLA, but VA pensioners would be at the reduced level.

The argument has been made, however, that denying pension recipients, but not SSI recipients, a full COLA is fair because the benefit levels under the new Pension Program, enacted in 1978 in Public Law 95-588, are significantly higher than SSI benefits. This argument seems to attempt to create the false impression that VA pensioners are fairly well off and that there is no need for their benefits to keep pace with inflation.

That is just not so.

Veteran-pensioners are truly needy individuals who are either 65 or older or permanently and totally disabled. Those eligibility criteria parallel SSI. The improved VA Pension Program enacted in 1978 is a very strict needs-based system.

The income standard applicable to a 70-year-old World War II veteran with

no dependents is $5,709 per year. If the veteran receives $3,500 per year in Social Security benefits and no other non-pension income, his or her pension would be $2,209 per year—$184 per month.

In the case of a Vietnam-era veteran who is permanently and totally disabled and has a spouse and one child, the income standard is $8,446. This family of three would have only $705—about $235 per person—per month to live on. Do they not need full protection against inflation?

Can low-income persons such as these afford—as the President and the Republican leadership proposes—to suffer a reduction of nearly 7 percentage points in their benefits over a 3-year period? Is that the expression of gratitude and special consideration that the Senate, the Congress, and the Nation intends for those who have answered the call and taken up arms in time of war?

Mr. President, the April 15, 1985, booklet entitled "Senate/Administration Deficit Reduction Plan" provides the following one-line justification for the reductions in COLA's for VA pensioners: "Since pension cap exceeds poverty line, COLA restraint will not result in any veteran falling into poverty." That's one line stating two concepts and both of them are false.

It is simply not true that the pension income standards are above the poverty line generally. In fact, the levels are above the poverty line only in the cases of veterans with no dependents or only one or two dependents. The pension income levels permitted for a veteran with a spouse and two children and all those with more than three dependents are already below the poverty line.

For example, a veteran-pensioner with two dependents in 1984 received $8,160 for the year while the poverty line, determined by the Bureau of the Census, for a family of 3 was $8,280. Moreover, the VA pension income standards for all surviving spouses are well below the Census Bureau's poverty level figures. For example, the pension provided to a surviving spouse with no dependents in 1984 was $3,695—that's 30 percent below the $5,280 poverty level for a single person for 1 year.

The second part of the justification—that "COLA restraint will not result in any veteran falling into poverty"—is as wrong as it possibly could be. All, I repeat, all veteran-pensioners under the current Pension Program who are not already below the poverty line would be pushed down below the poverty line as the result of the Reagan/Republican leadership proposal.

As projected by the Education and Public Welfare Division of the Congressional Research Service, using Social Security trustees' economic assumptions, the 1987 poverty line for one person has been estimated at $6,060 per year; with 2 percent COLA's, the pension in that same year for a veteran with no dependents would be $5,939. Indeed, in 1987, the only veteran-pensioner group that is estimated to exceed the poverty line with 2 percent COLA's are those veterans with one dependent—and then only by $31. By 1988, even the veteran-pensioner with one dependent would, as already would have all other veteran-pensioner groups in fiscal year 1987, fall below the poverty line—the pension level would be $6,058 while the poverty line for a family of two in 1988 is estimated at $6,370.

Mr. President, I also note that, if full Social Security COLA's were granted, VA pensioners who have some Social Security income would—if VA pension benefits levels are not also increased commensurately—realize no real dollar increase in their total incomes from the 4.1-percent Social Security COLA. Their total incomes would increase by only 2 percent. Under the improved VA Pension Program, which was enacted in 1978 and took effect on January 1, 1979, VA pension benefit rates are based on the extent to which a pensioner's income falls below a given standard. For example, as I have noted, in the case of a veteran-pensioner with no dependents the income standard is $5,709, and if that veteran received Social Security benefits of $3,500 per year and had no other nonpension income, his or her VA pension would be $2,209 per year. Increasing that veteran's Social Security benefit by 4.1 percent to $3,643, while providing for only a 2-percent increase, to $5,832, in the applicable pension standard, would result in a decline in that veteran's pension—from $2,209 to $2,180.

Mr. President, this phenomenon of VA pensioners experiencing reductions in their pensions by virtue of increases of less than 2 percent would occur in all cases of VA pension recipients who have some Social Security income. In my view that would be an unfair, untenable result, and it can be corrected only by providing VA pension COLA's at the same percentage as Social Security COLA's.

I also note that, if a VA pension COLA is not granted at the same percentage as Social Security, VA pension recipients who are still on the rolls of the pension program that was in existence prior to January 1, 1979, could actually be made worse off financially.

When the current VA Pension Program took effect on January 1, 1979, the benefit levels of those who were on the prior Pension Program rolls as of December 31, 1978, and who thereafter remained on those rolls were frozen for so long as their incomes did not exceed the applicable income limitation under the prior program. Those income limitations are raised annually at the same rate that Social Security benefits are increased. Increasing Social Security benefits without increasing these limitations by the same percentage would undoubtedly mean that many pensioners would lose their entitlement to these prior-law pension benefits completely and actually suffer a reduction of income.

THE 2-PERCENT GAMBLE IS DEMEANING

Some might try to justify this unfair treatment of veterans by pointing out that the Republican leadership package would "guarantee" 2-percent COLA's in each of the 3 years even if inflation drops below 2 percent. The odds of that national lottery paying off are as poor as the logic behind that entire jerry-built device.

Veterans deserve fair, equitable, and dignified consideration under the budget. I consider it undignified and demeaning—as well as unfair and inequitable—to our Nation's service-connected disabled veterans to offer them in this budget proposal substantially less than full COLA's in fiscal years 1986, 1987, and 1988 and to try to entice them into accepting it by promising to give them 2-percent COLA's in each of those years even if the rate of inflation does not justify those COLA's.

The suggestion that the possibility of unwarranted increases in these veterans' benefits would buy them off is insulting. They've never asked for unjustified COLA's. Who is it who thinks that such increases would be tempting to them?

In any event, it sure didn't work since all the major veterans' organizations support my amendment restoring full COLA's.

Moreover, Mr. President, if one were to assume that, against all odds, the inflation rate in fiscal years 1986, 1987, or 1988 were to fall below 2 percent, why should the Federal Government pay 2-percent COLA's in Social Security, retirement benefits, and VA compensation and pension rates? If, for example, the actual rate were only 1 percent in these years, the total cost in VA compensation and pension would exceed $100 million per year. The Federal Government would thus be paying out hundreds of millions of dollars with no policy justification for doing so that I can perceive.

Yet, those considered the most needy group of welfare recipients—SSI recipients—would not share in this windfall. Nor would food stamp recipients.

Mr. President, there is one further quirk in the pending resolution without any justification that I can comprehend. In the event that inflation is unexpectedly high in any of the 3 years involved, compensation and pension COLA's would be higher than 2 percent—but the amount of the

COLA's would not be based solely on how high the rate of inflation was. Rather, the COLA's would be based on how far off the administration's current estimate of inflation turned out to be.

For purposes of illustration, if the applicable inflation rate were actually 5 percent in each of fiscal years 1986 and 1987, the COLA's would be 2.9 percent in fiscal year 1986 and 2.7 percent in fiscal year 1987. The reason for this difference would be that the administration's estimate of 4.3 percent for fiscal year 1987 would be closer than its 4.1-percent estimate for fiscal year 1986. The question I cannot answer in my own mind is what the size of the error made by an OMB forecaster has to do with sound public policy and with the real needs—for food, clothing, shelter, and other necessities—of the individuals who receive the benefits involved.

Surely, no one expects the inflation rate to be below 2 percent for any of those years; so the so-called carrot is truly misleading.

The pending package seeks to transform the provision of COLA's in these vitally important VA programs into tawdry gambles—tosses of dice that are plainly loaded in the administration's favor with a cynical and totally ill-conceived minimum COLA guaranty thrown in as an illusory sweetner.

What a terrible array of unfair, absurd policies this COLA reduction proposal entails!

The Senate should reject it overwhelmingly and, by so doing, restore a measure of fairness, dignity, and sound judgment to the budget process.

CONCLUSION

For these reasons, Mr. President, I strongly support a full COLA for VA compensation and pension recipients and military and civilian retirees.

Providing these COLA's would represent the first step—only the first step, but an essential one—toward making this budget resolution one that affords our Nation's veterans the fairness with which they deserve to be treated. The opportunity for taking the remaining necessary steps will occur when we offer our amendment to deal with other inequities in the Reagan/Senate Republican leadership cut in veterans' programs.

Mr. THURMOND. Mr. President, I rise to offer support for the amendment proposed by our distinguished majority leader, Senator DOLE.

Having been involved in many of the negotiation sessions conducted by the majority leader in the past several weeks, I know that he does not offer this amendment without serious concerns over the budgetary impact it could have if included in whatever final budget resolution is adopted by the Congress. He has expressed these concerns to me, Mr. President, and I would say to the distinguished majority leader that I share those same concerns. Nevertheless, by the same sense of fairness which has led Senator DOLE to offer this amendment, I am compelled to support its adoption.

Mr. President, prior to the adoption yesterday of the amendment offered on behalf of Senators D'AMATO and HAWKINS, all Federal pension recipients were treated equally under the assumptions of this budget proposal. All would have received at least a 2-percent cost of living adjustment—COLA—in each of the next 3 fiscal years. In the event the consumer price index [CPI] rises by more than 4 percent in any of those years, all would have received a further increase equivalent to the amount by which any rise in the CPI exceeds 4 percent.

I voted against adoption of the D'Amato/Hawkins amendment, Mr. President, because I firmly believe all Federal pension recipients should be treated equally and because it is necessary to restrain the growth of all Federal entitlement programs. If one group of Federal pensioners is called upon to sacrifice in order to reduce the huge Federal deficit by way of receiving slightly smaller COLA's in the future—than they otherwise would under present law—it is only fair that all others be called upon to accept a similar, reasonable sacrifice.

With the adoption of the D'Amato/Hawkins amendment, that is no longer the case. As the budget proposal now stands, should inflation rise by 3 percent or more in any of the next 3 fiscal years, Social Security recipients would receive slightly larger COLA's than would other Federal pension recipients. I voted against the amendment, in part, because I believe this to be neither fair nor equitable to veterans, military retirees, civil service retirees, or other Federal pension recipients.

Mr. President, now that Social Security recipients are slated to receive a full COLA, my belief that all Federal pension recipients should be treated equally causes me to vote for adoption of the pending amendment. This proposal would restore funding sufficient to provide all Federal pension recipients with full COLA's in the next 3 fiscal years.

Unfortunately, Mr. President, adoption of this amendment, coupled with earlier passage of the Social Security COLA restoration, significantly reduces the likelihood of achieving the savings necessary to prevent inflation and interest rates from again rising to levels that will destroy our economy. Therefore, I hope we have the opportunity to again consider the question of limiting the size of future COLA adjustments to all Federal pension recipients before a final budget resolution is adopted. While I am compelled to vote in favor of this amendment from an equity standpoint, I remain firm in my belief that reasonable sacrifices on the part of all Federal pension recipients will be necessary if we are to truly achieve budget savings of the size necessary to ensure a continued strong economy.

Congress, as well as the various Federal retiree groups, must understand that the solvency of their retirement funds is inextricably linked to and dependent upon a healthy economy. Without a vibrant, growing economy, there simply will not be sufficient tax contributions from working employees flowing into the various retirement trust funds to pay out full benefits plus cost-of-living adjustments to the various Federal retirees. Without deficit reductions of the magnitude proposed in the Senate-administration budget compromise, it is not reasonable to expect a healthy economy for this Nation in the years ahead, and the solvency of the several Federal retirement programs will again be in jeopardy. That is the crux of the matter, Mr. President, and that it why it is so important and necessary that recipients of all Federal retirement pensions support reasonable restraint and cost savings in the COLA's for their benefit programs.

Additionally, I believe that our older Americans who have given so much to our Nation also understand better than any one why we must end the irresponsible shortsighted practice of burdening our children and their children with our debts.

Thus, Mr. President, while I shall vote for this amendment in order to restore fairness and equity in the treatment of Federal pensioners, I sincerely hope we can revisit this entire issue and achieve a consensus for reasonable restraint and budgetary savings.

Mr. WARNER. Mr. President, I rise today in support of this amendment, conforming Federal and military retirement and veterans compensation with the actions taken restoring full CPI based cost-of-living adjustments [COLA's] with the Social Security system.

I would like to commend my colleague from Virginia, Mr. TRIBLE, forhaving taken the initiative on this important issue.

It is true that I was prepared to support COLA limits approved as a part of the White House-Republican Senate leadership package.

In fact, I voted May 1 with my colleagues in the Republican leadership, including Mr. TRIBLE, in favor of the Social Security limitation.

A 65 to 34 majority of the Senate rejected that proposal, however, thus departing from the leadership package and setting the budget resolution on a substantially different course.

Following the Social Security vote, and rightly so, our distinguished majority leader, Senator DOLE, called for

the consideration of Senator TRIBLE's amendment conforming the other Federal retirement programs with Social Security.

This action is consistent with our intent to provide equitable treatment for all participants in Government retirement programs.

I understand the significant impact on the proposed budget package that this amendment will have.

However, I also understand that the issue of all retirement COLA's may be revisited later in the budget process.

We must remain consistent in this process.

It is my opinion that the retirement sector should remain whole in such debate, and that this conforming amendment is needed to adhere to that policy.

Above all, we must endeavor to sustain to a policy of fairness and equal treatment to all who depend upon COLA's.

In that context, Federal, Military, and veteran COLA's must certainly be awarded on the same basis as Social Security.

Mr. GRASSLEY. Mr. President, as you are aware, I have been a long-time supporter of an across-the-board budget freeze as the best means of bringing Federal spending under control. The beauty of my budget freeze lies in the fact that it treats all programs equally. No one will be asked to relinquish benefits or funding so that other programs can be increased. Retirees should not be asked to take a cut in their retirement benefits to enable the Defense Department or any other Federal agency to increase its spending.

In light of yesterday's vote to restore the cost-of-living adjustment for Social Security recipients, I believe it is only fair to treat all retirement programs equitably. Treating all individuals equally is consistent with my across-the-board freeze. I cannot vote to exempt veterans pensions, railroad retirement benefits, military pensions, or civil service retirees from those eligible to receive a cost-of-living adjustment in 1986 or ask these persons to sacrifice their COLA's when other groups will not be asked to do the same.

We cannot reduce the deficit by treating Federal programs unfairly. We must take charge of our spending in an evenhanded manner. It is time to take an across-the-board spending freeze seriously.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, I yield myself time from the resolution on this side or from the amendment.

A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BYRD. Does anyone on this side have any control of the time on this particular amendment?

The PRESIDING OFFICER. The minority leader has control of the time.

Mr. BYRD. I thank the Chair. Then I yield from the time on the amendment.

The PRESIDING OFFICER. The Senator is recognized.

Mr. BYRD. Mr. President, yesterday, in what I believe was a demonstration of the Senate's commitment to basic fairness, the Senate voted by a large margin to strike the provision from the White House-Republican leadership budget that cut cost-of-living adjustments for Social Security beneficiaries.

Now there is an amendment that is before us that will extend this COLA restoration to Federal civilian retirees, military retirees, and recipients of veterans pensions and disability benefits. The great majority of Federal civilian retirees and many of the military retirees and recipients of the benefits depend on those benefits in the same manner as Social Security beneficiaries depend on these payments. Oftentimes these benefits are the only income received by these recipients.

I think it is important, Mr. President, to extend the concept of equity demonstrated in this Chamber yesterday to these other retirees.

I support the amendment, Mr. President, and hope the Senate will adopt it.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. Mr. President, I yield myself such time as I might need off the amendment.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I am delighted that the majority leader has presented this amendment. I think it is exactly what we should be doing to conform to the vote we had yesterday.

I think it is clear that the COLA recipients, the people who are receiving cost of living should be treated the same way, and I think that is the purpose of this amendment.

We have said that we were not going to impose the COLA minus 2 for 3 years on Social Security recipients. Now that we have said that, this conforms to see that that will not happen to Federal retirees, military retirees, and Federal worker retirees, and veterans. Those are areas that we certainly should treat the same.

Mr. President, on our side we are just checking the amendment, and it will take us just a few minutes to determine if we feel it does conform to each of these programs.

So I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield as much time to the Senator from Wyoming as he desires. But let me yield myself 30 seconds.

I ask unanimous consent that a summary of the impact of this amendment be printed in the RECORD. This table shows that the amendment would increase the budget outlays by $7.2 billion itemized by each Federal pension program. The amendment will now return these programs to current policy—full COLA's.

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

OTHER COLA'S TO BE RESTORED TO FULL VALUE IN LINE WITH FULL SOCIAL SECURITY COLA

Program and 3-year effect

Military retirement ($2.1 billion).
Civil Service Retirement ($2.7 billion).
Veterans' Pensions ($382 million).
Veterans' Compensation ($1.2 billion).
Federal Employee Workers' Compensation Administration ($18 million).
Foreign Service Officers' Retirement ($27 million).
Coast Guard Retirement ($37 million).
Black Lung Retirement ($57 million).
Coal Miners' Retirement ($100 million).
Total: $7.2 billion.
(Also affected: Miscellaneous other programs with COLA provisions but which are not pension/benefit in nature.)

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, if I may speak briefly on this issue, I am very supportive of the amendment of Senator DOLE conforming matters to what we did yesterday with regard to Social Security.

I think it is important, and I would add to what Senator CRANSTON has said that I serve as a member of the Veterans' Affairs Committee and it is certainly a bipartisan effort as to what we do in the Veterans' Affairs Committee with regard to veterans.

The members of that committee, and their fine chairman, Senator MURKOWSKI, have done extraordinary work for veterans and will continue to do so.

Mr. President, what I advise and think you must be aware is that there will be presented an amendment by Senator CRANSTON that says the present amendment is phase 1 or step 1. I can tell you step 2 is an extraordinary one because it calls or will call for $4 billion of expenditures in addition to a very generous budget of nearly $27 billion for the veterans of this country.

I am a veteran. I am very proud of that.

The first step is fine with me. I am ready to go along with that and the majority of the body will.

As to the second step, Senators want to be sure that they are here and participating because it will be a blockbuster in cost. It adds back things that have never even been requested.

So I just want to be sure that my colleagues hear that this is an issue that will be revisited. Equity and fair-

ness are the words we hear, and I agree with that. I think it is a good step, but equity and fairness will not lead us to an additional $4 billion in a 3-year period as an amendment which will be presented as phase 2 or step 2.

I did wish to suggest that to the body.

Mr. DOLE. Mr. President, I yield 5 minutes to the distinguished Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized for 5 minutes.

Mr. TRIBLE. Mr. President, I thank the majority leader for yielding.

I rise in support of this amendment. I am pleased to join with the majority leader in offering this amendment today.

Mr. President, since the Senate has approved full COLA's for Social Security benefits, fairness dictates that Federal civilian and military retirement benefits, as well as the veterans' pension and compensation benefits, be fully indexed for inflation, as well. To limit the cost-of-living adjustment for Federal retirees and veterans while the COLA's for Social Security recipients are fully indexed is an injustice to those individuals who have dedicated their lives to Government service.

Mr. President, as the Senate looks for ways to restrain Federal spending and reduce the deficit, our solutions must be equitable. All of us are part of the problem and all of us must be part of the solution.

Without this amendment, the Federal retirees and veterans will be saddled with a burden which the Senate has determined to be too onerous for Social Security recipients. So, in the name of fairness, I hope the Senate will adopt this amendment.

I yield back the balance of my time.

Mr. DOLE. Mr. President, I will take a moment to say that many Senators believe that equity demands that we at least temporarily put everything back where it was. But I would also indicate that it is my hope that we revisit the COLA matter later on, if not this week, next week.

This amendment will produce $7.2 billion in lost savings added to the $23 billion lost yesterday. That is about $30 billion taken from the package.

Some would say, "Well, we made up $17 billion of that today by cutting defense, and you could probably get the rest by raising taxes."

I would say that the vote yesterday came as no surprise. We anticipated that. I think we probably anticipated the vote today on the 0-3-3 defense proposal. And maybe that is the way it would have come out a week from now, but it makes it a little more difficult to negotiate when you start out from 0-3-3.

But, in any event, I believe it is still the hope of the veterans and civil service retirees and military retirees and Social Security retirees that we do something on the deficit. I would not want anybody to misinterpret what we are doing here to mean that it is all over. I would suggest just the opposite. I think it is just beginning. We will have additional votes this evening to see how far we want to extend dumping things out of the package.

I think we have reached a tentative conclusion on the two major items—on defense and Social Security. It seemed to many of us that we ought to address those issues. The White House and the President have an interest in those two areas. The President indicated 3-3-3 percent real growth was essential to defense. He did join the package on the basis of Social Security receiving a guaranteed annual COLA of 2-2-2; that is, a 2 percent increase in COLA's for the next 3 years. Both of those White House positions have failed.

But I hope that the President will understand that we made the best effort and that now we have to do something a bit different. Maybe not. We can always offer 3-3-3 later on defense or 1½-3-3 or 2-3-3. There are still hundreds of other combinations that could be pursued.

So I just suggest that anybody in a budget resolution debate who draws conclusions from one or two votes may not fully understand the process.

Mr. President, I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

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

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

Who yields time?

Mr. DOMENICI. How much time does the Senator from Alaska desire?

Mr. MURKOWSKI. I would need about 3 or 4 minutes.

Mr. DOMENICI. I yield 5 minutes to the Senator from Alaska.

Mr. MURKOWSKI. Mr. President, I rise to support the conforming amendment offered by my distinguished colleague the majority leader, Senator DOLE. This amendment would grant full COLA's to our Nation's veterans as well as for other entitlement program recipients.

Mr. President, as I noted yesterday in my floor statement when the Social Security amendment was pending, it would be important to consider the full impact that the adopting of such an amendment would have on the equal sharing of the burden of deficit reduction. It was clear to me that equity and fairness would demand that other Americans receive the same protection—military, coast guard and civil service retirees, among others.

In the same selfless spirit which characterizes their duty to this Nation in good times and bad, the veterans, through conversations with their various representative organizations, have told me that they will accept reduced COLA's if other groups make the same sacrifice.

I find this attitude totally consistent with the high standards reflected in other issues the veterans have either sacrificed for or compromised on, and I commend their willingness to take the same sacrifices as we are asking other groups to take in these time of fiscal restraints. Certainly the veterans should not be asked to sacrifice any more than any other American.

It is the service and sacrifice of the men and woman who answered our Nation's call to arms that allows us the luxury of standing here today in freedom.

It is clear to me that if the Senate decided to endorse full COLA's for Social Security recipients, the veteran should receive no less. I continue to believe that veterans should receive the same COLA's as other beneficiaries of Federal entitlement programs. In fact, although I opposed the breakdown of the leadership compromise and therefore opposed the Social Security COLA amendment, I had planned to offer an amendment to restore full COLA's for VA compensation and pension recipients if the Social Security amendment was adopted and I made my intentions known to my colleagues yesterday.

Our distinguished majority leader has reached this very same conclusion. And since the Social Security amendment was adopted, he has decided to offer an amendment to restore COLA equity to recipients of other Federal entitlement programs. I fully support him in his decision, which I realize was most difficult to make in the context of working hard to keep the compromise from unraveling. However, I do endorse his decision and would urge my colleagues to support the amendment. At this time I also wish to note that as far as the rest of the compromise is concerned, I believe it is important to support the entire package as a reasonable measure to begin to tackle our burgeoning deficit. I would urge that other Members put aside individual concerns and join together to support the compromise which, although not perfect, is a worthy effort and should be endorsed and adopted.

I believe that Senator SPECTER, Senator STAFFORD, Senator SIMPSON, and Senator ABDNOR, also would like to join me as cosponsors.

I yield the floor to my colleague from New Mexico, the chairman of the Budget Committee.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. I yield back all of my time.

Mr. DOMENICI. I yield back all of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment of the Senator from Kansas. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from North Carolina [Mr. EAST] is absent due to illness.

Mr. CRANSTON. I announce that the Senator from Missouri [Mr. EAGLETON] is necessarily absent.

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

The result was announced—yeas 80, nays 18, as follows:

[Rollcall Vote No. 37 Leg.]

YEAS—80

Abdnor	Gorton	Mitchell
Andrews	Gramm	Moynihan
Armstrong	Grassley	Murkowski
Baucus	Harkin	Nickles
Bentsen	Hart	Nunn
Biden	Hatfield	Packwood
Bingaman	Hawkins	Pell
Boren	Heflin	Pressler
Bradley	Heinz	Pryor
Bumpers	Hollings	Quayle
Burdick	Inouye	Riegle
Byrd	Johnston	Rockefeller
Chafee	Kasten	Roth
Chiles	Kennedy	Rudman
Cochran	Kerry	Sarbanes
Cohen	Lautenberg	Sasser
Cranston	Leahy	Simon
D'Amato	Levin	Simpson
DeConcini	Long	Specter
Dixon	Lugar	Stafford
Dodd	Mathias	Stennis
Domenici	Matsunaga	Thurmond
Durenberger	Mattingly	Trible
Exon	McClure	Warner
Ford	McConnell	Weicker
Glenn	Melcher	Zorinsky
Gore	Metzenbaum	

NAYS—18

Boschwitz	Goldwater	Laxalt
Danforth	Hatch	Proxmire
Denton	Hecht	Stevens
Dole	Helms	Symms
Evans	Humphrey	Wallop
Garn	Kassebaum	Wilson

NOT VOTING—2

Eagleton	East

So the amendment (No. 48) was agreed to.

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

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

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, let me indicate to my colleagues what the program is for the remainder of the evening. I expect we will stay in until about 11 o'clock, and as I understand there may be an amendment, the minority leader just indicated, from that side, perhaps on Medicare, Medicaid. I am not certain. He did not indicate just what. So that will be the next amendment. I hope we can dispose of several amendments this evening. I would like to come in quite early tomorrow morning, say 8 or 8:30, and try to have four or five votes before 1 or 2, 2:30, 3 o'clock so we get the last plane to Chicago——

Mr. DIXON. I thank the majority leader.

Mr. DOLE [continuing]. For those going that way. And then I expect to have votes on Monday. Tuesday, as I have indicated before, we have some problems on this side that I need to consider, and it appears after 4 p.m. on Tuesday, maybe 3 or 4 p.m., there would be no votes. So if you want to plan dinner next Tuesday, it looks like a good time. We might have debate but no votes on Tuesday evening. On Wednesday, as I understand it, it is the hope of the distinguished manager that we might wrap up this package. At least Wednesday or Thursday. So that is the forecast.

There are how many hours left on the resolution?

The PRESIDING OFFICER. There are 24 hours and 34 minutes left on the resolution.

Mr. DOLE. We are already half finished and it has only been a couple, 3 weeks, so that is an indication of where we are.

Mr. LEAHY. Will the distinguished leader yield for a question? He said there may be votes on Monday. Is there a time before which there would not be votes on Monday?

Mr. DOLE. We hope to protect Senators until, say, 1, 2 o'clock.

Mr. LEAHY. 2:25 maybe, thereabouts.

Mr. DOLE. Can the Senator give me an indication how he is voting?

Mr. LEAHY. How would the Senator like me to vote? No, but the distinguished majority leader thinks it probably would not be until the first part of the afternoon before there would be votes?

Mr. DOLE. I assume we would not come in quite as early because there are Members returning from their States; we recognize that. I hope we could have votes on Monday. Obviously, if somebody did not want us to have votes, we would have votes on Monday.

Mr. LEAHY. That is all I am suggesting. I thank the distinguished majority leader.

RECESS UNTIL 6:45 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent the Senate stand in recess until 6:45 p.m.

The motion was agreed to, and at 6:17 p.m. the Senate recessed until 6:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. GORTON]

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Washington, suggests the absence of a quorum. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. ARMSTRONG. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time for the proceedings under the quorum call be charged equally to the two sides.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. COCHRAN). Without objection, it is so ordered.

AMENDMENT NO. 49

(Purpose: Sense of Congress that minimum taxes ought to be imposed on corporations and individuals, to be used for individual income tax rate reduction)

Mr. PACKWOOD. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

Mr. BYRD. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from West Virginia [Mr. BYRD] reserves the right to object.

The amendment will be stated.

The legislative clerk read as follows:

The Senator from Oregon [Mr. PACKWOOD] for himself, Mr. DOLE, and Mr. RUDMAN, proposes an amendment numbered 49:

At the end of the pending amendment, add the following: It is the sense of the Congress that revenues should be increased and it is assumed that the Committees on Finance and Ways and Means will raise these revenues through legislation providing for payment of minimum taxes by corporations and individuals on the broadest feasible definition of income to assure that all of those with economic income will pay tax, and it is further assumed that the resulting revenues be used to reduce individual income tax rates and to increase the threshold amounts for tax payments by individuals in connection with consideration of comprehensive tax reform legislation.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. I yield myself 30 seconds.

I beg the Senator's pardon. I did not understand his request. I did not understand he was sending an amendment to the desk.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Under the procedures of the Budget Act, it is my understanding the proponents of the amendment will have one-half hour and the opponents will have a half hour. Is that correct?

The PRESIDING OFFICER. The proponent has one-half hour and the manager has one-half hour, if he opposes the amendment.

Mr. DOMENICI. The manager of the bill on this side does not oppose the amendment.

The PRESIDING OFFICER. In that case, then, the minority leader controls time in opposition.

The Senator from Oregon.

Mr. PACKWOOD. Mr. President, this is a sense-of-the-Senate resolution calling upon the Senate Finance Committee to enact a minimum tax both on individuals and corporations. I define minimum tax to mean a tax that will guarantee that all corporations and all individuals, whatever their source of income and whatever their source of deductions or preferences, will have to pay some tax. The sense-of-the-Senate resolution does not call for a tax increase. It is revenue neutral. It provides that any money raised by minimum tax will be used to offset individual rates or to raise the threshold upon which taxes are levied so that we can eliminate from taxation some people at the lower end of the tax scale. But I emphasize again it is not a tax increase. It is designed to levy a tax on those who now have relatively large individual incomes and pay no tax or corporations that have economic income and pay no tax. And I emphasize again, they would pay it regardless of what their deductions, exemptions, or other tax preferences may be.

I also want to emphasize that this is not a substitute for tax reform. There are many who have been advocating a minimum tax I think as a smoke screen in the hopes that one would be enacted and we would not approach genuine tax reform.

That is an issue at hand. That is an issue that should be discussed, debated, and acted upon. As far as I am concerned, as chairman of the Finance Committee, I am going to do everything I can to get a tax reform bill to the floor of the Senate and through the Senate and through conference and to the President no later than the end of this year and hopefully earlier. This would be a part of a tax reform bill or if, for whatever reason, there is no tax reform bill, this would be a recommendation to the Finance Committee that we still enact minimum taxes so that the wealthy and the privileged, individually or corporate, cannot escape the payment of some taxes.

The time has come, Mr. President, when we can no longer have headlines as appeared in the Washington Post earlier this year. I am not blaming the Post, the story was accurate. The headline said that 299 individuals who made over $200,000 in 1983 paid no income tax.

Now, interestingly enough, the last paragraph of the story indicated that some 200,000-plus individuals who made over $200,000 paid something like $58-$60 billion in taxes. The story was that 299 who made over $200,000 paid no taxes. I am not here to argue the merits of whether or not their deductions were legal. As best I can tell, their deductions were legal. I am talking about now either changing the law so the deductions are not legal or in essence saying no matter what your legal deductions are, at the end of it all, if, after you take all your deductions, exemptions, and preferences, you would otherwise have paid no tax, you will pay some tax.

Mr. President, it is imperative that a minimum tax, a real effective minimum tax be passed so that all of the public in this country senses that all Americans, individual or corporate, are paying a fair share of taxes.

I was struck by a poll reported to the Finance Committee by Mr. Henry Block, of H & R Block, a number of years ago, when he testified. Obviously, Mr. Block has an interest in what the public thinks about taxes. He submitted a question at the time asking if they were in favor of tax simplicity.

He was stunned to receive an answer indicating, as I recall, that 85 percent supported tax simplicity. The reason he was stunned was that about two-thirds of the people in this country do not itemize. They have a simple tax. He indicated that even those who did not itemize might come to him—this was 6 or 7 years ago—and pay him $15 or $20 to do a simple tax, but he said it was more a form of insurance rather than complexity.

Still, he was so intrigued by the answer, when so few people had complicated taxes, as to why so many wanted simplified taxes, that he quizzed further; and he found that the bulk of the people, when they heard the word "simplicity," were answering "fairness," and they equated simplicity with fairness.

So that when he redrafted his poll to find out if the respondents were interested in simplicity for the sake of simplicity for themselves, less than 5 percent regarded it as a significant issue. They wanted simplicity because they were convinced that the complexity of the Tax Code allowed people to escape taxation who they thought should pay taxes.

Mr. Block was further intrigued when he discovered that the bulk of the people were not asking that their taxes be lowered. What they were asking was that everyone pay a fair share of taxes.

This resolution will call upon the Senate to enact a minimum tax for individuals and corporations which will ensure that they at least pay some taxes. When we have hearings on it, when we move it through committee, and when we bring it to the floor, we can debate whether or not it is enough, whether or not it is fair; but at least we can guarantee that there never again will be a headline that 299 people who made over $200,000 paid no taxes.

I will conclude by saying once more that this is not a tax increase. It is revenue neutral. It is intended to be revenue neutral. Any moneys raised from this minimum tax will be used either to lower individual tax rates—not corporate—or to remove from taxation those who are now at the lower end of the scale and perhaps pay some slight tax; but, through a feeling of fairness, we might decide that they should pay no tax. That would be the use of these revenues.

I call upon the Senate to approve this resolution and to call upon the Finance Committee to enact the minimum tax.

The PRESIDING OFFICER. Who yields time?

Mr. RUDMAN addressed the Chair.

Mr. PACKWOOD. Mr. President, I yield to the Senator from New Hampshire such time as he needs.

Mr. RUDMAN. I thank the distinguished chairman of the Senate Finance Committee for yielding time. I will be very brief.

Mr. President, the other night, when the distinguished Democratic leader made his response to the President, he covered a number of points that I could disagree with but one that I could surely agree with. He talked about the fairness of lower-income Americans paying income taxes of various kinds, while many American corporations and many individuals, through a variety of legal uses of our Tax Code, avoid any tax at all or, at best, pay a very small tax.

Of course, as I am sure the Democratic leader would acknowledge, the Members on his side of the aisle do not have a monopoly on fairness. I would say that the desire for fairness exists on both sides of the aisle.

The same evening that the distinguished Democratic leader spoke, I was struck by a commercial that has been running on all the television networks. Maybe my colleagues have seen it. If they have not, I commend it to them.

The commercial depicts a very expensively but casually dressed man in his 30's or early 40's leaving his very well-manicured home in the suburbs, walking by his very expensive, imported car, and sort of musing aloud.

He says something like this:

You know, I made a lot of money last year. Unfortunately, I also paid a lot of taxes. If I had invested in XYZ Corporation

I would not have paid any taxes at all. Next year, that's what I am going to do, because it is not what you earn; it is what you keep.

I think that commercial is going to probably cut down that company's business in the future; because that commercial depicts the essential unfairness of the Tax Code as well as anyone can do it; Madison Avenue has pulled it off.

So I spoke to the distinguished majority leader and the distinguished chairman of the Finance Committee late last week and said that I certainly hope we would not reject an idea soley because the distinguished Democratic leader happened to mention it on national television. The fact is that Senator BYRD was quite correct, and his views are shared by people on both sides of the aisle. The American people ought to know that Republicans in this body and Democrats in this body abhor the unfairness of the Tax Code.

At a time when we are asking the American people, in this budget resolution, to make numerous sacrifices, it seems at least to me, and I hope to a number of my colleagues, that, at the very least, we should pass legislation that would say to the Senate Finance Committee that we should now rake in some of those dollars that have been sheltered, and sheltered so well for so long, and put them in the pockets of middle and lower-income Americans who, in my view, are paying more than their fair share.

I urge that we demonstrate fairness by supporting this resolution.

I thank the distinguished chairman of the Finance Committee for yielding to me.

Mr. PACKWOOD. I thank the Senator from New Hampshire. I thank him for cosponsoring the resolution.

Mr. President, I yield 5 minutes to the Senator from Kansas.

Mr. DOLE. Mr. President, I commend the distinguished chairman of the Finance Committee. It is a most responsible committee.

A GOOD IDEA IF USED FOR THE RIGHT PURPOSE

A broad-based minimum tax to assure that corporations and wealthy individuals cannot avoid paying their fair share of income taxes and to provide revenues to reduce tax rates and increase the amount of income an individual can earn before being subjected to income tax meets the essential requirements of fairness and equity. Everyone should support this amendment.

LONG-TIME ADVOCATE

This Senator has favored, and, more than that, actively and successfully worked to limit the ability of profitable corporations to avoid taxes. In 1982, as chairman of the Finance Committee, I led efforts to enact a minimum tax. We, in fact, included a much more broad-based individual minimum tax as part of the Tax Equity and Fiscal Responsibility Act.

The President also included a proposal for a more effective minimum tax as part of his fiscal year 1983 budget. However, fierce lobbying from industries that would have been affected, as well as several technical problems, caused us to take a different approach. Instead of a corporate minimum tax, we decided to attack the problem directly by reducing the value of tax preferences used by corporations to avoid taxes.

The Tax Equity and Fiscal Responsibility Act reduced by 15 percent percentage depletion for coal and iron ore, bad debt reserve deductions, interest paid deductions for financial institutions for debt incurred to purcase tax exempt obligations, DISC tax benefits, depreciation recapture on real property, special writeoffs for pollution control facilities, intangible drilling costs, and mineral exploration and development costs.

MANY MINIMUM TAX SUPPORTERS DID NOT SUPPORT TEFRA

Some of my colleagues may remember that, despite this direct effort in TEFRA to help assure that profitable corporations and wealthy individuals pay income taxes, it was very difficult to get enough votes to pass the Senate.

The vote on passage of the Senate's version of TEFRA was 50 to 47. The following Senators voted nay, and I ask unanimous consent that the names be printed in the RECORD.

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

Senators Baucus, Bentsen, Biden, Boren, Bradley, Bumpers, Burdick, Byrd, Cannon, Chiles, Cranston, DeConcini, Dixon, Dodd, Eagleton, Exon, Ford, Glenn, Hart, Hawkins, Heflin, Hollings, Huddleston, Jackson, Johnston, Kasten, Kennedy, Leahy, Levin, Long, Matsunaga, Mattingly, Melcher, Metzenbaum, Mitchell, Moynihan, Nunn, Pell, Proxmire, Pryor, Randolph, Riegle, Sarbanes, Sasser, Stennis, Tsongas, and Zorinsky.

MINIMUM TAX IS A GOOD BACKUP TO BASIC REFORM

Mr. DOLE. If Congress does its best in addressing basic tax reform, every individual and corporation should pay a fair share of regular income tax. But this Senator, for one, has no illusions that all tax incentives will, or should, be repealed as part of any tax reform effort.

As long as we retain tax incentives in the code, there will be the possibility that some corporation will use so many of them that it will pay little or no regular income tax. A broad-based minimum tax is an effective way to provide a backstop to the regular income tax.

The resolution focuses on the integrity of the Tax Code in requiring that the tax burden be distributed more equitably among our citizens. It does not suggest that a minimum tax should be used as an expedient way to raise taxes and avoid spending restraint.

REVENUES ARE NOT THE CAUSE OF BUDGET DEFICITS

What we have is not a lack of taxes, but a lopsided distribution of taxes. Revenues, as a percentage of GNP, have risen from 18.1 percent in 1966 to 18.9 percent in 1986. This does not support contentions of a revenue hemorrhage.

The share of Federal revenues borne by individuals has, however, risen in the last 20 years. In 1966, individuals, through income and payroll taxes, contributed 49.8 percent of Federal revenues. In 1986, this percentage is estimated to be 61.3 percent.

Over the same period, the corporate share of Federal receipts has decreased from 30.7 percent to 25.1 percent.

A minimum tax should be used to help redress that imbalance, not merely to raise taxes.

Mr. President, I think this is a good idea if the money is used for the right purpose. That is precisely why, before we start talking about more taxes and locking somebody in, we should wait and see what develops, as the distinguished chairman has pointed out.

I am advised that the Secretary of the Treasury will unveil the so-called administration proposal on tax fairness and tax simplification within the next 2 weeks.

The whole thrust of the tax fairness program is to do away with preferences, to do away with a lot of tax shelters, for rate reduction. That is precisely why we mention rate reduction—individual income rate reduction.

I believe the record is fairly clear that I have been a long-time advocate to end the ability of profitable corporations to avoid taxes.

Many minimum tax supporters did not support TEFRA in 1982. In fact, the vote was 50 to 47 on this floor, and I am advised that had the other 3 Members been present, it would have been 50 to 50, and it would not have passed. So I suggest that some people who talked about tax fairness—and we closed about $100 billion worth of loopholes in 1982—did not vote for the package.

One of the Senators who opposed us on TEFRA was the distinguished Senator from Ohio [Mr. METZENBAUM].

I know he is concerned about tax fairness. He is very astute, and he understands the Tax Code.

But at least at that moment he could not vote for the tax fairness bill we brought out here.

I make the final point: The reason we do not want to raise taxes just so we do not have to cut spending revenues is not the problem. The problem is spending.

I think this is a good approach. This should excite the Senator from New Jersey who is just coming in the Chamber. He looks excited. We are pleased.

So it just seems to me this is an opportunity to start the ball rolling on all this tax reform and tax fairness. We are talking about rate reduction, not using the money so we do not have to make tough decisions on spending cuts.

I am afraid that is a proposal that many have in mind.

I applaud the distinguished chairman of the Finance Committee and the distinguished Senator from New Hampshire who raised this question a few days ago, and I hope that we will have a unanimous vote, and I have discussed this with members of the Finance Committee. They appreciate this approach. They are sincere in their efforts to do it. But they do not believe we ought to be raising taxes just to spend more money.

Mr. PACKWOOD. Mr. President, as far as I am concerned, as chairman of the Finance Committee, I can assure the majority leader of the Senate that it is not my intention to consider any tax increase proposals. I am perfectly receptive to tax reform, tax changes, tax fairness. If we get a tax reform bill before the year is out I am willing to work with the President and the chairman of the Ways and Means Committee on it.

I echo what the majority leader said. This is not a tax increase. It is a minimum tax. Money will be used to lower taxes on individuals or to remove from the tax rolls those at the lower end of taxation who perhaps should be removed from it altogether.

The PRESIDING OFFICER. Who yields time?

The Chair reminds Senators the 30 minutes in opposition to the amendment is controlled by the minority leader and the proponent of the amendment controls the time in support of the amendment.

Mr. LEVIN. Mr. President, I am wondering if my friend from Oregon will yield for a question.

The PRESIDING OFFICER. Does the Senator from Oregon yield?

Who yields time?

Mr. BYRD. Mr. President, I yield to Senator LEVIN 5 minutes on the amendment.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 5 minutes.

Mr. LEVIN. Mr. President, I wonder if my friend from Oregon will yield for a question?

Mr. PACKWOOD. Yes, I am happy to yield for a question.

Mr. LEVIN. As he knows, I have been a strong supporter of a mimimum tax on corporations and individuals for some time, and indeed we have discussed this matter with him and a number of other Senators in this Chamber.

I am all in favor of making sure that tens of thousands of profitable companies that now pay no taxes and wealthy individuals who now pay no taxes finally pay some taxes.

I think I am in agreement with my friend from Kansas on that also. It is long overdue.

So I am going to be voting for this resolution, even though I think the purpose to which it would apply, is too narrow and we should apply some of this to the deficit, because I do think that some of the money which will be raised from people who have for too long escaped paying taxes should be applied to one of the biggest problems we have in this country right now, which is the deficit.

So, as my friend from Oregon knows, when the time comes at the Finance Committee, I would be plugging away there at a hearing urging that some of these funds be applied to deficit reduction.

Mr. PACKWOOD. Mr. President, I say to my good friend from Michigan part of the reason I am introducing this is as a result of the conversation he and I had in my office one day about the minimum tax. He introduced a good minimum tax bill. I think many of his ideas are good ideas. Senator METZENBAUM introduced a minimum tax bill as did Senator CHAFEE; and Senators BENTSEN and DANFORTH also have one in.

We can have a debate at the time. We are all agreed that loopholes should be closed, and we will have a very good debate at that time whether or not the revenues should be used to reduce the deficit or reduce taxes. That is a fair debate.

My preference would be to use them to reduce taxes, but that is for another time.

Mr. LEVIN. I take it then that is an open question, is it not?

Mr. PACKWOOD. Anything is an open question so long as you have 51 votes one way or another. When we start to have hearings on it that issue will be fully aired.

Mr. LEVIN. I take it in supporting this kind of resolution I will not be preempted from arguing when the time comes that we ought to be using those revenues for deficit reduction.

Mr. PACKWOOD. Absolutely.

Mr. LEVIN. I thank the Senator.

Mr. BRADLEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Who yields time?

The minority leader has control of the time in opposition.

Mr. BYRD. I yield.

Mr. BRADLEY. Mr. President, will the chairman of the Finance Committee yield for a question?

Mr. BYRD. How much time does the Senator wish?

Mr. BRADLEY. Five minutes.

Mr. BYRD. I yield 5 minutes to the Senator.

The PRESIDING OFFICER. The distinguished Senator from New Jersey is recognized for 5 minutes.

Mr. BRADLEY. Mr. President, this resolution, which I have seen in the last 30 seconds, purports to be a resolution that calls for lower rates and a broader based income tax system that is revenue neutral.

My problem is perhaps only with the language, and maybe the distinguished chairman of the Finance Committee could change that language, but as it now reads, and I think it may be unintended, it says, "It is the sense of the Congress that revenues should be increased * * *"

We are dealing with a budget resolution. If revenues are increased, that is a tax increase and we do not have revenue-neutral tax reform.

So I wonder if it is the intention of the chairman of the Finance Committee to raise taxes with this resolution because, as it is now written, it raises taxes.

Mr. PACKWOOD. It is designed to raise certain taxes on those corporations and individuals who now pay no tax and it is designed to use those revenues to reduce individual taxes or to remove from taxation those at the lower end of the scale who pay some tax and in fairness should pay none.

In toto, the resolution is revenue neutral. But clearly you have a minimum tax levied on individuals and corporations who now pay no tax. Their taxes are going to go up.

Mr. BRADLEY. Mr. President, I understand what the distinguished chairman of the Finance Committee has said. In tax reform some people who do not pay taxes are going to have to pay taxes. I understand that. But that does not lead to an overall increase in revenues.

Mr. PACKWOOD. No. If you look at my——

Mr. BRADLEY. If you have a tax system in which 10 or 20 percent of the people do not pay any tax and you put a minimum tax on, they are going to have to pay more tax, but that does not increase the overall revenue number, if you are going to cut the taxes of those people who are not using the loopholes. Now I do not think it is the intention of the chairman of the Finance Committee to support a resolution that raises taxes. That is contrary to what the President has said tax reform should do. It is clearly contrary, I think, to what the intention of the Senate is.

Mr. PACKWOOD. If the Senator will notice, on line 8, the phrase "resulting revenue"—this is the increase in taxes we are going to get from people who now pay no tax, and it will be "* * * used to reduce individual

income tax rates and to increase the threshold amounts for tax payments by individuals in connection with the consideration of comprehensive tax reform legislation."

I do not know how it could be written anymore clearly than to be revenue neutral.

Mr. BRADLEY. Mr. President, I do not know if I am quite getting through to the distinguished chairman. Indeed, the resulting revenues from a minimum tax, according to this, will be used to reduce individual income tax rates and to raise the amount someone can earn before they have to pay any taxes. No one has any disagreement with that. But that does not increase overall Government revenues.

I understand that if you began with the second clause of the sentence, you could very well say you want to take the revenues that you derive from a minimum tax and you want to cut individual tax rates appropriately and raise the floor before someone has to pay any income tax. If that is the intention, then the Senator should simply eliminate the first clause which says revenue should be increased.

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

Mr. DOLE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

The bill clerk resumed the call of the roll.

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

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO 49, AS MODIFIED

(Purpose: Sense of Congress that minimum taxes ought to be imposed on corporations and individuals, to be used for individual tax rate reduction

Mr. PACKWOOD. Mr. President, I send a modified amendment to the desk and ask that it be read.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Oregon [Mr. PACKWOOD] modifies amendment No. 49 as follows:

At the end of the pending amendment, add the following: It is the sense of the Congress that tax legislation should be enacted to provide for payment of minimum taxes by corporations and individuals on the broadest feasible definition of income to assure that all of those with economic income will pay tax, and that the resulting revenues be used to reduce individual income tax rates and to increase the threshhold amounts for tax payments by individuals in connection with consideration of comprehensive tax reform legislation.

The PRESIDING OFFICER. The Senator has a right to modify his amendment and his amendment is so modified.

Mr. PACKWOOD. Mr. President, I am grateful to my colleague from New Jersey, Senator BRADLEY, for calling to my attention the fact that the original amendment might have given the impression that this was a net tax increase. As this now is drawn, it is very clear that we are encouraging the Finance Committee to enact minimum tax legislation on corporations and individuals that now pay no taxes and that whatever revenues are raised from that tax shall be used for individual tax reduction or for removing from the tax rolls those at the lower end of the scale who, perhaps, in the sense of fairness, should be removed from paying any taxes.

Once more, I wish to thank my colleague from New Jersey, Senator BRADLEY, for calling that to our attention.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM. Mr. President, I ask that the time be yielded to me from the opposition.

The PRESIDING OFFICER. The Chair advises the Senator that the minority leader controls the time in opposition to the amendment.

Mr. CHILES. Mr. President, I yield 5 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. METZENBAUM. Mr. President, I think we ought to understand what the issue is before this body. This proposal does nothing. It is mere conversation. It says what the sense of the Congress is, and I think that is fine. But I think we ought to be dealing with realities. We are on a budget resolution here and the budget resolution ostensibily is for the purpose of putting in place the will of Congress as it pertains to the amount of income we will have and as pertains to the amount of expenses that we will have.

Now, it is a known fact that the Senator from Ohio, with the support of several Senators from that side of the aisle as well as some on this side of the aisle, has proposed a minimum corporate tax. The minimum corporate tax that we proposed is the very minimum corporate tax that the President of the United States proposed back in 1982. I do not have any idea where he is on it at the moment, but I know that when I offered it on the floor of the Senate about a year ago I only received 30 votes.

Now this amendment, which is not a substantive amendment, is only a sense-of-the-Congress resolution saying we ought to move in on the issue of minimum corporate taxes and minimum individual taxes, on to impose a minimum tax on the broadest feasible definition of income to assure that all of those with economic income will pay taxes. That is fine. I have no problem with that.

But I have a lot of problems about the further assumption that the resulting revenues to be used to reduce individual income tax rates and to increase the threshold amounts for tax payments by individuals in connection with consideration of comprehensive tax reform legislation.

That is blarney. That is just saying you are going to take the money and you are not going to do anything about reducing the deficit. The American people are out there crying for us to reduce the deficit. Business organizations are pounding at our door, saying, "Reduce the deficit." Democrats and Republicans are all standing on the floor, saying, "We want to reduce the deficit."

So some of us would like to submit an amendment providing for minimum corporate tax and some would like to propose an amendment advocating a minimum individual tax. Why should 65 major U.S. corporations make $49.5 billion in the last 3 years and not pay any Federal income taxes and in fact receive $3.2 billion in refunds? Why? Why should the five largest defense contractors receive $620 million in Federal tax refunds even though they did not pay a penny of tax on their profits of $10.5 billion

Why should General Dynamics, a leading defense contractor, which has not paid any taxes since 1972, continue to have that privilege? And why should W.R. Grace and Co., headed up by that great balancer of the budget, Peter Grace, who has claimed that we, Congress, lack the guts to deal with the deficit, why should his company have been permitted to earn $684 million in profits and pay no taxes? In fact, they managed to collect $12.5 million in tax refunds.

Now, I support the first half of this amendment, I have no problem with it. But I have a great deal of problem with the second half of it, which assumes that all those dollars are going to be used to reduce individual taxes.

Frankly speaking, I do not hear the American people pounding at our door saying, "Reduce our taxes, reduce our taxes." Of course, everybody would like to have their taxes reduced. Who among us would not?

But that is not the issue. The issue is priorities in this country. I have heard Senators who have been on the floor saying everybody has to sacrifice. We have to call upon everybody to sacrifice equally. If that is the case, why are we proposing that we eliminate 17 programs, cut back on so many other human service programs, cut back on

Medicare, Social Security, and so many other matters of that nature and yet refuse to take in some money by minimum corporate and individual taxes. Why should we say that we will only use those dollars to reduce taxes?

I would like to make a parliamentary inquiry if I may have the attention of the Parliamentarian.

The PRESIDING OFFICER. The Senator should state his inquiry.

Mr. METZENBAUM. I ask the Parliamentarian whether or not this resolution is subject to a division since the first portion of its relates to the matter of the collecting of taxes, and the second portion of it has to do with an assumption as to how the funds will be used.

Mr. LONG. Mr. President, will the Senator yield?

Mr. METZENBAUM. No. I am waiting for my inquiry.

The PRESIDING OFFICER. The Chair has the inquiry under advisement.

The language of the amendment, if divided, would not be grammatical. It does not appear to be subject to division since each divison has to stand on its own as a substantive entity.

Mr. METZENBAUM. Will the Parliamentarian not agree that each portion beginning with the phrase "and it is further assumed that the resulting revenues be used to reduce individual income tax rates and to increase the threshold amounts for tax payments by individuals in connection with consideration of comprehensive tax reform legislation" could stand on its own as per the original portion of the resolution? The Senator from Ohio is prepared to ask for a division.

Mr. President, I ask for a division of the amendment.

The PRESIDING OFFICER. Would the Senator please indicate where he wishes the amendment be divided?

Mr. METZENBAUM. Yes. The first portion of the amendment would be concluded by saying "to assure that all of those with economic income will pay taxes." And the balance then would be the second portion which would have to do with how those funds would be used.

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

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

Mr. METZENBAUM. Mr. President, will the manager of the bill allow me 5 minutes more off the bill?

Mr. CHILES. Five minutes off the amendment.

Mr. METZENBAUM. Mr. President, on my time I ask the Senator, the author of the amendment, whether it is not the fact that the thrust and intent of this resolution is to effect that such revenues as will be produced by the minimum taxes are to be used to reduce individual income taxes, to increase the threshold amounts for tax payments by individuals and that they will not be used to reduce the deficit?

Mr. PACKWOOD. Mr. President, that indicates that they will be used to reduce taxes as I indicated to the Senator from Michigan earlier. When the committee considered this, the majority is the majority. The majority on this floor is the majority. It is the intention of the sponsors of this amendment to use the revenues to reduce individual taxes.

Mr. METZENBAUM. And not to reduce the deficit? That is the intention of this resolution?

Mr. PACKWOOD. We hope by the time we are done this week, we will reduce the deficit by reducing spending.

Mr. LEVIN. Will my friend yield?

Mr. METZENBAUM. Without losing my right to the floor, I yield for 30 seconds.

Mr. LEVIN. I wonder on that basis if I could ask the chairman of the Finance Committee a question; that is, I asked before whether or not one could consistently vote for this resolution since I am so much in favor of minimum taxes on corporations and individuals, and yet consistent with that positive vote argue that the proceeds of that minimum tax be used for deficit reduction. At that time, I believe his answer was, "Absolutely." Subsequent to that, the words "assumption" or "further assume" had been stricken by a modification to which he agreed. Would his answer to my question be any different now than it was then?

Mr. PACKWOOD. The answer would not change. The Finance Committee is governed by a majority vote and this body is governed by a majority vote. Whatever we choose to do with the revenues, we will do.

Mr. LEVIN. In your view, one could consistently vote for this resolution, and then argue that the proceeds could be used for deficit reduction?

Mr. PACKWOOD. Yes. I do not want to mislead my friend. The proceeds could be used to reduce individual taxes, but in my view, that does not bind the Senator from Michigan.

Mr. LEVIN. Is it your view that one could consistently vote for this resolution and then argue from that that the proceeds be used for deficit reduction?

Mr. PACKWOOD. Yes.

Mr. METZENBAUM. If that is the case, what the Senator from Oregon is saying is that we could pass this, but the Senate is always master of its own destiny, and if 51 Senators want to vote to reduce the deficit at a later point, they can do that. But the fact is that the resolution as presently drafted does not indicate that it is to be used to reduce the deficit.

We are in a parliamentary situation where no amendment is possible to this resolution, nor to any other amendment which is offered. I would ask the distinguished chairman of the Finance Committee, in view of his responses to the Senator from Michigan as well as his response to me, whether then he would be willing to include in the resolution language indicating that it is assumed that the resulting funds could be used to reduce individual income tax rates, to reduce the amount of tax rates by individuals, or to reduce the deficit in connection with the consideration of comprehensive tax reform legislation? Would he be willing to put into this resolution some indication, a recognition on his part, that these funds could be used to reduce the deficit, which so many of us feel strongly should be the case?

Mr. PACKWOOD. In answer to the Senator, my preference is to use it to reduce individual income taxes. I can be overruled. We can come up with an amendment where somebody strikes out "individual" and it passes. I want to stress on the record that these funds be used for the reduction of individual income taxes.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired. Who yields time?

Mr. METZENBAUM. Will the Senator yield an additional 2 minutes?

Mr. CHILES. I yield an additional 2 minutes.

Mr. METZENBAUM. Under the circumstances, I want to urge my colleagues to vote against it, and I urge them to vote against it because it is wrong. On a budget resolution where we are trying to reduce the deficit, this proposal would not accomplish our intent.

When I asked the chairman of the Finance Committee if he would be willing to amend the resolution to provide that the funds from a minimum corporate or individual tax could be used for the purpose of reducing the deficit, his response is, well, it could be. But the fact is that the thrust of the resolution indicates exactly the opposite.

I then asked him to change the language so that it would indicate that that would at least be one of the alternatives, and he was not willing to do that.

Under those circumstances, if you want to reduce the deficit, if you want to balance the budget, you ought not to be voting for this resolution. But if you just want to put in a minimum corporate tax or a minimum individual tax and as a consequence thereof reduce taxes somewhere else along the line, maybe for some of the wealthy of

this country who we always seem to take care of so well, then so be it, then vote for it. But I for one want to vote against it and will offer at a later point a minimum corporate tax in order that this body may actually express itself and indicate that it wants a minimum tax on corporations and wants it for the purpose of reducing the deficit.

Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER (Mr. ABDNOR). The time of the Senator has expired.

Mr. METZENBAUM. Have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not been.

Mr. METZENBAUM. 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. Who yields time?

Mr. ARMSTRONG. Will whoever controls time yield me some time?

Mr. PACKWOOD. How much time have I remaining?

The PRESIDING OFFICER. Eight minutes and thirty-nine seconds.

Mr. BUMPERS. How much time is there in rebuttal?

The PRESIDING OFFICER. The proponents have 8 minutes 39 seconds. The proponents have 8½ minutes and the opponents have 3 minutes 39 seconds.

Mr. PACKWOOD. I yield 3 minutes to the Senator from Colorado.

Mr. ARMSTRONG. I thank the distinguished Senator for yielding.

I do not need much time because I think what I am about to say will be fairly unpopular. I do not want to let this moment pass without making it clear to my colleagues that I think it is time to draw a line on some of the emotional rhetoric about whether corporations pay taxes. It may well be in due course that the Senate Finance Committee ought to report some kind of minimum tax legislation. I may vote for it and support it and it may be a wonderful idea.

But the notion is gaining in this Chamber, and I regret to say in some learned journals of opinion and even out of the country, that somehow the corporations of this country have connived to avoid paying taxes.

So far as I am aware, that is not true.

It is true that corporations, like other taxpayers, have taken advantage of the tax laws which have been written by the Congress of the United States. There are a lot of loopholes in the Tax Code. There are a lot of Members of this Chamber who had something to do with putting those loopholes in there.

For some reason or another Members have wanted to encourage what they deem to be socially desirable forms of behavior.

We had an energy crisis in this country and a lot of people were running around saying, "We ought to encourage more production of energy. We ought to have incentives in the Tax Code to get countries to explore and produce domestic energy." Those are loopholes.

Someone else said, "We ought to have more private enterprise jobs," so we created some tax incentives for corporations to employ people who would otherwise not be employed. Those became tax loopholes.

Somebody else said what we really ought to have to stimulate the economy in this country is a provision to have corporations make large capital expenditures—and I think it was President Kennedy—and from that came the tax credit, which some people think now is an egregious loophole.

My own position is that we can do without a lot of things in the Tax Code, those loopholes, or incentives, whatever you want to call them, including one or two that I might have had a hand putting in there, thinking that some socially desirable effect might thereby be served.

But the notion that somehow corporations have connived to do something is starting to get under my skin.

It also goes against my grain when Senators stand up and say these great corporations making billions of dollars in profits pay no tax.

That is, so far as I am aware, not the case. It is perfectly true that some corporations, as a result of provisions written into the Tax Code, pay no income taxes.

The other day the Senator from Ohio made some statements to the effect that there were a number of corporations that paid no taxes. He listed some of them. One of them he happened to list he said had gotten a tax refund in the last 3 years of $50 million, even though it had made large profits.

It so happens, according to the best information made available to me, if you think only of income taxes, this corporation paid about $100 million in taxes and did not get a $50-million refund as he suggested.

But the more revealing fact to keep in mind is this particular corporation paid about $4 billion in other taxes during the period in question. Maybe Social Security taxes do not count, but for the average corporation in this country, payroll taxes are far larger and more significant than are Federal income taxes. In most cases, just like for individual taxpayers, the payroll tax is a far bigger burden.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ARMSTRONG. Will the manager yield 1 additional minute?

Mr. DOMENICI. I yield 3 minutes off the bill.

Mr. ARMSTRONG. The point I was trying to establish is that for most corporations, just as for most individual taxpayers, the payroll tax is a far larger bite than is the income tax.

Let me just be plain about that. Whether you are talking about individual working men and women or large corporations, the payroll tax is a much bigger bite than is the Federal income tax. For a lot of individuals and some corporations, other forms of taxes also account for more than the Federal income tax. There is the windfall profit tax, sales taxes, Federal and State excise taxes, and property taxes.

I am not saying we should not have tax reform. I think President Reagan should be commended for spearheading this effort. I believe in due course we will have a tax reform bill. I personally hope it will be in the form and shape that I can vote for it myself, as I expect to. It may be that one feature of that will be some form of corporate minimum tax. I am not sure about that yet.

I also hope personally, let me say, Mr. President, that there would be some form of alternative maximum tax available for both individuals and corporations, and in the right time I would like to tell Senators about that because I think it may be the surest and best way to close a bunch of loopholes.

Mr. President, in closing, I want to send to the desk a statement in response to all of these charges about the horrible abuses, indeed the bloodcurdling stories, that have been told about how these corporations are getting away with murder, they are not paying taxes, they are not even paying as much taxes, we are told, as some poor widow up in Wisconsin who pays more taxes than these corporations. It just is not so.

Now, income taxes are one thing, but other kinds of taxes are something else. And with respect to 11 of the 13 companies which have been specifically mentioned by name, my statement responds to that and to the best of my knowledge proves the point I just made. There are two corporations we have not yet heard from.

Finally, Mr. President, let me say that it is distasteful to me personally to talk about tax policy in terms of individual taxpayers, even in terms of corporate taxpayers, because the issue of what is right and wrong, it seems to me, is better understood by resort to general principles than to the kind of emotional appeals that point out this big taxpayer or that big taxpayer.

Mr. President, I thank again the manager and the Finance Committee chairman for yielding to me.

My own belief is that this is not the end of the debate; it is just the start, and I must say I am looking forward

to it. Tax reform is long overdue in this country.

The PRESIDING OFFICER. Is the Senator from Colorado requesting that the document be made a part of the RECORD?

Mr. ARMSTRONG. Yes. I thank the Chair. I send it to the desk in the hopes that my colleagues grant unanimous consent that it be incorporated in the RECORD at this point.

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

STATEMENT OF SENATOR ARMSTRONG

During the floor debate on April 25, 1985, I provided for the record some initial information I obtained to counter statements that were made that some corporations which did not pay federal taxes from 1981 to 1983 "had a free ride from their government for the last three years, who have not paid a penny in taxes."

Having now spent more time in gathering this information I would like to provide it for the record. The results are interesting and revealing and totally refute the argument that the corporations whose names appeared in the CONGRESSIONAL RECORD on the 25th of April do not pay taxes and the information counters the impression left that these corporations are not doing their civic duties in the way of paying taxes. One of the facts that I have found is that some oil companies pay sizable amounts in Windfall Profits taxes and that these are deductible from federal income taxes and therefore reduce those taxes by considerable sums. Those of my colleagues who criticize these corporations for not paying any federal income taxes should understand this.

I would like to share this information with my colleagues and others who are interested in learning of the factual findings that were provided to me through the companies listed below.

TAXES PAID FOR TAX YEARS 1981–83

Corporations	Federal	State/local
Air Products	$2.1 million	$112 million.
Allied Corporation	$291 million	$715 million.
American Cyanamid	$139.1 million	$120.1 million.
Champion International	$162.9 million	$135.1 million.
DOW Chemical	$311 million	$243 million.
DuPont	$125 million	$2.9 billion.
Greyhound	$11.1 million	$340 million.
Martin Marietta	$15 million	$319 million.
Texaco	$2.4 billion	$1.9 billion.
Union Carbide	$296 million	$297 million.
Xerox	$422 million	$135 million.

Note.—Federal taxes include Federal income tax, minimum tax, windfall profits tax, Superfund taxes, the employer portion of Federal payroll taxes, Federal unemployment taxes and some Federal excise taxes. State and local taxes include State and local income taxes, property taxes, sales use tax, State and local unemployment taxes. Some corporations combined their Federal and State employment taxes. The Record of April 25, 1985 incorrectly reproduced the Texaco press release and other direct taxes should have been $1.9 billion.

Mr. President I would like to take the opportunity to make a few additional comments regarding corporate taxation. It is not perfect and there are undoubtedly some inequities. We are about to embark on the road of tax reform with President Reagan at the forefront and I welcome thorough review of the federal tax system. These corporations contributed significant amounts to federal and state coffers. According to the 1984 Annual Report of the Commissioner and Chief Counsel of the Internal Revenue Service for fiscal year 1984 corporate income and profits taxes exceeded $74 billion dollars, the highest dollar amount of collections in the history of the country.

Any rush to judgment about the level of corporate taxes should take into account such features as the deductibility of windfall profits taxes and other taxes paid, the role of subsidiaries which pay taxes relieving the parent of some tax burden, deferred taxes, taxes paid on a world-wide basis and a host of other features. Some of these features in the tax code reduce tax liability others are meant to achieve fairness.

Another method available to make some judgments regarding corporate tax burdens is to look at corporate income as a percent of GNP. In 1984 corporate income was 6% of GNP and for FY 84 9% of all federal revenue came from corporate income taxes. It is true that corporate income as a percent of GNP has declined through the years. In 1950 the percent was 14% and in 1960 it was 10%. The reduction of corporate taxes as a percentage of all federal revenue follows this decline. Corporate taxes as a percent of federal revenue has declined since 1975. At that time corporate taxes accounted for 41% of federal revenue, then 32% in 1980, 29% in 1982, then up to 32% in 1983 and for FY 84 it was 25%. These figures come from the Commerce Department National Income Accounts. Despite this trend corporate revenues in dollar terms have never been higher, as I mentioned above.

The Economic Recovery Tax Act of 1981 was intended to reduce tax rates for individuals and corporations to provide economic incentives to work, save and encourage business investment. That has occurred and as a result the entire Nation benefits. Tax avoidance cannot be tolerated but in the rush to end those limited instances where it exists let's do so with care and deliberation.

Mr. CHILES. Mr. President, I yield 3 minutes to the Senator from Illinois [Mr. SIMON].

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. I thank the Chair and I thank my colleague from Florida.

I think we have to stop playing games. I am not talking about the Senator from Oregon. I am talking about all of us. We face a very, very tough problem in this deficit. I think it is the No. 1 problem, by far. Tax reform is popular. And I know this resolution is going to carry. My vote is going to be against, but it is going to carry. But the No. 1 problem that the people of this country want us to deal with and we ought to be dealing with is this question of the deficit, and that is going to require revenue. Let us face it. We all admit it privately. Too few of us are saying it publicly. And we ought to be saying it publicly.

I talked privately to a top official of the Reagan administration, not about whether there should be increased revenue but how you get increased revenue. And right here on this floor yesterday we passed—I voted for it because I do not want to put this on the backs of senior citizens—the Social Security COLA amendment. We cannot pass those kinds of amendments without implicitly saying to ourselves, "You have to have some revenue. We have to face the music."

I remember when I was first elected to the State legislature in Illinois, and a man in South Roxana, IL, sent me a letter. He had 13 points to his letter. The first 12 were increased services he wanted from Government, and the 13th point was cut taxes, and believe it or not we have almost adopted his program.

We have to face the music. I do not mean any disrespect now to the distinguished Senator from New Mexico, the chairman of the committee, or the distinguished Senator from Florida, the ranking member, because times are different, personalities are different, but I served for 6 years in the House Budget Committee, and I can remember when you had——

The PRESIDING OFFICER. The Senator's 3 minutes has expired.

Mr. CHILES. I yield the Senator 2 additional minutes.

Mr. SIMON. I thank the Senator.

The PRESIDING OFFICER. The Senator only has one-half minute remaining.

Mr. CHILES. Off the resolution, Mr. President.

Mr. SIMON. I can remember when Senator Muskie chaired the committee, Senator Bellmon was a ranking member, and we faced the unpopular questions in a bipartisan mood recognizing that there were no popular answers. I think that is where we are today. We are facing a situation where there are no popular answers. Democrats are, frankly, hoping Republicans are going to come up with the unpopular answers. Republicans are hoping Democrats are going to come up with the unpopular answers. I think we ought to pull together and not adopt, with all due respect to my friend from Oregon, this kind of a meaningless addendum to this budget resolution. We ought to be facing the tough realities, and I hope soon we get down to doing that. I thank the Senator from Florida.

Mr. CHILES. Mr. President, I yield 1 minute off the resolution to the distinguished Senator from Arkansas.

Mr. PRYOR. Mr. President, I have a question I would like to pose to the distinguished chairman of the Finance Committee. I applaud the Senator from Oregon for offering such a resolution. When he originally proposed it, I had the greatest intention of voting for it and I still might, but not having my glasses on tonight and not wanting to go back to the office to get them, I would like to ask the Senator what I think I see on this page. It would imply that we are about to change drastically the zero bracket amount when I see "all of those with economic income will pay tax." That is lines 6 and 7.

To me it says that if one of these young pages comes and works a month or two and maybe makes $1,000 during the summer, that would be economic income and therefore a tax would be

paid. I was under the impression that we were around $3,000 or $3,400 before an individual had to pay a tax. That is my question. Is that what the resolution says?

Mr. PACKWOOD. No. The remainder of the resolution, roughly the last four lines, indicates that the revenues from this will be used either to reduce individual rates or to remove from taxation those at the lower end of the scale. So there is a dual purpose to the use of the revenues and clearly taxes would not be raised for those at the $3,000, $4,000, $5,000 level.

Mr. PRYOR. I thank the Senator.

Mr. CHILES. Mr. President, I yield 5 minutes to the Senator from New Jersey [Mr. BRADLEY].

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. I thank the distinguished minority manager of the Budget Committee for yielding.

Mr. President, I would simply like to confirm what the chairman of the Finance Committee has stated, and I would like him to respond to my statement. This is a resolution which says that we shall broaden the tax base by eliminating certain credits, exclusions, and deductions, so that we arrive at economic income, and that the revenue which we derive from that reform will be used to lower individual tax rates and to raise the threshold that someone must go beyond before they reach the taxable income level. Is that not correct?

Mr. PACKWOOD. Yes; although I want to make sure that we are not talking about eliminating preferences. In essence we are saying regardless of the preferences, regardless of the fact that the law allows you to deduct A, B, C, D, E, you are going to pay some tax. We are going to say henceforth, no matter what your preference, you are going to have to pay some tax.

Mr. BRADLEY. That introduces another issue into the debate. As I read this document, it says to provide for payment of minimum taxes by corporations and individuals. Now, I believe the way you get the most effective minimum tax is through tax reform, and tax reform is by getting people who do not pay, to pay, and taking that revenue to reduce tax rates and to raise the threshold before they have to pay any taxes. I do not think the distinguished chairman means otherwise.

Mr. PACKWOOD. I want to make sure my good friend from New Jersey understands what I am saying. This calls for a minimum tax on corporations and a minimum tax on individuals, so you no longer have these stories that the privileged and the rich are escaping taxation. It may or may not raise a great deal of revenue, depending upon where you set the percentage. I share my good friend's passion for tax reform.

I want it clearly understood that I do not regard the minimum tax as a substitute for tax reform. It can be a part of a tax reform bill. It could stand on its own, as a matter of fact, if we did not get any tax reform bill, and I think it should be enacted on its merits regardless of a tax reform bill.

Mr. BRADLEY. I think I hear the chairman saying that if a minimum tax were to pass, the revenue derived therefrom would be used to lower tax rates and to raise the threshold. Is that correct?

Mr. PACKWOOD. That is correct.

Mr. BRADLEY. I think it makes a very clear choice. This is what will inevitably be a much longer battle this year.

I think it is important to point out that given the choice between major tax reform and a minimum tax, we are better off if we go with major tax reform, because the minimum tax addresses only one of the three problems—that is, people who pay too little tax; we want to get the rates down, which is the second problem; and we also want to make this system fairer.

I think this resolution clearly signals the chairman's intent to use the minimum tax to get tax rates down and make the system fairer.

Mr. PACKWOOD. I assure the Senator from New Jersey that I do not regard this as the sine qua non of tax reform or that if we adopt this resolution we have all the tax reform we need.

Mr. BRADLEY. It is the chairman's intention to go much beyond the language of this, to further reduce tax rates much more than would be provided if we only referred to minimum taxes. Is that correct?

Mr. PACKWOOD. Absolutely.

As I read the Finance Committee and the Senate, we are not likely to pass such a minimum tax that it would produce so much revenue that we could dramatically reduce rates.

Mr. BRADLEY. It is also the chairman's intent, signaled by this resolution, that in revenue derived from a proposal such as this, we want to get more so that we can raise the threshold for lower income people. Is that correct?

Mr. PACKWOOD. The Senator lost me. Will he repeat that?

Mr. BRADLEY. The Senator stated that it is his intent that this is not the total picture, that to look at tax reform and the minimum tax is only a little bit, and it is his intention to go beyond that and get rates down further.

My question to the Senator, to confirm the same reasoning, is that it is also his intention to take any additional revenue to raise the amount people can earn before they have to pay anything. Is that correct?

Mr. PACKWOOD. That is correct.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BRADLEY. I ask for 2 more minutes.

I think that is very important in this debate, because the fact is that when we talk about a minimum tax—15 percent or 20 percent or whatever it is—we are ignoring the fact that a single person making $15,000 a year is in the 20-percent tax bracket, while a couple making $30,000 a year is in the 25-percent tax bracket. We want to get their rates down as well as taking care of people at the lower income level.

I am satisfied, from my perspective, that this is a positive resolution. It indicates direction. It also indicates that the intention of the Senate is to go much beyond what this resolution says in direct language. So I strongly urge the Senate to adopt this resolution and send a clear message about what our intention is for the coming debate.

Mr. PACKWOOD. I thank my colleague.

Mr. CHILES. Mr. President, I yield 5 minutes to the distinguished Senator from Arkansas.

Mr. BUMPERS. Mr. President, one of the reasons we are here tonight in this debate is because of what we did in 1981.

Eleven Senators stood up and said: "If we cut taxes $750 billion over the next 5 years and then spend $1.8 trillion on defense, you are going to have major deficits big enough to choke a cow."

If there is anything people detest worse than a politician, it is a politician saying, "I told you so."

Here we are doing exactly what many Senators knew we were going to be faced with.

The President says, "Make my day." I am prepared to make his day. I am not going to vote for a package, first of all, that presumes to cut spending by $52 billion this year on the assumption that the unemployment rate is going to be 5 percent and the interest rate is going to be 5 percent in 1989. That is highly unlikely, and everybody knows this.

The CBO says that the President's proposal will cut spending not $52 billion but $37 billion. Thirty-seven billion dollars is the "honest-John" figure, and the increase in interest on the national debt alone in 1986 will be $24 billion.

The day before yesterday, CBO finally came up with figures that are set out in the RECORD, after the distinguished Senator from South Carolina had requested them, which show that the President, himself, is asking for increased spending of $118 billion. There are, admittedly, $15 billion in offsets. Cut it down to $103 billion.

Here is another scenario: Give the President the benefit of the doubt on

his proposed spending cuts. Take the figures at face value. They are still asking for $103 billion in increased spending. So where is the deficit reduction?

The Senator from Colorado says, "I'm getting ready to say something unpopular. I don't think corporations are trying to shirk taxes." I have never heard anybody accused of saying anything unpopular when he says, "I don't think taxes should be raised."

Who were unpopular were 11 Senators standing on the floor in 1981 and telling the honest-to-God truth to this body.

So here we are. The President says, "Make my day." Well, I am prepared to do so; because if the President is telling me that 65 corporations in this country are entitled to make $50 billion in corporate profits in 1981, 1982, and 1983, and not only not pay one dime of income tax but also raid the public trough for $3.5 billion in refunds, and he tells me not to do anything about it, I am going to help make his day.

I am not going to vote for this resolution. My daughter just got out of college and is employed, and I was shocked to see how much tax she had to pay on her modest salary for 1984. But my concern is not the amount of taxes she has to pay. It is whether or not she will even have a job in the future. I am concerned what these deficits will do to our economy. So I am going to vote against this proposal because I like only 50 percent of it.

We cut taxes exorbitantly in 1981, and I recognize that raising the threshold would be a very desirable thing. It is like indexation. There is a powerful argument to be made for indexing income taxes. We all know the arguments. It is compelling and it is persuasive. However, as the distinguished Senator from Rhode Island [Mr. CHAFEE] said one night, when he and I were trying to do something about it, it is a great idea. We just cannot afford it.

You can talk about deficits all you want and say that we have to do something about deficits. What we are saying here is that we have to do something about the deficits, but we don't intend to.

"Make my day." The sequel to that is that this country has to suffer economically instead of asking corporations to face up to their legitimate civic responsibilities. The corporations of this country in 1950 were paying 28 percent of all the taxes collected, and today are paying 6 percent of all the taxes collected in this country—if that is what it takes to make the President's day, if that is what it takes, frankly, in order to give the financial markets of this country some stability and confidence, I have no problem in voting for it. If the President vetoes it and this body sees fit not to override it, then we will just have to live with the consequences.

I cannot support the amendment.

I thank the Senator for yielding.

Mr. CHILES. Mr. President, I yield 5 minutes to the distinguished Senator from Texas.

Mr. BENTSEN. I thank the distinguished Senator from Florida.

Mr. President, I heard the argument made a moment ago that these corporations that pay no income taxes had paid a great deal of ad valorum taxes, school taxes, sales taxes, and payroll taxes. But, you know, those are the same taxes that individuals pay. What we are talking about really is income taxes. Individuals pay them, and profitable corporations should pay them.

I congratulate the Senator from Oregon in bringing this to the attention of the Senate. Senator DANFORTH and I have introduced this kind of legislation, and Senator METZENBAUM and others have introduced this kind of legislation.

On April 15 you had the average family of four earning $25,000 a year paying about $2,500 in taxes, and sometimes really having to scrape to be able to do that. They then turn around and read in the newspapers that some major corporations, including major constituents in my State, are earning billions of dollars in profits and not only not paying taxes but getting very major tax refunds. And they read about other corporations not having paid taxes for more than a decade. When that fellow reads that, he says something is wrong with the system, the system is just not right, is not fair, and that we ought to do something about it. And that we should.

A corporate minimum tax is a first step. That is no substitute for reforming the tax system and trying to bring about more fairness and more simplification, but it is a step in the right direction, and we should be doing that.

I do not know when the tax reform bill is going to get over here. I am not sure when it is going to pass the House of Representatives, and I sure do not know when it is going to finally work its way through the Senate. It is going to get a lot of massaging from the first one who ran it up the flagpole to the last person who votes for it. We know it's only the product of a word processor. It is something that is going to have a lot of changes I believe before it gets to us. Then it will have some more.

I am one of those. I believe we should leave some incentives in the tax system, try to accomplish some economic objectives in our country, some social objectives for our country.

Mr. President, what you have seen in these corporations is an overuse of the tax preferences. You see the situation where the individual parts of our tax system add up to an unjust whole, and you create a perception of unfairness in the system. That perception is right. Therefore, this kind of a minimum tax is something that I think we should do and we should move forward with it.

I can understand a chief executive of a corporation who says, "I must do everything I can to avoid taxes." It is our fault that we have such a tax system and that we have not taken the kind of steps that we have to take to try to close that.

I have looked at that list of over 250 corporations that were checked and I have seen over half of them had not paid any tax at all in the last 3 years.

So it is obvious that we have to move forward, and I am going to support the resolution of the Senator from Oregon, the chairman of the Finance Committee.

This resolution calls for imposing a minimum tax and reducing individual tax rates with the revenues we raise. Another worthy use of the revenue would be to reduce the deficit. The chairman of the Finance Committee has assured us that that is one of the options that will be considered.

I frankly do not think this resolution goes far enough, but I do think it is a step in the right direction and I hope we will pass it tonight.

Mr. CRANSTON. Mr. President, I yield 2 minutes to the Senator from Michigan.

Mr. LEVIN. Mr. President, I am going to support the pending resolution for a number of reasons:

First of all, it finally expresses the sense of, I hope, a majority of this Senate, that we have to make sure that people who use the deductions and shelters in our tax system still when they are all done taking their deductions, all done taking their shelters, pay something in Federal income taxes.

That is the first half of this resolution. I am talking about corporations and individuals. I am all for it and I congratulate the chairman of the Finance Committee for moving in this direction.

For many of us this addresses the fairness aspect of the tax simplification movement. For others it will not. For others there is still a long distance to go, but for some of us a minimum tax on corporations and individuals is a way of addressing the fairness element of the tax simplification movement.

The second half of this resolution troubles me a little bit for the reasons that the Senator from Arkansas and the Senator from Ohio have mentioned, but this resolution is not amendable, it is not divisible, and so what we are left with is a resolution in the first half of which we agree with and the second half of which is not as flexible as we like except that our

friend from Oregon said it is perfectly consistent to vote for this resolution and later on argue that the proceeds of the minimum tax be applied to deficit reduction. It is that legislative history that I am relying on, and I think others will rely on, in voting for this resolution.

So, Mr. President, I will vote for the sense of the Senate resolution in support of the enactment of an effective minimum tax because it is long overdue that we make sure that profitable corporations and wealthy individuals pay their fair share in taxes. I am pleased that the chairman of the Finance Committee indicated to me in the debate on this resolution that support of this resolution is in no way inconsistent with later arguing for the revenues generated by this tax to be used for deficit reduction. Under the parliamentary situation, this resolution is not subject to amendment. But I accept the words of the chairman of the Finance Committee that how the revenues generated by this tax will be used is a battle for another day.

It is appropriate for some of the revenues generated by a more effective minimum tax to be used at least in part for deficit reduction because it is essential for a budget package of shared sacrifice. A more effective minimum tax may be the only way for some profitable corporations and wealthy individuals to share in the burden of deficit reduction. Further, it is impossible to contemplate asking some of the most vulnerable members of our society to tighten their belts unless we also make sure that wealthy individuals and profitable corporations who are not paying anything in taxes to pay at least a minimum amount.

Mr. CRANSTON. Mr. President, I yield 2 minutes to the Senator from Ohio.

Mr. METZENBAUM. Mr. President, I think my colleagues should understand what they are doing when they vote for this resolution.

They are voting for three things. First is they are voting to indicate their support for a minimum tax.

The second thing is that they are indicating that they want the money to be used to reduce other taxes, not to reduce the deficit.

But the third thing, and the one that I do not think has been mentioned, has to do with the language of the resolution, and if I am stating it incorrectly, I hope that the author of the resolution will correct me.

But if you will note in lines 4, 5, and 6, it says, "providing for the payment of minimum taxes by corporations and individuals," and this is the relevent language, "on the broadest feasible definition of income."

I believe that the chairman of the Finance Committee knew full well what were his intentions when he included that language because, if I understand it correctly, the "broadest feasible definition of income" would mean taxing Social Security, taxing pensions, taxing life insurance—that is an item we see so many TV ads about—taxing medical insurance payments, taxing disability payments, taxing health and welfare benefits, taxing unemployment compensation, and a host of other items.

That is the only reason that I could understand the language "on the broadest feasible definition of income."

And, as you well know, we have already moved to the point of taxing indirectly Social Security income and we have already moved with respect to the matter of taxing tax-exempt bond income, and if the chairman of the Finance Committee thinks I am wrong in interpreting the language this way and misrepresenting the facts to my colleagues in the Senate, then I would appreciate his correcting me, but I see no other way that that language can be interpreted other than the way the Senator from Ohio has interpreted it.

Mr. PACKWOOD. Mr. President, I am amused by the interpretation by my good friend from Ohio. That reminds me of a great book. The author, Shakespeare, I am sure, though he had a good line. But someone tried to read in what Shakespeare said about his mother when he wrote it.

My good friend from Ohio knows what this means. It does not intend to reach the poor on Social Security by taxing their income or those who have a pension from their company of $150, $200 a month in addition to Social Security.

It is meant to get at those, principally the wealthy, who make legitimate deductions that are allowed by law and somehow arrange to have no taxable income. They, by and large, are not cheats, they are not evading the law. They are taking advantage of the law. And all this resolution says is we are going to change the law so that those wealthy and privileged individuals and corporations can no longer take advantage of it.

THE MINIMUM TAX AMENDMENT

Mr. CHAFEE. Mr. President, I must respectfully oppose the amendment of Senator PACKWOOD regarding a sense of the Senate resolution on minimum taxes. Although in principle I support the enactment of a revised and workable minimum tax for both corporations and individuals, nevertheless I plan to vote against this amendment.

Any minimum tax proposal should simply be a straightforward fix of the current minimum tax provisions of the Tax Code. There is no reason to require that such a repair job on the Tax Code be "revenue neutral."

I have introduced, with Senator MOYNIHAN, a minimum tax proposal for both individuals and corporations. In my statement for introduction, I cited some of the same statistics which Senator PACKWOOD cited tonight about the corporations and wealthy individuals with substantial income who are currently able to legally avoid paying taxes. These individuals and corporations can do this because the current minimum taxes in the Tax Code are not working. These provisions should be fixed.

Fixing the minimum tax provisions of the Tax Code is analogous to fixing a leaky roof of your house, while waiting and planning to do a complete renovation. We need to completely reform our Tax Code, and I am looking forward to working with the President when he submits his proposal later this month, and to working with the chairman of the Finance Committee, who stated tonight that he plans to do everything he can to get a tax reform bill passed by the end of this year. However, in the meantime we cannot ignore the leaky roof.

Enacting a minimum tax should not divert our energy from true tax reform. It is simply necessary maintenance. Senator PACKWOOD's proposal would confuse tax reform with necessary repair of the Tax Code. He proposes to enact a minimum tax on corporations and individuals and then use the revenues raised to reduce the tax rates for individuals. Reducing the tax rates and broadening the tax base are the key components of tax reform. Interjecting rate reduction into the process of enacting a workable minimum tax is inappropriate and possibly counterproductive because it steals some of the themes and thus the thunder of real tax reform.

In addition, any additional revenue that will be raised by fixing the current minimum tax provisions of the Code should be used to reduce the Federal deficit. Certainly we are all aware of the agony of the past few weeks as we struggle to cut spending programs to reduce this deficit. It simply makes no sense to refuse to apply the revenues that might be raised from fixing the existing provisions in the Tax Code to reducing the deficit, especially since the minimum tax is directed precisely at wealthy corporations and individuals not now making even a minimum contribution to deficit reduction.

I support the adoption of minimum tax, but not in the form proposed by Senator PACKWOOD tonight. In the context of the current budget crisis and the beginning debate on tax reform, it is not necessary or appropriate to require that a minimum tax proposal be "revenue neutral."

Mr. DOMENICI. Parliamentary inquiry. How much time do we have remaining on the amendment on each side?

The PRESIDING OFFICER. The minority leader's time has expired,

and the Senator from Oregon has 3 minutes.

Mr. DOMENICI. I yield myself 5 minutes off the resolution.

Does the Senator know if any other Senators desire to speak in favor of the proposal? I do not think we have many more on our side who desire to speak in favor of the amendment.

I kind of wish the Senator from Arkansas was here so I could address my remarks to his remarks, but in his absence I will try my best.

Frankly, I hope the distinguished Senator from Arkansas knows a lot more about the Tax Code than he knows about the budget because obviously the statements he has made about the budget here do not make any sense. So I truly hope that he knows what he said about taxes, because if they are both about the same dimension and level of accuracy, then I do not know what we heard.

We talk a lot about reducing this deficit. Now somebody gets up and says that the deficit reduction package—I do not know if it was the President's of 3 months ago or the one here, but obviously it is not enough. Well, let me tell you, I have not heard very many people that want to support that much. It is not $52 billion. The one that we have up there is $295 billion over 3 years. Now maybe it is not enough.

I will tell you right now, if we can get 51 Senators that want to get in a room and say, "We are ready to cut the expenditures of this Government $295 billion," then let us talk about what the distinguished Senator is talking about—about making someone's day. Because he is right. After we made $295 billion, we have got some deficit left. But I tell you, it is $295 billion less than we would have had, plus a whole bunch of interest we will save that we would have spent. So we ought to start with that.

If it is not enough, then why do we not get a lot of people to come up and say, "We sign up for $295 billion worth of savings," and let us put a little group together and say, "It is not enough." Then let us look at what we will do. I am not committing to anybody. But maybe I would look at taxes then. The problem is that nobody is willing to say, even though it is not enough, if it is not, that they will not even do that much. They want to start talking about taxes immediately.

I will tell you the best information I have to give you. If you put that package in place that is up there at the desk, $295 billion, 3 years from now at the end of the fiscal year, I say to my good friend from Florida, who understands estimates, we will have a deficit of between $98 billion and $147 billion. And I cannot tell you which one is right, but I can tell you it is $295 billion plus interest savings less than it is going to be.

And why can I not tell you whether it is 98 or 147? It is because I cannot predict for you what the inflation rate 3 years from now is going to be, what the unemployment rate 3 years from now is going to be, or what the interest rate 3 years from now is going to be.

But what I can tell you is that all of those are going to be better if you cut $295 billion than otherwise. And where do I get those two numbers? No argument on numbers from CBO. They just say, "We are not sure the interest rate is going to be that low 3 years from now, and we are not sure the inflation rate is going to be that low or the unemployment rate, and we chose a more optimistic set of economic assumptions."

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMENICI. I yield myself 3 more minutes.

The facts are, there are program changes mandated to the Finance Committee and mandated to every other committee with freezes that take $295 billion out of the expenditure side that would otherwise be there.

Now, having said that, we can have an argument about whose day we want to make with more taxes. But I want to tell you why I am going to support this resolution. There are a lot of people in this Chamber that want this tax bill, the tax bill that might flow from this resolution, to be passed. And they are standing up telling Americans, "We want to pay the deficit with it. We want to pay for programs of the national Government."

I do not want to. Do you know why I do not want to? Because there are millions of U.S. citizens that are in poverty that are paying taxes—millions of Americans in poverty that are paying taxes.

When we changed the cost of living on Social Security everybody ran down here and said, "There are 500,000 people going to drop $5 below the line of poverty."

I have got the most recent one here, the poverty level in the United States. In 1977, people in poverty paid zero taxes. Do you know what the poverty mass, all those millions in poverty pay today? 11.7 percent of their income they pay in Federal income taxes. Do you know how much it will cost to take them off the rolls where they ought to be?

Why should we be inventing programs here to try to help the working poor? We go through all kinds of gyrations—Will it help them? Will it not help them?"—when we are taxing them. Why do we not stop taxing them first before we decide to give them a little subsidy here? Do you know what it is going to cost, for those on the Finance Committee, to take them off? $16 billion in taxes.

So I am voting for this because if something like this passes, I want the first $16 billion to take the poor people off the tax roles. And I do not want to use that $16 billion to pay for Amtrak; I do not want to use it to pay for Job Corps; I do not want to use it to pay for EDA; and I do not want to use it to pay for the Appalachian Regional Commission, none of which, in my opinion, are even one-tenth as important as taking millions of poor people off the tax roles.

Now you have a choice here. Do you want to cut programs and have tax reform and use the tax reform money to help poor people not pay taxes or do you want to fool them?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. DOMENICI. I yield myself 2 more minutes.

Or do you want to fool them, and do you want to say, "We are going to take that tax and keep all these programs here that you all think are helping you, and we are going to leave all those poor people on the tax rolls paying taxes"?

I can tell you a lot more about how we got in this mess. Some think it has been a tax hemorrhage. I can tell you about that, too.

In fact, I have a table here. I ask unanimous consent that the record level of taxes paid by the American people from 1966 through 1985 be printed in the RECORD. If you will look at it, you will find that you are paying taxes at just about the average level that you paid before the hemorrhage occurred, whenever it occurred.

The being no objection, the table was order to be printed in the RECORD, as follows:

	Revenues as a percentage of GNP	Spending as a percentage of GNP
1966	18.1	18.6
1967	19.1	20.3
1968	18.4	21.4
1969	20.5	20.2
1970	19.9	20.2
1971	18.1	20.4
1972	18.4	20.4
1973	18.4	19.6
1974	19.1	19.5
1975	18.9	22.5
1976	18.2	22.7
1977	19.1	22.0
1978	19.1	21.9
1979	19.7	21.4
1980	20.1	22.9
1981	20.8	23.5
1982	20.3	24.5
1983	18.6	25.1
1984	18.6	23.8
1985 [1]	19.0	24.8
1986 [1]	18.9	23.2
1987 [1]	18.9	22.6
1988 [1]	19.3	22.2

[1] Projected.

Mr. BOREN. Mr. President, I have decided to support this amendment offered by Mr. PACKWOOD because of the assurance given on the floor by the author in colloquies with Senator LEVIN that support of this resolution

is not inconsistent with later arguing that some or all of the revenues generated by this minimum tax would be used for deficit reduction.

I also want it understood that I would only favor revenue increases if they are part of a total deficit reduction package that contains more spending cuts than it does revenue changes. I also strongly believe that any revenue increases should be used to either reduce the deficit or reduce taxes and not to fuel spending increases.

I do believe that a minimum tax also offers a positive alternative to some recent Treasury Department proposals to change the Tax Code in ways that would blunt necessary incentives for saving and investment and necessary soundly beneficial activities by the private sector.

Mr. CRANSTON. Mr. President, I yield 1 minute off the resolution to the Senator from Massachusetts.

Mr. KERRY. Mr. President, I would like to ask the distinguished chairman of the Finance Committee a question. I would like to ask him whether it is clearly his intent in this measure, as it is construed or constructed later on by the Finance Committee, that this is in no way to be construed as or constructed in that process as a new tax, but rather it is his intent solely, as I believe was hinted at in the colloquy with the distinguished Senator from New Jersey, that it is exclusively the making more fair of an existing tax. Is that a correct interpretation?

Mr. PACKWOOD. No, that is not correct interpretation. For those who are paying no tax now, for those privileged few who manage to escape taxation, there would be a new tax on them.

I do not want to mislead my colleague from Massachusetts. The moneys will be used to relieve the taxes on the poor and to cut taxes generally. That is the thrust of the resolution. It is revenue neutral and it is not a substitute for tax reform.

There have been some stories, and I think some people—I have not noticed it in this body yet, but some others—allegedly want a minimum tax, and I think are using it as a smoke screen to avoid tax reform. That is not my intention.

Mr. KERRY. I wonder if I might explore that with the distinguished Senator.

First, a new tax is a tax—

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. CRANSTON. I yield 1 additional minute off the resolution.

Mr. KERRY. Thank you very much.

A new tax is a tax that has not existed previously. A corporate tax is in existence. A personal income tax is in existence. If some individuals are not paying those taxes, they are not paying them because of various deductions and loopholes that may exist. I believe the distinguished Senator intends to close those loopholes and therefore, yes, the individual may wind up paying a tax but it is not the creation of a new tax on the books. It is a payment of a tax that they should have in fact been paying and insomuch as it is that, it is your intention that it is not a new tax?

Mr. PACKWOOD. No. Again I do not think my good friend phrases it correctly. When we get to tax reform—

The PRESIDING OFFICER. The Senator's minute has expired.

Mr. CRANSTON. I yield the chairman of the Finance Committee 1 additional minute.

Mr. PACKWOOD. I thank my good friend from California.

I hope we close a lot of loopholes when we get to tax reform. But this minimum tax could go into effect if we had no tax bill. We simply say even if you had large tax deductions and you come down to no taxable income, and pay no tax, we would still say you are going to pay some tax whether or not we ever change the deduction. I hope we do. I hope we have tax reform but this resolution stands on its own whether we do or not.

The PRESIDING OFFICER. The Senator from Oregon has 2 minutes left on the amendment.

Mr. SYMMS. Mr. President, may I have 1 minute?

Mr. PACKWOOD. One minute to the Senator from Idaho.

Mr. SYMMS. Mr. President, the point I think that should be made here—and I heard my distinguished friend from Ohio make the point—about corporations who do not pay taxes and that everyone ought to recognize that any corporate tax does one of two things: It either passes the tax on to the consumers, or it taxes the means of production. If you tax the means of production too hard, then you cause more unemployment, and that does not help the people in the lower income group. On the other side of it, to the extent that those taxes are passed forward to the consumers, it is very regressive. The corporate tax is one of the most regressive taxes in our entire system. I think everybody ought to make it very clear here that when they are passing a minimum corporate tax, they are passing a regressive tax on the working or in some cases the non-working consumers who have to buy the products that those corporations pass on, and then they collect the taxes and send it in to the Government. I think that is the problem that is being missed here in this debate entirely.

The PRESIDING OFFICER. The Senator from Oregon has 2 minutes. Does he yield back his time?

Mr. PACKWOOD. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oregon, as modified. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMSPON. I announce that the Senator from Minnesota [Mr. DURENBERGER] is necessarily absent.

I also announce that the Senator from North Carolina [Mr. EAST] is absent due to illness.

Mr. CRANSTON. I announce that the Senator from Missouri [Mr. EAGLETON] and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

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

The result was announced—yeas 79, nays 17, as follows:

[Rollcall vote No. 38 Leg.]

YEAS—79

Abdnor	Gorton	Mitchell
Andrews	Gramm	Moynihan
Armstrong	Grassley	Murkowski
Baucus	Harkin	Nickles
Bentsen	Hart	Packwood
Biden	Hatfield	Pell
Bingaman	Hawkins	Pressler
Boren	Hecht	Proxmire
Boschwitz	Heinz	Pryor
Bradley	Helms	Quayle
Burdick	Humphrey	Rockefeller
Byrd	Inouye	Roth
Cochran	Johnston	Rudman
Cohen	Kassebaum	Sasser
Cranston	Kasten	Simpson
D'Amato	Kennedy	Specter
Danforth	Kerry	Stafford
DeConcini	Lautenberg	Stevens
Denton	Leahy	Symms
Dixon	Levin	Thurmond
Dole	Long	Trible
Domenici	Lugar	Warner
Evans	Matsunaga	Weicker
Exon	Mattingly	Wilson
Ford	McClure	Zorinsky
Garn	McConnell	
Goldwater	Melcher	

NAYS—17

Bumpers	Hatch	Nunn
Chafee	Heflin	Riegle
Chiles	Hollings	Sarbanes
Dodd	Laxalt	Simon
Glenn	Mathias	Wallop
Gore	Metzenbaum	

NOT VOTING—4

Durenberger	East
Eagleton	Stennis

So the amendment, as modified, was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Does the majority leader seek recognition?

Mr. DOLE. Mr. President, let me suggest that we have about a 5-minute quorum call. Then I will come back and I think give my colleagues an announcement whether or not there is going to be another amendment this evening.

The PRESIDING OFFICER. Does the majority leader suggest the absence of a quorum?

Mr. DOLE. 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. 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.

Mr. DOLE. Mr. President, let me indicate that I have been conferring with the distinguished manager of the bill, Senator DOMENICI, and other Members on this side to see what amendment we might proceed with tonight.

What I would like to do, if it meets with the approval of my colleagues, is to lay down an amendment, not have any vote tonight, come in quite early in the morning, say 8:30 for special orders, probably have a vote by 10:30 or 11 on the amendment, then hopefully call a couple other amendments up tomorrow, vote on those and hopefully leave at some reasonable time in the afternoon. So there would not be any additional votes this evening. There is an amendment on that side. We have looked at a couple of possibilities. But I think if there is no objection, I would like to come in at 8:30.

ORDERS FOR FRIDAY, MAY 3, 1985

Could I obtain unanimous consent for that now to come in at 8:30 a.m. on Friday, May 3? And also, after the recognition of the two leaders under the standing order, there be a special order in favor of the distinguished Senator from Wisconsin, Senator PROXMIRE, not to exceed 15 minutes. Then I would ask unanimous consent that there be a period for transaction of routine morning business not to extend beyond the hour of 9 a.m. with statements limited therein to 5 minutes each

The PRESIDING OFFICER. Without objection, the requests of the majority leader are granted.

Mr. DOLE. Then we would be back on Senate Concurrent Resolution 32 at 9 o'clock, and hopefully we would be able to have a vote by 10:30, 11, 11:30, maybe, at the latest, noon, and hopefully a couple other votes.

We have amendments on this side. I understand the distinguished minority leader is working on a number of amendments. He may or may not be prepared tomorrow. But we have conferred and we expect to have votes on Monday. I have been asked that on this side and the answer is yes. I think the minority leader will concur in that.

Mr. BYRD. Yes, Mr. President. As I have indicated to the distinguished majority leader, possibly if we have votes on Monday—I would anticipate that we would—but if we could have an understanding that they would not occur maybe before 3 or 4 o'clock.

Mr. DOLE. I indicated earlier probably not before 2 o'clock, and I am certainly willing to extend that to 3 o'clock. I would also have to suggest we might be in a little later that evening, Monday evening, until 7 or 8 or 9 o'clock.

Mr. BYRD. Mr. President, may I ask the majority leader, he indicated earlier that on Tuesday evening next there would be a function which Members on his side would want to attend and that we would probably have no votes after——

Mr. DOLE. I would say after 4 o'clock. Maybe debate after that, but no votes.

Mr. BYRD. Then on Wednesday evening, if we could have a similar understanding to accommodate a function on this side that we would like to attend—we would be happy to have the distinguished majority leader attend and others on his side—could we have that understanding that on both of those evenings we not go late?

Mr. DOLE. I think it is fair if we are going to ask for that consideration on Tuesday. It is not an event that I have been invited to attend, but the Vice President is going in my place. But in any event, I think it would be about the same time or a little later.

Mr. BYRD. Yes, about the same time.

Mr. DOLE. But would the minority leader agree that we ought to finish this bill next week?

Mr. BYRD. Yes. We have about 21 hours left, 20 or some such. I should think that we ought to try to finish by midweek.

Mr. DOLE. One suggestion has been brought to my attention, which is probably a little late, that we might agree to reduce the time tomorrow, proportionate time, and lay down an amendment and take it up on Monday. Maybe it is a little late to get into that, because several Members have changed their plans.

But we will accommodate the minority leader on Wednesday. We had hoped to go late on Wednesday, but we will try to work that out.

We will come in early next Tuesday and Wednesday of next week. So if there is no objection, and there has been none, to the request, I will yield the floor to the distinguished Senator from Oregon to lay down the amendment and then we will go out.

Mr. BYRD. Mr. President, I thank the distinguished majority leader.

AMENDMENT NO. 50

Mr. PACKWOOD. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Oregon [Mr. PACKWOOD], for himself, Mr. CHAFEE, Mr. DURENBERGER, and Mr. HEINZ, proposes an amendment nubmered 50 to amendment No. 43.

The amendment reads as follows:

In the pending amendment, do the following:

On page 3, increase the amount on line 12 by $200,000,000.

On page 3, increase the amount on line 13 by $900,000,000.

On page 3, increase the amount on line 14 by $2,200,000,000.

On page 3, increase the amount on line 18 by $200,000,000.

On page 3, increase the amount on line 19 by $1,100,000,000.

On page 3, increase the amount on line 20 by $1,900,000,000.

On page 3, increase the amount on line 25 by $200,000,000.

On page 4, increase the amount on line 1 by $1,100,000,000.

On page 4, increase the amount on line 2 by $1,900,000,000.

On page 4, increase the amount on line 7 by $400,000,000.

On page 4, increase the amount on line 8 by $1,200,000,000.

On page 4, increase the amount on line 13 by $400,000,000.

On page 4, increase the amount on line 14 by $800,000,000.

On page 21, increase the amount on line 16 by $200,000,000.

On page 21, increase the amount on line 17 by $300,000,000.

On page 21, increase the amount on line 24 by $500,000,000.

On page 21, increase the amount on line 25 by $600,000,000.

On page 22, increase the amount on line 16 by $200,000,000.

On page 22, increase the amount on line 17 by $200,000,000.

On page 22, increase the amount on line 24 by $600,000,000.

On page 22, increase the amount on line 25 by $700,000,000.

On page 23, increase the amount on line 7 by $1,500,000,000.

On page 23, increase the amount on line 8 by $1,100,000,000.

On page 33, increase the amount on line 2 by $100,000,000.

On page 33, increase the amount on line 3 by $100,000,000.

On page 33, increase the amount on line 11 by $200,000,000.

On page 33, increase the amount on line 12 by $200,000,000.

On page 40, decrease the first amount on line 16 by $180,000,000.

On page 40, decrease the amount on line 17 by $827,000,000.

On page 40, decrease the second amount on line 18 by $1,617,000,000.

On page 46, decrease the amount on line 10 by $180,000,000.

On page 46, decrease the second amount on line 11 by $827,000,000.

On page 46, decrease the amount on line 13 by $1,617,000,000.

On page 51, decrease the first amount on line 7 by $180,000,000.

On page 51, decrease the amount on line 8 by $587,000,000.

On page 51, decrease the second amount on line 9 by $1,047,000,000.

Mr. PACKWOOD. Mr. President, this is an amendment offered for

myself, Senator CHAFEE, Senator DURENBERGER, and Senator HEINZ relating to Medicare and Medicaid as a mark of $16.3 billion in Medicare and $1.2 billion in Medicaid for a total of $17.5 billion.

It eliminates the very objectionable Medicaid cap that has disturbed so many State officials. In Medicare, it make some slight changes in part B deductibles and other reductions in fairness from the initial suggestions of both the Budget Committee and the budget proposal that was initially before us.

Beyond that, I do not think there is much need for any further explanation. I can answer most of the questions about it tomorrow for any of those who are interested.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the amendment.

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

The yeas and nays were ordered.

ROUTINE MORNING BUSINESS

(During the day routine morning business was transacted and additional statements were submitted, as follows:)

MESSAGES FROM THE HOUSE

At 11:03 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 37. Concurrent resolution providing for acceptance of a statue of Jeannette Rankin presented by the State of Montana for placement in National Statuary Hall, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 130. Concurrent resolution expressing the sense of the Congress with respect to the President's visit to the Federal Republic of Germany in May 1985.

The message further announced that pursuant to the provisions of section 1928(a) of title 22, United States Code, the Speaker appoints as members of the U.S. group of the North Atlantic Assembly the following Members on the part of the House: Mr. FASCELL, chairman, Mr. ROSE, vice chairman, Mr. BROOKS, Mr. ANNUNZIO, Mr. HAMILTON, Mr. GARCIA, Ms. OAKAR, Mrs. BURTON of California, Mr. BROOMFIELD, Mr. WHITEHURST, Mr. O'BRIEN, and Mr. BADHAM.

The message also announced that pursuant to the provisions of section 5, Public Law 83-420, as amended, the Speaker appoints Mr. BONIOR of Michigan and Mr. GUNDERSON as members of the Board of Directors of Gallaudet College on the part of the House.

The message further announced that pursuant to the provisions of section 276(h) of title 22, United States Code, the Speaker appoints as members of the U.S. delegation of the Mexico-United States Interparliamentary Group for the 1st session of the 99th Congress the following Members on the part of the House: Mr. DE LA GARZA, chairman, Mr. YATRON, vice chairman, Mr. ALEXANDER, Mr. RANGEL, Mr. LELAND, Mr. COLEMAN of Texas, Mr. LAGOMARSINO, Mr. DREIER of California, Mr. LOEFFLER, Mr. DELAY, and Mr. MCCAIN.

MEASURES PLACED ON THE CALENDAR

The following concurrent resolution was read, and placed on the calendar:

H. Con. Res. 130. Concurrent resolution expressing the sense of the Congress with respect to the President's visit to the Federal Republic of Germany in May 1985.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1019. A communication from the Secretary of Agriculture transmitting a draft of proposed legislation to provide for the regulated industry to bear the cost, at least in part, of administering the Packers and Stockyards Act; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1020. A communication from the Executive Associate Director for Budget and Legislation, Office of Managment and Budget, Executive Office of the President, transmitting, pursuant to law, a report on the apportionment of an appropriation indicating the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

EC-1021. A communication from the Clerk of the United States Claims Court, transmitting, pursuant to law, The Court's judgement in *Minnesota Chippewa Tribe, et al* v. *The United States; to the Committee on Appropriations.*

EC-1022. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to Korea for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-1023. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on NATO Convention Defense; to the Committee on Armed Services.

EC-1024. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to Saudi Arabia for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-1025. A communication from the Deputy Assistant Secretary of Defense (Administration), transmitting, pursuant to law, notice that the Department of the Navy plans to exercise the provision of law concerning the examination of records by the Comptroller General; to the Committee on Armed Services.

EC-1026. A communication from the Director of the Federal Emergency Management Agency, transmitting, pursuant to law, the stockpile report to the Congress for the period April-September 1984; to the Committee on Armed Services.

EC-1027. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, a report on loan, guarantee, and insurance transactions supported by the Bank to Communist countries during March 1985; to the Committee on Banking, Housing, and Urban Affairs.

EC-1028. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the annual consolidated report on the community development programs administered by the Department during 1985; to the Committee on Banking, Housing, and Urban Affairs.

EC-1029. A communication from the Secretary of Transportation, transmitting, pursuant to law, the tenth annual report of the Department of Transportation in administering the Deepwater Port Act during fiscal year 1984; pursuant to 33 USC, referred jointly to the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, and the Committee on Environment and Public Works.

EC-1030. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on the activities of the United States Travel and Tourism Administration, Department of Commerce, for fiscal year 1984; to the Committee on Commerce, Science, and Transportation.

EC-1031. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, notice of extension of the time period for a determination in Railroad Car Service and Car Hire Pooling Agreement; to the Committee on Commerce, Science, and Transportation.

EC-1032. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to limit inspection of steam yachts; to the Committee on Commerce, Science, and Transportation.

EC-1033. A communication from the Secretary of Transportation, transmitting, pursuant to law, the third annual report of accomplishments under the Airport Improvement Program for fiscal year 1984; to the Committee on Commerce, Science, and Transportation.

EC-1034. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report on the recommendations of the National Transportation Safety Board to the Secretary during calendar year 1984 regarding transportation safety; to the Committee on Commerce, Science, and Transportation.

EC-1035. A communication from the Secretary of Energy, transmitting, pursuant to law, certain energy information requirements; to the Committee on Energy and Natural Resources.

EC-1036. A communication from the Secretary of the Interior, transmitting, pursuant to law, the financial statements of the Colorado River Basin Project for fiscal year 1984; to the Committee on Energy and Natural Resources.

EC-1037. A communication from the Secretary of Transportation, transmitting, pursuant to law, the sixth annual report on the administration of the Offshore Oil Pollu-

tion Compensation Fund for fiscal year 1984; to the Committee on Energy and Natural Resources.

EC-1038. A communication from the Secretary of Energy, transmitting, pursuant to law, the fourth annual revised comprehensive program management plan for the Federal Wind Energy Technology Program; to the Committee on Energy and Natural Resources.

EC-1039. A communication from the Acting Deputy Associate Director for Royalty Management, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on refunds of excess royalty payments; to the Committee on Energy and Natural Resources.

EC-1040. A communication from the Acting Commissioner of the Bureau of Reclamation, Department of the Interior, transmitting, pursuant to law, a report on modifications to six dams on the Salt River Project, Arizona; to the Committee on Energy and Natural Resources.

EC-1041. A communication from the Secretary of the Interior as Chairman of the National Park Foundation, transmitting, pursuant to law, the 1984 annual report of the National Park Foundation; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment and with a preamble:

H.J. Res. 195: Joint resolution designating May 1985 as "Older Americans Month."

S.J. Res. 59: Joint resolution to designate "National Science Week."

S.J. Res. 64: Joint resolution to designate the week beginning May 5, 1985, as "National Correctional Officers Week."

S.J. Res. 66: Joint resolution designating June 14, 1985, as "Baltic Freedom Day."

S.J. Res. 83: A joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

S.J. Res. 87: Joint resolution to provide for the designation of July 19, 1985, as "National POW/MIA Recognition Day."

S.J. Res. 92: Joint resolution to designate October 1985 as "National Foster Grandparents Month."

S.J. Res. 93: Joint resolution to designate the month of May 1985 as "Better Hearing and Speech Month."

S.J. Res. 103: Joint resolution to designate the month of May 1985, as "Very Special Arts U.S.A. Month."

S.J. Res. 104: Joint resolution to proclaim October 23, 1985, as "A time of remembrance" for all victims of terrorism throughout the world.

S.J. Res. 118: Joint resolution to designate May 25, 1985 as "Missing Children Day."

S.J. Res. 123: Joint resolution to designate Dr. Jonas Salk Day.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted.

By Mr. THURMOND, from the Committee on the Judiciary:

Kenneth F. Ripple, of Indiana, to be U.S. Circuit Judge for the Seventh Circuit;

John P. Moore, of Colorado, to be U.S. Circuit Judge for the Tenth Circuit;

Joseph H. Rodriguez, of New Jersey, to be U.S. District Judge for the District of New Jersey;

George F. Gunn, Jr., of Missouri, to be U.S. District Judge for the Eastern District of Missouri;

Sam B. Hall, of Texas, to be U.S. District Judge for the Eastern District of Texas; and

Herbert M. Rutherford III, of Virginia, to be U.S. Marshal for the District of Columbia for the term of 4 years.

By Mr. GOLDWATER, from the Committee on Armed Services:

Mr. GOLDWATER, Mr. President, from the Committee on Armed Services, I report favorably the attached listings of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

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

(The nominations ordered to lie on the Secretary's desk appeared in the RECORDS of April 4, April 17, and April 22, 1985 at the end of the Senate proceedings.)

ROUTINE MILITARY NOMINATIONS WHICH HAVE BEEN PENDING WITH THE SENATE ARMED SERVICES COMMITTEE THE REQUIRED LENGTH OF TIME AND TO WHICH NO OBJECTIONS HAVE BEEN RAISED

1. *General Bernard W. Rogers, U.S. Army, (age 63) to be placed on the retired list. (Ref. #72)

2. *Rear Admiral William D. Smith, U.S. Navy, to be Director of Budget and Reports. (Ref. #179)

3. **In the Air National Guard there are 22 promotions to the grade of lieutenant colonel (list begins with Richard G. Broberg. (Ref. #180)

4. *Lt. Gen. D'Wayne Gray, U.S. Marine Corps, to be reassigned. (Ref. #183)

5. *Lt. Gen. Richard K. Saxer, U.S. Air Force, (age 56) to be placed on the retired list. (Ref. #190)

6. **In the Air Force there are 2 permanent promotions to the grade of lieutenant colonel (list begins with James S. Majors). (Ref. #200)

7. **In the Air Force there are 3,382 permanent promotions to the grade of major (list begins with David M. Abbate). (Ref. #201)

8. **In the Air Force there are 382 appointments to a grade no higher than major (list begins with David M. Abbate). (Ref. #202)

9. **In the Air Force there are 925 appointments to the grade of second lieutenant (list begins with Alan A. Abangan). (Ref. #203)

10. **In the Army there are 18 appointments to the grade of second lieutenant (list begins with Floyd Z. Light, Jr.). (Ref. #204)

11. **In the Army there are 1,072 appointments to the grade of second lieutenant (list begins with Derric L. Abrecht). (Ref. #205)

12. **In the Marine Corps there are 116 permanent appointments to the grade of colonel (list begins with Granville R. Amos). (Ref. #206)

13.**In the Navy there are 48 appointments to the grade of ensign (list begins with Mark S. Ammons). (Ref. #207)

14.**In the Navy Reserve there are 188 appointments to the grade of ensign (list begins with Christopher A. Aiello). (Ref. #208)

15.*Lt. Gen. William E. Odom, U.S. Army, to be reassigned. (Ref. #211)

16.*Vice Admiral Crawford A. Easterling, U.S. Navy, (age 56) to be placed on the retired list. (Ref. #212)

17.*Vice Admiral Wiliam J. Cowhill, U.S. Navy, (age 56) to be placed on the retired list. (Ref. #213)

18.*Vice Admiral Powell F. Carter, Jr., U.S. Navy, to be reassigned. (Ref. #214)

19.**In the Marine Corps and the Marine Corps Reserve there are 270 permanent appointments to the grade of lieutenant colonel (list begins with James R. Abelee). (Ref. #215)

20.**In the Navy Reserve there are 48 appointments to the grade of permanent ensign (list begins with William M. Bartleman, II). (Ref. #216)

21.*Lt. Gen. Herman O. Thomson, U.S. Air Force, (age 56) to be placed on the retired list. (Ref. #218)

22.*Lt. Gen. Jack I. Gregory, U.S. Air Force, to be reassigned. (Ref. #219)

23.*Lt. Gen. John L. Pickitt, U.S. Air Force, to be reassigned. (Ref. #220)

24.*Maj. Gen. Dale A. Vesser, U.S. Army, to be lieutenant general. (Ref. #221)

25.*In the Navy Reserve there are 9 permanent promotions to the grade of rear admiral (list begins with Richard Edward Young). (Ref. #222)

26.**In the Marine Corps there are 8 permanent appointments to the grade of second lieutenant (list begins with Michael J. Piirto). (Ref. #223)

27.**Commander Donald E. Williams, U.S. Navy, to be captain. (Ref. #224)

28.*Commodore John R. McNamara, U.S. Navy, to be Chief of Chaplains. (Ref. #229)

Total, 6,504.

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. THURMOND (for himself and Mr. DECONCINI):

S. 1052. A bill to amend title 38, United States Code, to require the Administrator of Veterans' Affairs to carry out demonstration projects to furnish chiropractic services to certain veterans and to evaluate the cost effectiveness of furnishing such services to such veterans; to the Committee on Veterans' Affairs.

By Mr. MATSUNAGA (for himself, Mr. INOUYE, Mr. STEVENS, Mr. MURKOWSKI, Mr. CRANSTON, Mr. GORTON, Mr. EVANS, Mr. RIEGLE, Mr. LEVIN, Mr. MELCHER, Mr. PROXMIRE, Mr. KENNEDY, Mr. KERRY, Mr. HATFIELD, Mr. METZENBAUM, Mr. BURDICK, Mr. HARKIN, Mr. DENTON, Mr. MOYNIHAN, Mr. D'AMATO, Mr. HART, Mr. SARBANES, Mr. EXON, Mr. SIMON, Mr. BRADLEY and Mr. LAUTENBERG):

S. 1053. A bill to accept the findings and to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians; to the Committee on Governmental Affairs.

By Mr. HEINZ (for himself, Mr. GLENN, Mr. CRANSTON, Mr. ANDREWS, Mr. BURDICK, Mr. COHEN, Mr.

CHILES, Mr. HUMPHREY, Mr. DIXON, and Mr. PROXMIRE):

S. 1054. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the maximum age limitation applicable to employees who are protected under such Act, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GOLDWATER (for himself and Mr. DECONCINI):

S. 1055. A bill to designate the Granite Reef aqueduct of the Central Arizona Project as the "Hayden-Rhodes Aqueduct"; to the Committee on Energy and Natural Resources.

By Mr. STENNIS:

S. 1056. A bill for the relief of Colonel John R. Vincent, United States Air Force Reserve; to the Committee on Armed Services.

By Mr. PACKWOOD:

S. 1057. A bill to amend the Coastal Zone Management Act of 1972 regarding activities directly affecting the coastal zone; to the Committee on Commerce, Science, and Transportation.

By Mr. DANFORTH:

S. 1058. A bill to amend Schedule 3 of the Tariff Schedules of the United States; to the Committee on Finance.

By Mr. INOUYE:

S. 1059. A bill to amend title 10, United States Code, to authorize the appointment of health care professionals to the positions of Assistant Secretary of Defense for Health Affairs, the Surgeon General of the Army, the Surgeon General of the Navy, and the Surgeon General of the Air Force; to the Committee on Armed Services.

By Mr. D'AMATO:

S. 1060. A bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity (resulting from changes made in 1977 in the benefit computation formula) between those levels and the benefit levels of persons who became eligible for benefits before 1979; to the Committee on Finance.

By Mr. PRESSLER (for himself and Mr. KERRY):

S. 1061. A bill to amend title 38, United States Code, to establish a program of delayed reentry and psychological readjustment assistance and vocational rehabilitation for Vietnam veterans; to the Committee on Veterans' Affairs.

By Mr. PRESSLER (for himself and Mr. KERRY):

S. 1062. A bill to amend chapter 73 of title 38, United States Code, to establish a program to require comprehensive research on, studies of, and a review of the professional literature on potential physiological and psychological health problems affecting Vietnam veterans, and to require training for Veterans' Administration personnel in counseling, screening, testing, evaluation, treatment, therapy, readjustment, and rehabilitation relating to the unique medical and psychosocial needs of Vietnam veterans, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. D'AMATO (for himself and Mr. THURMOND):

S. 1063. A bill to amend section 376 of title 28, United States Code, to provide that certain judicial annuities for surviving spouses shall not terminate by reason of remarriage of an annuitant after age sixty; to the Committee on the Judiciary.

By Mr. PELL (for himself, Mr. DENTON, Mr. NUNN, Mr. MITCHELL, Mr. BINGAMAN, Mr. KERRY, Mr. MATSUNAGA, Mr. HART, Mr. BRADLEY, and Mr. MOYNIHAN):

S. 1064. A bill to provide for the continuation of the National Diffusion Network; to the Committee on Labor and Human Resources.

By Mr. THURMOND (for himself and Mr. BIDEN) (by request):

S. 1065. A bill to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1986 and for other purposes; to the Committee on the Judiciary.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1066. A bill for the relief of Harold M. Wakefield; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. Res. 153. Resolution to refer the bill (S. 1066) entitled "A bill for the relief of Harold M. Wakefield" to the Chief Judge of the United States Claims Court for a report thereon; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. THURMOND (for himself and Mr. DECONCINI):

S. 1052. A bill to amend title 38, United States Code, to require the Administrator of Veterans' Affairs to carry out demonstration projects to furnish chiropractic services to certain veterans and to evaluate the cost effectiveness of furnishing such services to such veterans; to the Committee on Veterans' Affairs.

VETERANS' CHIROPRACTIC SERVICES DEMONSTRATION PROJECTS ACT

Mr. THURMOND. Mr. President, today I am introducing legislation to authorize the Veterans' Administration to conduct demonstration projects for the purposes of providing chiropractic services to eligible veterans and evaluating the therapeutic benefits and cost-effectiveness of such services. I am pleased that Senator DECONCINI has joined as an original cosponsor of this measure.

Current law authorizes the Veterans' Administration to provide chiropractic services to veterans, and Veterans' Administration physicians may, on a case-by-case basis and at the expense of the VA, refer an eligible veteran to a private chiropractor for treatment. However, despite this authority, few veterans have actually been referred to private chiropractors by VA physicians.

Mr. President, chiropractic treatment has become a recognized and effective means of treating certain physical impairments and disorders. In virtually all other areas of the Federal health care delivery system, Congress has recognized the important role of chiropractic care. Moreover, a number of States also include chiropractic services under their medical assistance programs. It is my strong belief that our Nation's veterans deserve the same access to medical treatment, including chiropractic treatment, as that available to recipients of other Federal and State health care programs.

At this point, it is appropriate to list some of the programs on the Federal level which authorize chiropractic services. The provision of chiropractic services is authorized for eligible persons under the Medicare and Medicaid Programs. Chiropractic services are provided to Federal employees under several health plans offered through the Federal Employee Health Benefit Program. Federal employees have chiropractic coverage under the Federal Employee Workers' Compensation Program. Chiropractic health services are included in the Railroad Retirement Act. Last year, with passage of the Department of Defense Authorization Act of 1985, Public Law 98-525, Congress authorized the Secretary of Defense to conduct demonstration projects for the purpose of evaluating the cost-effectiveness of chiropractic services under the CHAMPUS Program.

Mr. President, it is time that the policy and practice of the Veterans' Administration be brought in conformity with these programs. The chiropractic patient population today in the United States is estimated to be between 10 and 20 million. Our Nation has some 28 million veterans, and there is no doubt that a substantial number of our veterans who receive medical care at Veterans' Administration facilities are either actual or potential chiropractic patients.

Mr. President, the legislation which I propose today would authorize the Veterans' Administration to conduct no less than five demonstration projects in five different geographical regions of the country to provide chiropractic services to eligible veterans. In the conduct of these demonstration projects, the VA would enter into cooperative agreements with no less than five chiropractic colleges to coordinate the provision of chiropractic services to veterans and perform clinical research and data collection regarding the therapeutic benefits and cost-effectiveness of such services.

Under the provisions of my bill, an eligible veteran may receive no more than $600 in chiropractic services in any 12-month period, and the Administrator would be authorized to prescribe a limit on the amount payable to any chiropractic college in any fiscal year under a cooperative agreement. In addition, total expenditures for chiropractic services under the demonstration projects would be limited to $2,000,000 in any fiscal year. It is

intended that the demonstration projects be funded from appropriations for medical and prosthetic research and development.

Mr. President, although the House of Representatives has failed on three previous occasions to accept Senate-passed legislation authorizing the establishment of a pilot program of chiropractic services for veterans—legislation which I introduced—it has joined the Senate in strongly urging the Veterans' Administration to re-evaluate its position and use existing authority to provide chiropractic services in appropriate cases as part of the medical care afforded to veterans. This message has been virtually ignored by the Veterans' Administration. I, therefore, urge Congress to send a stronger message to the Veterans' Administration on this matter by favorably considering this legislation.

By Mr. MATSUNAGA (for himself, Mr. INOUYE, Mr. STEVENS, Mr. MURKOWSKI, Mr. CRANSTON, Mr. GORTON, Mr. EVANS, Mr. RIEGLE, Mr. LEVIN, Mr. MELCHER, Mr. PROXMIRE, Mr. KENNEDY, Mr. KERRY, Mr. HATFIELD, Mr. METZENBAUM, Mr. BURDICK, Mr. HARKIN, Mr. DENTON, Mr. MOYNIHAN, Mr. D'AMATO, Mr. HART, Mr. SARBANES, Mr. EXON, Mr. SIMON, Mr. BRADLEY, and Mr. LAUTENBERG):

S. 1053. A bill to accept the findings and to implement the recommendations of the Commission on Wartime Relocation and Internment of Civilians; to the Committee on Governmental Affairs.

(The remarks of Mr. MATSUNAGA and other Senators, and the text of the legislation appear earlier in today's RECORD.)

By Mr. HEINZ (for himself, Mr. GLENN, Mr. CRANSTON, Mr. ANDREWS, Mr. BURDICK, Mr. COHEN, Mr. CHILES, Mr. HUMPHREY, Mr. DIXON, and Mr. PROXMIRE):

S. 1054. A bill to amend the Age Discrimination in Employment Act of 1967 to remove the maximum age limitation applicable to employees who are protected under such act, and for other purposes; to the Committee on Labor and Human Resources.

AGE DISCRIMINATION IN EMPLOYMENT ACT AMENDMENTS

● Mr. HEINZ. Mr. President, President Reagan announced his support for an end to mandatory retirement nearly 3 years ago. Today, I am again introducing legislation to fulfill this long-deferred goal: The prohibition of mandatory retirement based solely on age. I am pleased that Senator GLENN, the ranking minority member of the Aging Committee and Senators ANDREWS, COHEN, HUMPHREY, BURDICK, CHILES, CRANSTON, DIXON, and PROXMIRE join with me in sponsoring this bill. A similar bill has been introduced in the House of Representatives by Congressman CLAUDE PEPPER.

Currently, there are 1.2 million Americans age 70 and over in our work force. Many of these people want to continue working—sometimes for reasons of self-fulfillment, but more often for reasons of economic necessity. Federal law now deprives these people of the same guarantees of equal opportunity in employment that other citizens enjoy. They are deprived of this protection not on the basis of who they are and what they can do, but solely on the basis of their age. This seems to me the rankest form of discrimination, and we should no longer tolerate it in Federal law.

In 1978, the Age Discrimination in Employment Act was amended to eliminate mandatory retirement for nearly all Federal workers and to increase to 70 the age at which non-Federal workers could be forcibly retired. This bill will abolish that age 70 cap and reverse a policy that implicitly sanctions arbitrary discrimination against working men and women over the age of 70. While this is a simple change in the law, it will make an enormous difference in the lives of those who will soon face the devastating effects of age discrimination.

Admittedly, Mr. President, the recent economic slowdown created a difficult climate for the full utilization of older workers. There has been a tendency to fall back on traditional retirement and separation procedures in order to reduce the size of a firm's work force. But the demographic projections are quite different for the near future. We need to look beyond the immediate situation and prepare for the inevitable work force changes that will occur with complete recovery and with time. Our Nation will need these productive older workers. As you are aware, Mr. President, the age distribution of the population will be shifting dramatically over the coming decades. The younger working-age population—ages 16-44—has ceased its rapid growth and between now and the year 1995, will actually show marked declines. What this means is that our standard of living is threatened due to possible future labor shortages unless we as a nation continue to increase the size of our work force. And since everyone who will be a younger worker during the next 20 years has already been born, we know that the only way that we will be able to grow and prosper is if able bodied, productive older workers, who are today in their late forties or fifties or even early sixties, have the opportunity and incentive to continue working. The behavior of this future group of older workers will be vital to our continued economic growth.

We also need to encourage older people to remain productive to lessen the strains on our retirement income programs. If those now forced to retire were working, the overall obligation of the Social Security trust fund would be decreased, and the number contributing would increase. Recent figures from the Social Security Administration estimate the savings to the OASDI trust funds from prohibiting compulsory retirement at $0.7 billion annually by the year 2000 and $4 billion annually by the year 2020.

But the importance of abolishing the age 70 limit for ADEA protection lies not only in the positive shifts in behavior it will bring about. In fact, such shifts will be relatively minor. Persons over age 70 constitute just 1.2 percent of our 105 million person work force. Lifting the age cap will have a negligible impact on that figure. Rather, the importance of removing age 70 is its message to present and future older workers: You are to be employed on the basis of your capability, not on the basis of your birth date.

Mr. President, the problems associated with age discrimination are not new to the Congress. The first ADEA bill, enacted in 1967, stemmed from the Congress' determination that age discrimination, like discrimination based upon race, religion, or sex, is inherently contrary to the principle of individual merit. The original act was designed to protect workers between the ages of 40 and 65. In 1978, the age for protection was raised to 70. At that time, it was agreed that age 70 would be used until the Department of Labor conduct a study on the impact of totally eliminating mandatory retirement. The results of that study indicate beyond all doubt that raising the permissible mandatory retirement age to 70 has had no significant negative economic or social impact. It further concludes that eliminating mandatory retirement entirely would not produce any work force dislocations. These conclusions pave the way for those of us in the Congress to remove the most visible symbol of age discrimination in the work place.

Public opinion in this country clearly supports the bill we are now introducing. A recent Harris poll found that by a 9-to-1 margin, a majority of all ages feel that "nobody should be forced to retire because of age." By another lopsided margin, three-quarters of all adults are convinced that "most employers discriminate against older people and make it difficult for them to find work." The poll also found that 3 out of 4 retirees wish they had some form of employment after retirement. Taken together, the Department of Labor study and the survey findings show that mandatory retirement remains an unnecessary and unjustified obstacle to older workers and, indeed,

an abridgement of their right to remain contributors to the American economy.

Mr. President, unlike the measure I introduced in the 98th Congress, this bill does not contain a controversial, albeit temporary exemption for tenured professors of colleges and universities. I am aware of the special complications involving academic tenure and of the concern that uncapping the retirement age for tenured professors might result in reducing the number of openings for new faculty members. I am aware also that the tenure system, which has been a critical factor in ensuring academic freedom, creates special circumstances regarding retirement, and I am sympathetic to these concerns. The fact that in this legislation we have elected to omit the exemption at this time should not be viewed as prejudicial, in any way, to a final decision on how to address this concern.

I am also mindful of the fact that during the 1980's the traditional college-age population has decreased. However, enrollment levels are expected to be maintained during the late 1980's as the increased enrollment of older students offsets the enrollment declines of younger students. In addition, the national birthrate began to climb once again in 1977. The National Education Association states that there are 54,000 more elementary schoolchildren in the Nation's classrooms, the first noticeable increase in 14 years. And this growth will continue into the 1990's, according to the National Center for Education Statistics. Thus baby boomlet may not be as big or as long as the baby boom after World War II, but it will help to expend student enrollment, and should then create demand for college professors of all ages.

Mr. President, passage of this mandatory retirement bill will not end age discrimination. This form of discrimination has persisted in this country on the basis of misconceptions concerning the aging process and unfounded stereotypes about older people. But with this new legislation we can begin to reeducate the American public, and especially employers, about the vast reservoir of talent and expertise that older Americans have to offer to the social and economic development of our society.

Some of the legal barriers to continued employment are ironically part of the very law that is supposed to help and protect older workers. The ADEA allows employers to refuse to hire and also to terminate older workers on the basis of age if age constitutes so-called bona fide occupational qualification needed for the conduct of a business. Thus, workers such as police officers, firefighters, pilots, and incumbents in other jobs that often involve stress or relate to public safety are often refused jobs or forced to retire early simply on the basis of age. I realize Mr. President, that these matters are complicated and that physical strength to meet rigorous job demands may well ebb as a worker grows older. But the history of litigation under this exception indicates that many employers are attempting to utilized it as a means to refuse employment to older workers.

These legal barriers are serious problems that need close examination and scrutiny. But the most serious barrier and the most insidious—is simple lack of choice. Our present system allows for Government regulation of something our Founding Fathers placed the highest value on: Individual citizen choice. Our public and private employment policies are geared to either full-time work or full-time retirement. They deliminate the very choice that appears to most older workers: Part-time employment. This bill will return to business and individual citizens the freedom of choice about when to retire.

On summary, the continued use of mandatory retirement policies is both morally unsupportable and contrary to the economic interests of employers, employees, and the American public. It is bad for workers, bad for business, and bad for the economy. Incalculable human talent—and spirit—has been wasted as able workers have been forced in premature idleness. Eliminating this type of discrimination will signal our recognition of the value of older workers in the workplace and will signal our intention to reject all barriers to their full participation.

I ask that the text of the bill appear in the RECORD at this point.

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

S. 1054

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 "Age Discrimination in Employment Amendments of 1985".

SEC. 2. Section 12 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 631-634) is amended—

(1) in subsection (a) by striking out "but less than 70 years of age", and

(2) in subsection (c)(1) by striking out "but not 70 years of age,".

SEC. 3. The amendments made by section 2 of this Act shall take effect on January 1, 1986, except that with respect to any employee who is subject to a collective bargaining agreement—

(1) which is in effect on March 14, 1985,

(2) which terminates after January 1, 1986,

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(4)), and

(4) which contains any provision that would be superseded by such amendments, but for the operation of this section,

such amendments shall not apply until the termination of such collective-bargaining agreement or January 1, 1989, whichever occurs first.●

PROHIBITING MANDATORY RETIREMENT

Mr. CRANSTON. Mr. President, I am please to join in cosponsoring the legislation, S. 1054, being introduced today by the Senator from Pennsylvania [Mr. HEINZ], chairman of the Senate Select Committee on Aging and the Senator from Ohio [Mr. GLENN], the ranking minority member of that committee. This legislation would abolish mandatory retirement for the vast majority of American workers by amending the Federal Age Discrimination in Employment Act [ADEA] to remove the provision in current law that denies the protections of that act to individuals 70 years old or older.

Mr. President, I am a long-time and strong advocate of abolishing mandatory retirement. On the first day of this Congress, I introduced legislation, S. 2, the proposed "Older Americans Employment Opportunities Act of 1985," which included, among a number of other proposals aimed at increasing opportunities for older Americans to stay in the work force if they so desired, provisions to remove the age 70 ceiling from the ADEA in order to abolish mandatory retirement.

During the 97th Congress, I also cosponsored legislation, S. 2617, proposed by the Senator from Pennsylvania which would have removed the age 70 ceiling. Unfortunately, I was unable to join as a cosponsor of a subsequent bill which the Senator from Pennsylvania introduced during the last Congress, S. 832, because the version introduced in the 98th Congress included provisions which I could not support which would have resulted in excluding a certain category of workers—tenured college professors—from the full protection of ADEA. Accordingly, in the 98th Congress, I introduced two bills—S. 1751 and an earlier version of S. 2—which would have prohibited mandatory retirement for all employees covered by the ADEA.

I am particularly delighted therefore that the legislation being introduced today by the Senator from Pennsylvania and the Senator from Ohio would not create an exception which would allow universities or colleges to force certain employees to retire at an arbitrary age. My own bill, S. 2, would go a step farther and eliminate as well the exemption in existing law that allows companies to force into retirement employees with certain pension rights. Nonetheless, I am pleased that the chairman and the ranking Democratic member of the Senate Aging Committee share my conviction that we should not be creating any new exclusion of any workers from the full pro-

tection of the ADEA and have eliminated the exemption for tenured faculty members in the version of the legislation that they are introducing in the 99th Congress.

NEED TO ELIMINATE MANDATORY RETIREMENT FOR ALL WORKERS

Mr. President, mandatory retirement should be abolished. Forcing older workers out of their jobs at some arbitrary age is an archaic, discriminatory, and unreasonable policy. It robs society of the contribution and productivity of an increasingly important segment of our work force, and it robs these individuals of the dignity and self-sufficiency which comes from working. In 1978, we began to deal with the issue of mandatory retirement by abolishing it for Federal workers and by raising the age from 65 to 70 for most other workers. I supported the 1978 legislation as an interim step toward total abolition of mandatory retirement, and I led the Senate floor fight against excluding any category of worker from protection. Although those efforts were not entirely successful, the exception for tenured faculty members expired on July 1, 1982. Thus today, these employees enjoy the same protection against mandatory retirement as do millions of other workers. That is the way the law should remain.

Mr. President, at the time the 1978 legislation passed, many opponents argued that eliminating mandatory retirement would result in a loss of job opportunities for younger workers, for women, and for minorities. The 1978 law directed the Department of Labor to conduct a study to determine the impact on these categories of workers of raising the mandatory retirement age from 65 to 70 and of abolishing it altogether. That report, released in final form in 1983, found those allegations to be without any basis in fact. It concluded that there was no significant job slot competition between older workers likely to continue in the work force and those other categories of workers. The 1981 interim report of the Department of Labor calculated that the additional over-65 workers would be potential competitors of less than one-quarter of 1 percent of all full-time workers aged 16 to 24; of less than one-half of 1 percent of all black workers aged 16 to 59; and of about one-tenth of 1 percent of all full-time female workers aged 16 to 59.

Like many of the myths that surround age discrimination, the allegation that we must treat older workers unfairly in order to protect other categories of workers is simply untrue. Injustice seldom breeds justice, and here the facts are totally unsupportive of perpetuating age discrimination because of some mistaken notion about the needs of other workers.

NO JUSTIFICATION FOR EXEMPTIONS FROM PROTECTION

Mr. President, there is simply no basis for continuing to deprive older Americans of the right to continue to work if they want to. Unreasonable discrimination on the basis of age is just as invidious and unfair as discrimination based on race or sex or religion or national origin. It has no place in our society. Every worker ought to have the right to be judged on the basis of his or her abilities, and not because they have reached some arbitrary age. The issue is one of basic civil rights and fairness.

That is why I have felt so strongly that we should not be providing exceptions for particular categories of workers. If it is wrong to force individuals, without regard to their individual competency, to retire at a set age then there is no justification for carving out particular segments of the workforce where such invidious discrimination can be practiced. The law clearly does not limit any employer's ability to discharge any employee, regardless of age, who cannot adequately perform his or her duties. That ought to be the standard in every occupational field, not some arbitrary factor, whether it be age, race, disability, or some other form of bias.

CONCLUSION

Mr. President, the time is long passed for Congress to abolish once and for all its sanctioning of mandatory retirement policies. Extending the protections of the ADEA to workers over age 70 will accomplish that goal. Mandatory retirement, like other forms of unfair treatment, is a practice that must be ended.

● Mr. GLENN. Mr. President, as the ranking Democratic member of the Senate Special Committee on Aging, I am pleased to join my colleagues in introducing this legislation to extend the protections of the Age Discrimination in Employment Act to persons age 70 and over. With passage of this legislation, workers will not be forced to retire solely because of their birthdate. This legislation will be significant for many older persons who want to continue working, without having an adverse impact on employers or other segments of the labor force.

The Age Discrimination in Employment Act [ADEA] prohibits discrimination in employment because of age in such matters as hiring, job retention, compensation, and other terms, conditions, and privileges of employment. The ADEA protects workers from age 40 to 70 from discrimination by most employers of 20 or more persons—including State and local governments—employment agencies, and labor organizations—with 25 or more members. Federal Government employees are protected from age 40, without any upper age limit. The original 1967 act protected workers aged 40 to 65. I supported legislation in 1978 which raised the upper age limit from 65 to 70. The legislation we are introducing today lifts this age 70 cap in the ADEA to protect all older workers from employment discrimination based on age.

Currently, there are 1.2 million Americans over the age of 70 in our work force. Many of these people want to continue working—sometimes for reasons of self-fulfillment, and often for reasons of economic necessity. Federal law now deprives these people, solely on the basis of their age, of the same guarantees of equal opportunity in employment that other citizens enjoy. It is inequitable to judge a person's qualifications for a job solely on the basis of age, without regard to fitness for a job. In fact, chronological age alone is a poor indicator of ability to perform a job. Research shows that older workers can be equal or superior to younger workers in the areas of quality and quantity of work, dependability, judgment, human relations, attendance, and on-the-job safety. Nine out of ten employers in a 1981 study by Mercer, Inc., stated that older workers perform as well on the job as younger workers and that older workers are more committed to company objectives than younger workers.

Our Nation needs the contributions of these productive older workers. The bulk of our current work force is the group of younger workers aged 16 to 44, but this group will peak in numbers around 1990 and then begin to decline. In order to sustain economic growth and productivity, we must look to the pool of middle-aged and older persons. We should allow them to compete in the work force in a fair position without discrimination.

As part of the 1978 amendments to the ADEA, Congress required the Department of Labor to study the effects of raising the mandatory retirement age from 65 to 70, and the feasibility of eliminating the age 70 cap altogether. The Labor Department's 4-year study shows that abolishing the mandatory retirement age would have no significant negative impact on our Nation's work force or employers. The Labor Department's findings include the following:

Employers have not experienced major administrative difficulties or increased costs with mandatory retirement at age 70, and do not anticipate major changes in retirement patterns if mandatory retirement is eliminated.

Abolishing mandatory retirement would have no significant negative impact on the employment of minorities, youth or women. These latter groups tend to be involved in different occupations—manufacturing, retail, wholesale—while older workers tend to be involved in administrative and service occupations.

The elimination of mandatory retirement would have a marginal impact on the employment of older persons and a very small impact on the total labor force. About 200,000 additional persons would continue working by the year 2000 as a result of the elimination of mandatory retirement. This would mean a 5-percent increase in older workers, and these older workers would represent less than 0.2 percent of the total work force in the year 2000.

Research by the Department of Labor, the Social Security Administration, and others shows that the two primary factors in deciding when to retire are health condition and availability of retirement income. The majority of the work force retires between 62 and 65 because current Social Security and pension policy favors retirement at these ages. We do not want to force anyone to continue working beyond the time that they are able. However, workers should be able to choose to continue working, and the legislation we are introducing today will give them that opportunity.

I could go on, but I think it would be more helpful if I shared the thoughts of a constituent, Mary Ellen Wobbecke of Cleveland Heights, OH. Ms. Wobbecke wrote me the following:

DEAR SENATOR GLENN: It is my understanding that people are required to retire at the age of 70.

I am a 58-year-old school psychologist. Looking ahead, I do not want to be forced to retire at age 70. I did not start working until my 40's, and dropped out for a few years to attend graduate school. I am in good health, and want to build a decent retirement income. I would like to work for as long as I want to—75 or 80.

Therefore, I am asking you to look into this matter. Possibly you would be willing to start legislation which would make retirement an option, rather than a requirement.

In this day of increasing retirement costs (to Social Security) such a change in the law would be beneficial to the government's coffers, as well as to human beings.

Thank you.

MARY ELLEN WOBBECKE,
Cleveland Heights, OH.

Most Americans share Ms. Wobbecke's attitudes about forced retirement. A 1981 survey of the general population by Louis Harris & Associates found that 90 percent of those interviewed agreed with the statement, "Nobody should be forced to retire because of age if he wants to continue working and is still able to do a job."

Let us join together with other Americans in recognizing the skills and talents of older persons by protecting them from age discrimination in employment. I urge my colleagues to support this legislation to eliminate the age 70 cap in the Age Discrimination in Employment Act.●

By Mr. GOLDWATER (for himself and Mr. DECONCINI):

S. 1055. A bill to designate the Granite Reef Aqueduct of the Central Arizona project as the "Hayden-Rhodes Aqueduct"; to the Committee on Energy and Natural Resources.

HAYDEN-RHODES AQUEDUCT

Mr. GOLDWATER. Mr. President, I am introducing, today, a bill to change the name of the central Arizona project's Granite Reef Aqueduct to the Hayden-Rhodes Aqueduct, to honor the late Senator Carl Hayden, and former Congressman John Rhodes, two great men from Arizona who were so vitally important to the successful accomplishment of congressional authorization for the central Arizona project.

Water, the source of all life, has started to flow in the aqueduct that will bring our share of the Colorado River to the people, industries, and farms of central Arizona.

I'm not going to tell you now about this incredible water delivery system, the tunnels, the pumping plants, and the operations. I will simply remind you this is the largest reclamation project ever undertaken by the Federal Government, and it's very doubtful ther will ever be another like it.

Arizona's modern day history began with the construction of the Roosevelt Dam on the Salt River, that conserved water so that there might be life in Phoenix. The States future now depends on the central Arizona project, which will bring water all the way to Tucson and three counties in between.

We are going to have the celebrations beginning later this year befitting such a monumental engineering feat.

My purpose today is to speak of the dreamers and workers who said it could be done.

Two among these who stand out in everyone's mind are Senator Carl Hayden and Congressman John Rhodes. One was a native Arizona pioneer who became both an Arizona and a national institution. The other was one who settled in Arizona in more recent times to become one of its greatest statesmen.

Senator Hayden was born 108 years ago in the town of Tempe. At that time, the free-flowing Salt River passed by on its way to the Gulf of California. In those territorial days, all the settlers talked about was gold, Indians, and water. He took care of the small population as a sheriff of Maricopa County before statehood, and he took care of water resources during his lengthy career in Congress which extended 57 consecutive years, longer than any person in our history.

He had a number of great legislative accomplishments as a Member of the House for 15 years and the Senate for 42 years, like the Interstate Highway System and the GI bill, but the greatest and dearest to his heart was the central Arizona reclamation project.

Any mention of Carl Hayden always brings to mind his reputation as a man of few words and mighty deeds.

Though in his later years in the Senate he was President pro tempore, third in line of succession to the Presidency, chairman of the Appropriations Committee and Joint Congressional Committee on Printing, and sat on the Democratic Policy Committee and on Rules and Administration, he never abused the power those positions would portend.

He wasn't even widely known. Senator Hayden chose to be a work horse, not a show horse.

When he was asked by a reporter whether his successes stemmed from his power as appropriations chairman or seniority, Senator Hayden responded, "If you have a good project, the Congress will adopt it."

In the same interview, Senator Hayden made the statement, "You just don't enact important legislation except by coming to an agreement, where there are differences of opinion."

So it was with the central Arizona project. There were times during the many years the project was under consideration when many of the people back home were discouraged and impatient, and always Senator Hayden remained the optimist and kept his steady hands on course.

He was to see the central Arizona project signed into law by President Johnson in September 1968, the year before he retired from office and 5 years before he passed away in his beloved State.

Forty years from the date Senator Hayden took office in the House of Representatives, Arizona elected its first Republican to the House, John Rhodes. For the next 16 years, John Rhodes dedicated his time and his considerable talents to the passage of the central Arizona project. He served in that important role in bringing bipartisanship to the effort, not only in Congress but also in the State of Arizona.

He is one of those persons who took up residence in Arizona while serving there in the Air Force during World War II, and who, in a short time, became a leader in the affairs of the fast growing State.

About his service in Congress, George Will wrote:

One glance tells you: God had a Congressman in mind when he made John Rhodes. And he is just what the Founding Fathers had in mind when they designed the House of Representatives, the body intended to be closest to the commonman.

With all the many honors that came to John Rhodes during his 30-year career here, which included being elected unanimously four times as minority leader, he will always claim as

his crowning achievement the enactment of the CAP.

He couldn't have planned his career in Congress better in order to have been successful in helping the small Arizona delegation attain passage of the central Arizona project and, afterward, assure the project was funded in an orderly manner. His first assignment was on the Interior and Insular Affairs Committee, the authorizing committee, where he served with the dean of Western water, the late Wayne Aspinall. Later he took a seat on the Public Works Appropriations Subcommittee, working with the late Mike Kirwan.

His knowledge of the institution, his legislative craftsmanship, his personal dedication, perseverance, and integrity, made John Rhodes the ideal associate of Senator Hayden. To these two men Arizona owes a great debt of gratitude. The Hayden-Rhodes Aqueduct will revere their names in the annals of the history of the central Arizona project.

By Mr. PACKWOOD:

S. 1057. A bill to amend the Coastal Zone Management Act of 1972 regarding activities directly affecting the coastal zone; to the Committee on Commerce, Science, and Transportation.

COASTAL ZONE MANAGEMENT ACT AMENDMENTS

● Mr. PACKWOOD. Mr. President, I am today introducing legislation to amend the Coastal Zone Management Act of 1972 [CZMA] to clarify the consistency provision of that act—section 307(c)(1). This action reflects my continuing concern over the proper relationship between the Federal Government and the States in coastal areas, as well as my desire to protect the CZMA and its consistency provision from further erosion. In addition, Mr. President, I am committed to protecting the spectacular and pristine shore of my native Oregon, which has been included in the Department of Interior's 5-year oil and gas leasing plan for the first time in many years.

Clarification to the CZMA was made necessary by the 1984 Supreme Court decision in Watt versus California. In that case, the Court held that Federal oil and gas lease sales in the Outer Continental Shelf do not "directly affect" State waters. As a result, the Court ruled that Federal oil and gas lease sales need not be consistent with federally approved State coastal zone management programs.

The Supreme Court's decision violates the intent of Congress, expressed through the CZMA, that the States be provided with the authority to develop and administer programs for managing their coastal resources. Coastal zone management was envisioned by Congress to be a cooperative partnership between the Federal Government and the States, with the States working toward national goals on a voluntary basis. In this way, a rational and balanced approach to both development and conservation would be assured.

Toward that end, Oregon and 27 other States have approved coastal zone management programs. In a number of cases, the States have had to enact new legislation and commit significant resources to coastal zone management. In return, the States were assurred that Federal activities directly affecting the coastal zone would, to the maximum extent practicable, be consistent with that State's coastal management plan.

The agreement expressed in the CZMA has been breached by the Supreme Court's decision. If the States are excluded from the negotiating table in the crucial first stages of oil and gas development, uncertainty, added delay, and expense for both the developers and the States will occur later in the process.

The Court's decision is not supported by the legislative history of the CZMA. In the Commerce Committee report accompanying the 1976 amendments to the act, the term "leases" was inserted wherever the phrase "licenses or permits" appeared, and the committee stated in its report:

> In practical terms, this means that the Secretary of the Interior would need to seek the certification of consistency from adjacent states . . . before entering into a binding lease agreement with private oil companies.

Since this language was insufficient to apprise the Court of Congress' intent, an amendment to the statute is required.

The amendment I am introducing today is the same one approved by the Commerce Committee and reported to the full Senate in the 98th Congress. It embodies clarifications dictated by national security and a modification requested by fishing interests. It embodies the best thinking of the affected parties and was the subject of hearings in the last Congress.

Mr. President, the bill I am introducing does not grant States any new authority nor give them veto power over oil and gas development in the Outer Continental Shelf. Instead, it simply restates the rights granted by Congress to the States in 1972 which the Supreme Court has incorrectly limited. This legislation will restore the correct balance between Federal and State interests in coastal resource protection and development by guaranteeing the States' a say in Federal activities directly affecting their coastal zones.●

By Mr. INOUYE:

S. 1059. A bill to amend title 10, United States Code, to authorize the appointment of health care professionals to the positions of Assistant Secretary of Defense for Health Affairs, the Surgeon General of the Army, the Surgeon General of the Navy, and the Surgeon General of the Air Force; to the Committee on Armed Services.

APPOINTMENT OF CERTAIN HEALTH CARE PROFESSIONALS

● Mr. INOUYE. Mr. President, today I am introducing legislation which would provide that various positions within the Department of Defense Health Care Program would be opened up for a range of health care providers, depending upon their administrative and clinical skills.

For example, it is my understanding that the position of Surgeon General of the U.S. Army is not limited to physicians. Instead, such an appointment may be made from officers who have shown by extensive duty in the branch concerned, or by similar duty, that they are qualified for the appointment. The Department of the Army has informed me that the phrase "branch concerned" refers to the six corps of the Army Medical Department and, thus, for example, presumably a military dentist might be appointed to that position.

The legislation which I am introducing today would ensure that each of the Surgeons General and the Assistant Secretary of Defense for Health Affairs, shall, in fact, become eligible for interdisciplinary appointments.

Mr. President, I request unanimous consent that the text of this bill be printed in the RECORD.

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

S. 1059

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (2) of section 136(b) of title 10, United States Code, is amended by adding at the end thereof the following new sentence: "The President shall appoint the Assistant Secretary of Defense for Health Affairs from among persons who are educationally and professionally qualified to furnish health care to other persons, including doctors of medicine, dentistry, or osteopathy, nurses, and clinical psychologists.".

SEC. 2. Section 3036 of title 10, United States Code, is amended—

(1) in subsection (b), by inserting before the period at the end of the third sentence the following: "and shall be appointed as prescribed in subsection (f)"; and

(2) by adding at the end thereof the following new subsection (f):

"(f) The President shall appoint the Surgeon General from among commissioned officers in any corps of the Army Medical Department who are educationally and professionally qualified to furnish health care to other persons, including doctors of medicine, dentistry, or osteopathy, nurses, and clinical psychologists.".

SEC. 3. Section 5137 of title 10, United States Code, is amended—

(1) in the first sentence of subsection (a), by striking out "in the Medical Corps" and inserting in lieu thereof "who are educationally and professionally qualified to furnish

health care to other persons, including doctors of medicine, dentistry, or osteopathy, nurses, and clinical psychologists"; and

(2) in subsection (b), by striking out "in the Medical Corps" and inserting in lieu thereof "who is qualified to be the Chief of the Bureau of Medicine and Surgery".

SEC. 4. The first sentence of section 8036 of title 10, United States Code, is amended by striking out "designated as medical officers under section 8067(a) of this title" and inserting in lieu thereof "educationally and professionally qualified to furnish health care to other persons, including doctors of medicine, dentistry, or osteopathy, nurses, and clinical psychologists".●

By Mr. D'AMATO:

S. 1060. A bill to amend title II of the Social Security Act to protect the benefit levels of individuals becoming eligible for benefits in or after 1979 by eliminating the disparity—resulting from changes made in 1977 in the benefit computation formula—between those levels and the benefit levels of persons who became eligible for benefits before 1979; to the Committee on Finance.

BENEFIT LEVELS OF SOCIAL SECURITY BENEFICIARIES AFTER 1979

● Mr. D'AMATO. Mr. President, there comes a time when compassionate justice calls out for action on behalf of the many who cannot stand here and speak for themselves. Therefore, I rise today to appeal to the basic sense of fairness that our Democracy embodies—a sense of what is right that can no longer be denied by halfhearted efforts and weak resolutions. It is to this end that I address the issue of the Social Security notch.

In the 98th Congress I cosponsored S. 2644, a bill designed to rectify this enormous injustice, but much to my dismay, the promise of security to our senior citizens did not receive the priority attention that it so rightfully deserved. The needs of our parents and grandparents did not, cannot, and will not, fade silently away. Thus, I offer legislation today that will give hope to those members of our society born between 1917 and 1921.

The notch was an ill-conceived solution to what was an already poorly designed Social Security formula. In 1973, the Board of Trustees of the Social Security trust funds revealed that recent computations of forthcoming benefits were grossly incorrect. In the simplest of terms, future adjustments for benefits had been doubly indexed for inflation. This double indexing was largely responsible for a 1977 projection of a long-range deficit equal to approximately 40 percent of the projected cost of the program. Obviously, something had to be done. The result, however, was cruel and unfair.

In 1977, Social Security legislation was passed that would deny future security to thousands of senior citizens. Realizing that the previously incorrect formula would both bankrupt the system and pay disproportionately high benefits to some recipients, there was a tremendous movement backward. A new formula was calculated for the payment of benefits to individuals becoming eligible after 1978. Less than 2 full years after the change would be made there would be an adjustment downward of benefits. This was not a great deal of time to change plans for those about to retire. Regardless of the intent of the 1977 amendments, the effect was devastating.

When the dust had settled, it was clear that if you reached 62 years of age after January 1, 1979, or were born after 1916, your hopes of a secure retirement had been dashed. Although attempts were made to lessen the impact for those immediately facing retirement, those born between 1917 and 1921, the ball had already started to roll downhill. If you were born January 1, 1917, and your neighbor was born December 31, 1916, you could be certain that if all other factors were the same, you would receive lower benefits based on your date of birth alone.

This arbitrary inequity sealed the fate of many unsuspecting senior citizens who would now spend their so-called years of leisure short of good housing, proper medical attention, and even decent meals. A society certainly falters when it neglects the needs of those who have given of themselves in times of war and times of peace for the sole purpose of balancing budgets. This type of action is not the mark of a great nation.

As great a damage as has been done, it is not too late to rectify this situation and to send the message that we still care. My legislation would compensate for some of this lost income by incorporating 3 more years of employment after age 62 for computation in Social Security benefits. This would be made available for those who reached 62 in 1979 or later. It also establishes an income ceiling of $29,700 for those 3 years after eligibility starts, and allows for a lump-sum retroactive payment for those who have forgone their rightful benefits since 1979. The $29,700 income ceiling allows for a justifiable benefit increase now. However, since this figure remains constant, it prevents mammoth escalations in the future with ample time for these future retirees to plan for their retirement years.

Every day we delay in our efforts to correct the notch we risk missing the chance to return these benefits to those who deserve them. Will this Government abandon those who fought so hard to survive the Great Depression and to save our country in World War II? Is the legacy of a free and strong nation to be answered in the manner the notch does? I urge my colleagues to join me in this struggle, and I ask unanimous consent that my bill be printed in the RECORD.

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

S. 1060

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 215(a)(4) of the Social Security Act is amended—

(1) by striking out "who had wages or self-employment income credited for one or more years prior to 1979" in subparagraph (B) and inserting in lieu thereof "who has 27 or more quarters of coverage based on wages and self-employment income credited for years prior to 1979".

(2) by striking out "prior to 1984" in clause (i) of subparagraph (B) and inserting in lieu thereof "after December 1978";

(3) by inserting "as in effect in December 1984" after "section 215(d)" in clause (ii) of subparagraph (B); and

(4) by striking out the last sentence.

(b) The first sentence of section 215(a)(5) of such Act is amended—

(1) by striking out "(other than an individual described in paragraph (4)(B))";

(2) by striking out "except that," and inserting in lieu thereof "except that (A)"; and

(3) by inserting before the period at the end thereof the following: ", and (B) in the case of an individual described in paragraph (4)(B), such individual's average monthly wage shall be computed as provided by subsection (b)(4)".

SEC. 2. The first sentence of section 215(b)(4) of the Social Security Act is amended by striking out "except that" and all that follows and inserting in lieu thereof the following: "except that—

"(A) paragraph (2)(A) (as then in effect) shall be deemed to provide that the number of an individual's 'benefit computation years' may not exceed 25;

"(B) paragraph (2)(C) (as then in effect) shall be deemed to provide that an individual's 'computation base years' may include only calendar years in the period after 1950 (or 1936 if applicable) and prior to 1979, plus the 3 calendar years after 1978 for which the total of such individual's wages and self-employment income is the largest; and

"(C) the 'contribution and benefit base' (under section 230) with respect to remuneration paid in (and taxable years beginning in) any calendar year after 1981 shall be deemed to be $29,700.".

SEC. 3. Section 215(f)(7) of the Social Security Act is amended by striking out "For purposes of recomputing a primary insurance amount determined under subsection (a) or (d) (as so in effect) in the case of an individual to whom those subsections apply by reason of subsection (a)(4)(B)" and inserting in lieu thereof the following: "For purposes of recomputing a primary insurance amount determined under subsection (a) (as so in effect) in the case of an individual to whom that subsection applies by reason of subsection (a)(4)(B)(i) as in effect after December 1978, the average monthly wage shall be determined as provided by subsection (b)(4). For purposes of recomputing a primary insurance amount determined under subsection (d) (as so in effect) in the case of an individual to whom that subsection applies by reason of subsection (a)(4)(B)(ii)".

SEC. 4. Section 215(i)(4) of the Social Security Act is amended by striking out "(but the application" and all that follows down

through "paragraph (4) of that subsection)".

SEC. 5. (a) Section 215(a)(7)(A) of the Social Security Act is amended by inserting "or (by reason of paragraph (4)(B)(i)) under section 215(a) as in effect in December 1978" after "under paragraph (1) of this subsection" in the matter preceding clause (i).

(b)(1) Section 215(a)(7)(B)(i) of such Act is amended by striking out the first sentence and inserting in lieu thereof the following: "In applying subparagraph (A) in the determination of an individual's primary insurance amount, there shall first be computed (I) in the case of an individual whose primary insurance amount would be computed under paragraph (1) of this subsection, an amount which is equal to the individual's primary insurance amount under that paragraph, reduced by substituting (for purposes of this computation) the applicable percent specified in clause (ii) of this subparagraph for the percentage of the individual's average indexed monthly earnings established by subparagraph (A)(i) of paragraph (1), or (II) in the case of an individual whose primary insurance amount would be computed under section 215(a) as in effect in December 1978 by reason of paragraph (4)(B)(i) of this subsection, an amount which is equal to the individual's primary insurance amount under that section, reduced by a percentage equivalent to the percentage reduction which (as determined under regulations prescribed by the Secretary) would occur under subclause (I) if such primary insurance amount were a primary insurance amount under paragraph (1) of this subsection.".

(2) The second sentence of section 215(a)(7)(B)(i) of such Act is amended by inserting "or (by reason of paragraph (4)(B)(i)) under section 215(a) as in effect in December 1978" after "under paragraph (1) of this subsection".

(3) The third sentence of section 215(a)(7)(B)(i) of such Act is amended by inserting ", or (by reason of paragraph (4)(B)(i)) under section 215(a) as in effect in December 1978," after "under paragraph (1) of this subsection".

SEC. 6. (a) The amendments made by this Act shall be effective as though they had been included or reflected in section 201 of the Social Security Amendments of 1977.

(b) In any case where an individual is entitled on the date of the enactment of this Act to old-age insurance benefits under title II of the Social Security Act which were computed—

(1) under section 215 of that Act as in effect (by reason of the Social Security Amendments of 1977) after December 1978, or

(2) under section 215 of that Act as in effect prior to January 1979 by reason of subsection (a)(4)(B) of such section (as amended by the Social Security Amendments of 1977),

the Secretary of Health and Human Services (notwithstanding section 215(f)(1) of the Social Security Act) shall recompute such individual's primary insurance amount so as to take into account the amendments made by this Act, and shall pay to such individual in a lump sum any additional amount to which such individual is entitled (for the period beginning with the first month for which such individual was entitled to such benefits and ending with the month preceding the first month with respect to which such recomputation is effective) by reason of such amendments. No recomputation of an individual's primary insurance amount under the preceding sentence shall have the effect of reducing or otherwise affecting any monthly insurance benefit which is payable under title II of the Social Security Act to any other person on the basis of such individual's wages and self-employment income for any month before January 1985.●

By Mr. PRESSLER (for himself and Mr. KERRY):

S. 1061. A bill to amend title 38, United States Code, to establish a program of delayed reentry and psychological readjustment assistance and vocational rehabilitation for Vietnam veterans; to the Committee on Veterans' Affairs.

VIETNAM VETERANS' DELAYED REENTRY AND PSYCHOLOGICAL READJUSTMENT AND VOCATIONAL REHABILITATION ASSISTANCE ACT

● Mr. PRESSLER. Mr. President, I am introducing legislation today which addresses critically unmet readjustment needs of Vietnam veterans in the area of health care and research.

The Vietnam Veterans Delayed Reentry, Psychological Readjustment and Vocational Rehabilitation Assistance Act will accord the Veterans' Administration the necessary authority it requires to resolve the unique psychosocial problems affecting Vietnam veterans within the parameters of existing VA resources. All provisions of the bill have precedent in the comprehensive psychological readjustment assistance accorded World War II veterans by the VA.

Operation Outreach, the Veterans' Administration's psychological readjustment program, is limited in its resources, its authority and in its professional capabilities. The Delayed Reentry Act will provide Vietnam veterans who are suffering from psychological readjustment problems related to their military service or readjustment therefrom with priority treatment within the mainstream VA mental health resources. The act gives service-connected disability status, at a non-compensable level, to Vietnam and other eligible veterans who experience mental health problems which are determined by a VA psychiatrist or psychologist to require mental health services to facilitate successful readjustment to civilian life. This means that these veterans will receive priority in treatment and access to the VA's mental health resources before the 75 percent of veterans whose mental problems have no connection to their military service, but who are receiving mental health services from the VA. These veterans would not be subject to income limitations imposed upon non-service-connected veterans. They would receive no priority medical treatment other than that required to resolve their psychological readjustment problems.

Veterans' Administration psychiatrists and psychologists would be required to make special efforts to determine if Vietnam veterans' psychological problems were incurred or aggravated in the service, or are a post-traumatic stress disorder, thus warranting a service connection for a disability.

The Veterans' Administration's "Physician's Guide for Disability Evaluation Examinations" (March 1, 1985) warns of serious problems with possible prior misdiagnosis of veterans potentially suffering from PTSD.

DIAGNOSTIC PITFALLS

(a) Prior misdiagnosis. Since DSMII (Diagnostics and Statistics Manual of the American Psychiatric Association) provided no diagnostic category for a war stress reaction, post-traumatic stress disorder may have been misdiagnosed prior to 1980 as a personality disorder, a primary substance abuse disorder, a borderline state, or even schizophrenia. A high index of suspicion should be maintained for any war zone veteran carrying such a diagnosis from this period, especially if the record does not contain a highly detailed military history.

(b) Standardized Diagnostic Instruments. As of the mid-1980s, standardized instruments (e.g. the MMPI, DSI, SCL-90, and SADS) have not been validated for PTSD and ARE NOT capable of sorting symptoms and responses into the diagnosis of PTSD. Until sufficient standardized research is completed, such instruments cannot be utilized to document the presence or absence of PTSD. They may even suggest incorrect diagnoses.

The legislation requires the VA to institute a comprehensive research and training program for professional, paraprofessional, and lay personnel dealing with Vietnam veterans, to assure that they have the ability to counsel, screen, and test Vietnam and other veterans with PTSD and accord them effective therapy, readjustment, and rehabilitation for their unique medical and psychosocial readjustment problems.

Fewer than 10 percent of the patients in the VA health care system are Vietnam-era veterans with medical or psychological problems related to their military service. While the VA has made significant gains in recent years, many VA hospitals are ill-equipped (only 1 hospital in 10 has a special PTSD ward or program) to provide empathetic counseling, screening, and treatment for these veterans. Many VA medical personnel lack the training resources and experience to deal with the unique psychological effects of the Vietnam war and post-traumatic stress disorders.

The legislation also authorizes veterans whose serious mental health problems are related to their military service or readjustment therefrom, but do not warrant permanent disability compensation, to participate in the Veterans' Administration's vocational rehabilitation program under chapter 31 of title 38 United States Code.

There is precedent for this action in the comprehensive mental health and

vocational rehabilitation assistance the VA accorded World War II veterans with psychoneurosis problems. Over one-half of the World War II disabilities were classified as "psychoneurosis". Those veterans were given temporary service connected disability status and accorded comprehensive mental health services and vocational rehabilitation. When the World War II veterans had resolved their psychological problems and readjusted to civilian life, their disability status was dropped.

Costs of the legislation will be absorbed within existing VA appropriations.●

By Mr. PRESSLER (for himself and Mr. KERRY):

S. 1062. A bill to amend chapter 73 of title 38, United States Code, to establish a program of comprehensive research on, studies of, and a review of the professional literature on potential physiological and psychological health programs affecting Vietnam veterans, and to require training for Veterans' Administration personnel in counseling, screening, testing, evaluation, treatment, therapy, readjustment, and rehabilitation relating to the unique medical and psychological needs of Vietnam veterans, and for other purposes; to the Committee on Veterans' Affairs.

COMPREHENSIVE VIETNAM VETERANS RESEARCH AND TRAINING ACT

● Mr. PRESSLER. Mr. President, the Comprehensive Vietnam Veterans Literature Review and Training Act of 1985 will require the Veterans' Administration to conduct a comprehensive literature review, research, and studies of all potential health care detriments affecting Vietnam veterans and their natural children. Such review will be carried out in consultation and cooperation with the Secretary of Human Services and the Directors of the National Institutes of Health and Mental Health.

With the exception of the $100 million in research being carried out on agent orange, there is very little relevant activity in areas of potential health care detriment to Vietnam veterans. The vast majority of PTSD research is surveying the symptoms—not seeking the solutions to the problems that affect potentially one-half million veterans.

There is little in medical schools and psychiatric training, or in much VA medical training to prepare VA personnel to handle Vietnam-related problems—let alone provide the comprehensive and empathetic counseling and treatment that Vietnam veterans suffering the consequences of their military service deserve and require. Less than 10 percent of the patients the VA will see in a given year will be Vietnam veterans experiencing medical or psychological problems that are a consequence of their military service.

This legislation would require the VA to provide appropriate training to its personnel in the counseling and screening, testing, evaluation, treatment, therapy, readjustment, and rehabilitation of the unique psychosocial needs of Vietnam-era veterans.

As I have stated, the review of prior activities in the PTSD area is to be carried out by the VA Administrator, in consultation with the Directors of the National Institute of Health and the National Institute of Mental Health. This joint review will prove particularly beneficial as we attempt to dig deeper into the problems and symptoms of posttraumatic stress disorder. I am quite certain that the expertise these two Directors can bring to bear in this review will prove most beneficial to the Administrator.

Nine months after this bill is enacted, the VA Administrator will submit to Congress his recommendation on further activity that should be carried out in this area. These recommendations will be extremely helpful as we move to increase our limited knowledge on PTSD through meaningful additional research projects.●

By Mr. D'AMATO (for himself and Mr. THURMOND):

S. 1063. A bill to amend section 376 of title 28, United States Code, to provide that certain judicial annuities for surviving spouses shall not terminate by reasons of remarriage of an annuitant after age 60; to the Committee on the Judiciary.

JUDICIAL SURVIVORS ANNUITIES

● Mr. D'AMATO. Mr. President, today I am introducing legislation to correct an inequity in the law relative to judicial survivors annuities. This matter has been brought to my attention by my good friend and colleague, Congressman BILL GREEN. I am most pleased that the very distinguished chairman of the Senate Committee on the Judiciary, Senator THURMOND, joins me in cosponsoring this bill. Our legislation is identical to Congressman GREEN's bill, H.R. 1472.

Our bill amends current law to provide that widowed annuitants of Federal judges 60 years of age or older shall not lose their annuities when they remarry. Our intent is to give the survivors of Federal judges the same rights afforded other annuitants under both the Social Security Amendments of 1977 (Public Law 95-216) and the civil service retirement survivor annuities reinstatement (Public Law 95-318).

This legislation corrects the 95th Congress' failure to consider the case of widowed annuitants of Federal judges 60 years of age or older who remarry. I urge my colleagues to give this measure their full support.●

By Mr. PELL (for himself, Mr. DENTON, Mr. NUNN, Mr. MITCHELL, Mr. BINGAMAN, Mr. KERRY, Mr. MATSUNAGA, Mr. HART, Mr. BRADLEY, and Mr. MOYNIHAN):

S. 1064. A bill to provide for the continuation of the National Diffusion Network; to the Committee on Labor and Human Resources.

NATIONAL DIFFUSION NETWORK ACT

● Mr. PELL. Mr. President, today I am introducing, along with my colleagues, Senators DENTON, NUNN, MITCHELL, BINGAMAN, KERRY, MATSUNAGA, HART, BRADLEY, and MOYNIHAN, legislation to provide for independent statutory definition for the National Diffusion Network.

This program was created in 1974 for the purpose of identifying and promoting programs of demonstrated excellence in school systems throughout the Nation. The network was engineered so that education programs which are successful in Maine could be made known to school systems in California, and could be implemented and adapted to the specific needs of each school. The NDN was developed on the premise that most education problems are currently being successfully addressed in at least one location in the United States, and that information concerning programs of proven success should be made available to school systems facing similar problems.

Through means of the network, schools can capitalize on efforts already undertaken by other schools to develop effective programs. In this manner, the NDN provides one of the swiftest and most cost-effective means for adoption of exemplary projects across the Nation, by avoiding duplicity of cost and duplicity of effort. The average cost of developing an NDN project is $250,000, but the cost of duplicating that program in another school district is only $708!

The National Diffusion Network identifies outstanding programs after careful review by the Department of Education's Joint Dissemination Review Panel, comprised of education experts throughout the country. Programs are approved for both demonstrated success and adaptability to other schools. The NDN then supports and strengthens these projects and operates a system of demonstration sites where these programs can be shown to potential adopters. NDN facilitators—one or more in each State—help a school in search of new programs find current NDN projects which will address that school's specific needs. Facilitators then assist with the training and technical assistance in implementation of the program.

National Diffusion Network Programs range from handicapped education, to basic skills development, to adult education, to exemplary pro-

grams in math and science. Since 1974, the NDN has grown from 76 to 391 programs. The most recent statistics available indicate that in 1982–83, over 18,000 public and private schools across the Nation have adopted NDN programs. Consequentially, over 66,000 teachers and administrators have received inservice training, and 1.7 million students benefited.

The importance of continuing the network's work was recognized in the Education and Consolidation Improvement Act of 1981. That act provided for the network's funding out of the discretionary funds reserved for the Secretary of Education. This placed the network in the unusual position of being named in the law but not being defined or described.

The legislation I am introducing would correct this discrepancy by providing a statutory definition for the National Diffusion Network. It would allow funding for the network to continue either through the Secretary's discretionary fund or through a separate congressional appropriation.

The National Diffusion Network clearly carries out the mandate from the President's Commission on Excellence in Education to promote educational quality in our schools. In its prescient report, A Nation at Risk, the Commission called for effective dissemination of the numerous examples of local success as a result of superior effort, and better understanding of learning and teaching.

One of the most successful NDN projects, project IPASS, is located in Pawtucket, RI. This program, through use of microcomputers, provides individual mathematics instruction for students in the intermediate grades who are having difficulty with math concepts, enabling them to catch up to the math level of their peers. This program has been so successful for these students, that they have been able to return to their regular classes in several months. Schools in 14 other States have already adopted this program at minimal cost. Another fine program which we are proud to have in Rhode Island is Cranston's Comprehensive Reading Program for grades K–12. This program combines a number of instructional approaches, including pacing, parent involvement, reading specialists and diagnostic assessment to work intensively on reading comprehension.

I would strongly urge my colleagues to learn about NDN projects in their own States. I am confident that in reviewing these projects my colleagues will become encouraged by the number of exemplary programs in this country. They will become encouraged that despite the gloomy pronouncements of the President's Commission, we do indeed have many programs of demonstrated excellence in many school districts in our Nation—programs which improve reading comprehension, mathematical reasoning, analytic thinking, or scientific inquiry.

I am sure that my colleagues will recognize the impact that dissemination of this information through the National Diffusion Network has on the quality of education in this country. I urge them to support and cosponsor this legislation.

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

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

S. 1064

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 "National Diffusion Network Act".

SEC. 2. (a) The Secretary of Education (hereafter in this Act referred to as the "Secretary") shall carry out a program to promote the spread of exemplary educational programs, products, and practices to interested elementary and secondary schools throughout the Nation and, in so doing, improve the quality of education through the adoption and implementation of validated innovations and improvements in such programs, products, and practices.

(b) In carrying out the program described in subsection (a), the Secretary shall—

(1) acquaint persons responsible for the operation of elementary and secondary schools with information about exemplary eduational programs, products, and practices;

(2) assist them in adopting and implementing programs, products, and practices, which those persons determine to hold promise for improving the quality of education in the schools for which they are responsible by providing materials, training, and technical assistance; and

(3) ensure that all such programs, products, and practices are subjected to rigorous evaluation with respect to their effectiveness and their capacity for adoption.

(c) For the purpose of carrying out the program described in subsection (a), the Secretary is authorized to make grants to, and contracts with, local educational agencies, State educational agencies, institutions of higher education, and other public and nonprofit private educational institutions and organizations.

(d) The program described in subsection (a) shall be deemed to be a continuation of the National Diffusion Network for which provision is made in section 583(a)(1) of the Education Consolidation and Improvement Act of 1981. The Secretary shall allocate to the program established by this Act funds available to the Secretary under section 583 of such Act. In addition to the funds available for any such fiscal year for the purposes of this section, there are authorized, for the purpose of carrying out this section, such sums as may be necessary for each of the fiscal years 1986 throught 1989.●

By Mr. THURMOND (for himself and Mr. BIDEN) (by request):

S. 1065. A bill to authorize appropriations for the purpose of carrying out the activities of the Department of Justice for fiscal year 1986, and for other purposes; to the Committee on the Judiciary.

DEPARTMENT OF JUSTICE APPROPRIATION AUTHORIZATION ACT

Mr. THURMOND. Mr. President, at the request of the administration, and on behalf of myself and the ranking minority member of the Judiciary Committee, Senator JOSEPH R. BIDEN, Jr., I am introducing a bill authorizing certain activities of, and appropriations for, the Department of Justice.

In the 98th Congress, the Department recommended legislation which would, first, authorize appropriations for the fiscal year, and, second, enact into the United States Code various authorities which traditionally have been part of the annual authorization bill, such as those relating to the purchase of vehicles and firearms, and some new provisions. The request for permanent authority was the result of "serious concern" on the part of the Department that authorizing legislation had not been enacted since fiscal year 1980, except on a continuing basis. Indeed, there was even a lapse in that continuing authorization during 1982.

Mr. President, Senator BIDEN and I have also been gravely disturbed by this deplorable situation. We therefore carefully examined the proposals relating to permanent authority with an eye toward minimizing the disruptive effects of the annual authorization process on the Department, while preserving the important oversight responsibilities of the Committee on the Judiciary. When the committee reported authorization bills relating to fiscal years 1984 and 1985, it adopted amendments in the nature of a substitute, which I offered, along with Senator BIDEN, with the aim of achieving that goal. Those amendments provided appropriations ceilings for the fiscal year, created permanent authority for routine, noncontroversial activities of the Department, and retained annual authority for sensitive Department activities and new functions requested by the Department. The bills, as amended, passed this body without objection. Unfortunately, the House never considered them. However, I am hopeful that the bill which we are introducing today will ultimately be enacted in a form similar to those passed by the Senate in the last Congress.

Mr. President, I want to thank the various committee members for their past assistance in processing authorization bills. Senator BIDEN and his staff have been especially cooperative in this effort. I look forward to continuing our fruitful working relationship in connection with the fiscal year 1986 measure. Hopefully, with the responsible cooperation of all of our colleagues here and in the other body, we will be able to enact an authorization bill for the first time in 6 fiscal years.

Mr. President, I ask unanimous consent that a copy of the bill which I am introducing, the letter of transmittal from the Department of Justice, and section-by-section analysis of the bill be printed in the RECORD following my remarks.

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

S. 1065

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 "Department of Justice Appropriation Authorization Act, Fiscal Year 1986."

SEC. 2. There are authorized to be appropriated for the fiscal year ending September 30, 1986, to carry out the activities of the Department of Justice (including any bureau, office, board, division, commission, or subdivision thereof) the following sums:

(1) For General Administration: $63,243,000.

(2) For the United States Parole Commission: $9,415,000.

(3) For General Legal Activities including not to exceed $110,000 which may be transferred from the "Alien Property Funds, World War II," for the general administrative expenses of alien property activities, and for the investigation and prosecution of denaturalization and deportation cases involving alleged Nazi War Criminals: $200,277,000.

(4) For the Foreign Claims Settlement Commission: $879,000.

(5) For the Antitrust Division: $43,476,000.

(6) For the United States Attorneys and Marshals: $478,057,000.

(7) For the Support of United States Prisoners in non-Federal institutions: $53,240,000; and in addition, $5,000,000 shall be available under the Cooperative Agreement Program until expended for the purpose of renovating, constructing, and equipping state and local correctional facilities; Provided that amounts will be available for the reimbursement to Saint Elizabeths Hospital and to other appropriate health care providers for the care, diagnosis and treatment of United States prisoners and persons adjudicated in Federal courts as not guilty by reason of insanity at rates that in the aggregate do not exceed the full cost of the services.

(8) For expenses authorized by 28 U.S.C. 524, as amended by the Comprehensive Forfeiture Act of 1984, such sums as may be necessary to be derived from the Department of Justice Assets Forfeiture Fund, provided, that in the aggregate, not to exceed $10,000,000 shall be available for expenses authorized by subsection (c)(1)(B), (c)(1)(E), and (c)(1)(F) of that section.

(9) For Fees and Expenses of Witnesses: $47,900,000, of which not to exceed $550,000 may be made available for planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites.

(10) For the Community Relations Service: $33,217,000 of which $26,583,000 shall remain available until expended to make payments in advance for grants, contracts and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980, (P.L. 96-422).

(11) For the Federal Bureau of Investigation including not to exceed $70,000 to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General and to be accounted for on the certificate of the Attorney General or the Deputy Attorney General: $1,185,664,000 of which not to exceed $25,000,000 for automated data processing and telecommunications and $1,000,000 for undercover operations shall remain available until September 30, 1987; and of which $3,000,000 for research related to investigative activities shall remain available until expended: Provided that notwithstanding 31 U.S.C. 3302(b), the Director of the Federal Bureau of Investigation may establish and collect fees to process fingerprint identification records for noncriminal employment and licensing purposes, and to the extent specified in appropriations acts credit not more than $13,500,000 of such fees to this appropriation to be used for salaries and other expenses incurred in providing these services. Provided further, that $13,120,000 shall remain available until expended for constructing and equipping new facilities at the FBI Academy, Quantico, Virginia.

(12) For the Drug Enforcement Administration including not to exceed $70,000 to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General and to be accounted for on the certificate of the Attorney General or the Deputy Attorney General: $345,671,000 of which not to exceed $1,200,000 for research shall remain available until expended and not to exceed $1,700,000 for purchase of evidence and payments for information shall remain available until September 30, 1987.

(13) For the Immigration and Naturalization Service including not to exceed $50,000 to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General and to be accounted for on the certificate of the Attorney General or the Deputy Attorney General: $577,510,000 of which not to exceed $400,000 for research shall remain available until expended: Provided, that appropriations may be used for a uniform allowance of not to exceed $425 per annum for members of the Boarder Patrol and not to exceed $300 per annum for Immigration Inspectors of the Immigration and Naturalization Service who are required by regulations or statute to wear a prescribed uniform in the performance of official duties.

(14) For the Federal Prison System including the Federal Prison's industries and the National Institute of Corrections: $606,067,000 including $503,450,000 for Salaries and Expenses; and including $13,120,000 to remain available until expended for carrying out the provisions of sections 4351-4353 of title 18, United States Code, which established a National Institute of Corrections and $46,063,000 to remain available until expended for planning, acquisition of sites and construction of new facilities; purchase and acquisition of facilities and remodeling and equipping of such facilities for penal and correctional institutions, including all necessary expenses incident thereto: Provided, That labor of the United States Prisoners may be used for work performed under this appropriation: Provided further, That appropriations may be used for a uniform allowance of not to exceed $300 per annum, for employees of the Federal Prisons System who are required by regulation or statute to wear a prescribed uniform in the performance of official duties.

SEC. 3. Part II of title 28, United States Code, is amended by inserting after chapter 37 the following new chapter:

"CHAPTER 38—GENERAL AUTHORIZATIONS—DEPARTMENT OF JUSTICE

"Sec.
"576. General authorizations.
"577. Evaluations.

"§ 576. General authorizations—Department of Justice

"(a) The Attorney General or his designee is authorized to make payments from Department of Justice appropriations for:

"(1) the hire of passenger motor vehicles;

"(2) miscellaneous and emergency expenses authorized or approved by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General for Administration;

"(3) benefits authorized under section 901(3), (5), (6A), (8), (9) and section 904 of the Foreign Service Act of 1980 22 U.S.C. 4081(3), (5), (6A), (8), (9) and 22 U.S.C. 4084), and under the regulations issued by the Secretary of State;

"(4) the purchase of insurance for motor vehicles and aircraft operated in official government business in foreign countries;

"(5) services as authorized by 5 U.S.C. 3109;

"(6) official reception and representation expenses in accordance with distributions, procedures, and regulations issued by the Attorney General;

"(7) per diem allowances and transportation expenses for an employee who serves in a law enforcement, investigative, protective, or other capacity, and for members of his immediate family in accordance with regulations prescribed under 5 U.S.C. 5707 by the Administrator of the General Services Administration or his designee, when necessarily occupying temporary living accommodations at or away from the employee's designated post of duty because of a threat to life or property or because law enforcement, investigative or protective interests may be compromised.

"(8) attendance at meetings in accordance with the regulations issued by the Attorney General;

"(9) assistance to individuals under section 501(c) of the Refugee Education Assistance Act of 1980 (P.L. 96-422) who meet the definition of 'Cuban and Haitian entrant' under section 501(e) of said Act but for the application of paragraph (2)(B) thereof;

"(10) payment of interpreters and translators who are not citizens of the United States; and

"(b) travel advances issued to law enforcement officers of the Department of Justice when engaged in undercover activities shall be deemed to be public moneys within the meaning of 31 U.S.C. 3527.

"(c) The Offices, Divisions and subdivisions included in the Salaries and Expenses, General Legal Activities appropriation of the Department of Justice are authorized to make payments from their appropriations for:

"(1) the hire of passenger motor vehicles;

"(2) miscellaneous and emergency expenses authorized or approved by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General for Administration;

"(3) expenses for collecting evidence, to be expended under the direction of the Attorney General and accounted for on the cer-

tificate of the Attorney General or the Deputy Attorney General;

"(4) advance of public moneys under 31 U.S.C. 3324;

"(5) expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980 (P.L. 96-422).

"(d) The Antitrust Division is authorized to make payments from its appropriation for the hire of passenger vehicles.

"(e) The Department of Justice is authorized to make payments from the Fees and Expenses of Witnesses appropriation for:

"(1) expenses, mileage, compensation, and per diem of witnesses in lieu of subsistence, as authorized by law;

"(2) advances of public moneys under 31 U.S.C. 3324;

"(3) planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites.

"(4) No sums authorized to be appropriated shall be used to pay any witness more than one attendance fee for any one calendar day."

"(f) The Community Relations Service of the Department of Justice is authorized to make payments from its appropriation for:

"(1) the hire of passenger motor vehicles; and

"(2) payments in advance for grants, contracts, and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980 (P.L. 96-422) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants.

"§ 577. Evaluations

"(a) The Attorney General shall perform periodic evaluations of the overall efficiency and effectiveness of the Department of Justice programs and any supporting activities funded by appropriations and annual specific program evaluations of selected subordinate organizations' programs, as determined by the priorities set by the Attorney General.

"(b) Subordinate Department of Justice organizations and their officials shall provide all the necessary assistance and cooperation in the conduct of evaluations, including full access to all information, documentation, and cognizant personnel, as required."

SEC. 4. Section 263a of title 22, United States Code, is amended by adding the following at the end thereof:

"The Attorney General is authorized to make payments from the Salaries and Expenses, General Legal Activities appropriation of the Department of Justice for expenses necessary to host, at intervals of ten years or longer, the annual meeting of the General Assembly of INTERPOL, and to periodically sponsor INTERPOL conferences on emerging topics of international crime.

SEC. 5. (a) Chapter 31 of title 28, United States Code is amended by inserting after section 525 the following new section:

"§ 525a. Department of Justice gift acceptance authority

"(a) The Attorney General is authorized to accept and utilize, on behalf of the United States, any gift, donation, or bequest of real or personal property for the purpose of aiding or facilitating the work of the Department of Justice. No gift may be accepted:

"(1) that attaches conditions inconsistent with applicable laws or regulations, or

"(2) that is conditioned upon or will require the expenditure of appropriated funds unless such expenditure has been authorized by Act of Congress. Gifts from foreign governments may be accepted only pursuant to the Foreign Gifts Act, 5 U.S.C. 7342.

"(b) The Attorney General shall promulgate rules for accepting gifts pursuant to this provision, to ensure, among other things, that no gifts are accepted under circumstances that will create a conflict of interest for the Department of Justice.

"(c) Gifts and bequests of money and the proceeds from sales of property received as gifts or bequests that were not immediately useable by the Department of Justice may be credited to any appropriation or fund that is available for similar purposes, to remain available until expended, upon order of the Attorney General.

"(d) Gifts, bequests of property, and property acquired from the proceeds credited to appropriations or funds pursuant to subsection (c), and which are no longer required by the Department of Justice for its needs and the discharge of its responsibilities, shall be reported to the Administrator of General Services for transfer, donation, or other disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended.

"(e) Property accepted pursuant to this section and the proceeds credited to appropriations or funds pursuant to subsection (c) shall be used as nearly as practicable in accordance with the terms of the gift or bequest.

"(f) For the purpose of Federal income, estate, and gift taxes, property accepted under subsection (a) of this section shall be considered as a gift or bequest to or for the use of the United States."

"(b) Subsection 871(c) of title 21, United States Code, is hereby repealed.

SEC. 6. Section 104 of the Act of March 14, 1980, (P.L. 96-209) (22 U.S.C. 1622d) is amended by adding the following at the end thereof:

"The Commission is authorized to make payments from its appropriation for the hire of passenger motor vehicles (for field use only); and advances of funds abroad."

SEC. 7. (a) Part II of title 28, United States Code, is amended by inserting after chapter 35 the following new chapter:

"CHAPTER 36—GENERAL AUTHORIZATIONS—UNITED STATES ATTORNEYS AND MARSHALS SERVICE

"§ 555. General authorizations—United States Attorneys and Marshals Service

"Appropriations for the United States Attorneys and the United States Marshals Service are available for:

"(a) the purchase of firearms and ammunition and attendance at firearms matches and law enforcement competitions;

"(b) lease and purchase of law enforcement and passenger motor vehicles;

"(c) supervision of the United States prisoners in non-federal institutions;

"(d) bringing to the United States from foreign countries persons charged with crime;

"(e) purchase, lease, maintenance, and operation of aircraft; and

"(f) payments of rewards and the purchase of evidence and payments for information.".

(b) Section 1921 of title 28, United States Code, is amended to read as follows:

"§ 1921. United States Marshal's fees

"(a)(1) The United States Marshals or deputies shall routinely collect, and a court may tax as costs, fees for the following:

"(A) serving a writ of possession, partition, execution, attachment in rem, or libel in admiralty, warrant, attachment, summons, capias, or any other writ, order or process in any case or proceeding;

"(B) serving a subpoena or summons for a witness or appraiser;

"(C) forwarding any writ, order, or process to another judicial district for service;

"(D) the preparation of any notice of sale, proclamation in admiralty, or other public notice or bill of sale;

"(E) the keeping of attached property (including boats, vessels, or other property attached or libeled), actual expenses incurred, such as storage, moving, boat hire, or other special transportation, watchmen's or keepers' fees, insurance, and an hourly rate including overtime for each deputy marshal required for special services, such as guarding, inventorying, and moving;

"(F) copies of writs or other papers furnished at the request of any party;

"(G) necessary travel in serving or endeavoring to serve any process, writ, or order, except in the District of Columbia, with mileage to be computed from the place where service is returnable to the place of service or endeavor; and

"(H) overtime expenses incurred by deputy marshals in the course of serving or executing civil process.

"(2) The Marshals shall collect, in advance, a deposit to cover the initial expenses for special services required under subparagraph (E), and periodically thereafter such amounts as may be necessary to pay such expenses until the litigation is concluded. This paragraph applies to all private litigants, including seamen proceeding pursuant to section 1916 of this title.

"(3) For purposes of subparagraph (G), if two or more services or endeavors, or if an endeavor and a service, are made in behalf of the same party in the same case on the same trip, mileage shall be computed to the place of service or endeavor which is most remote from the place where service is returnable, adding any additional mileage traveled in serving or endeavoring to serve on behalf of that party. If two or more writs of any kind, required to be served on behalf of the same party on the same person in the same case or proceeding, may be served at the same time, mileage on only one such writ shall be collected.

"(b) The Attorney General shall prescribe from time to time regulations for the fees to be collected and taxed under subsection (a).

"(c)(1) The United States Marshals Service shall collect a commission of 3 per centum of the first $1,000 collected and 1½ per centum on the excess of any sum over $1,000, for seizing or levying on property (including seizures in admiralty), disposing of such property by sale, setoff, or otherwise, and receiving and paying over money, except that the amount of the commission shall be within the range set by the Attorney General. If the property is not disposed of by Marshal's sale, the commission shall be in such amount, within the range set by the Attorney General, as may be allowed by the court. In any case in which the vessel or other property is sold by a public auctioneer, or by some party other than the Marshal or his deputy, the commission authorized under this subsection shall be reduce by the amount paid to such auctioneer or other party. This subsection applies to judicially ordered sales and execution sales, without regard to whether the judicial order of sale constitutes a seizure or levy within the meaning of State law.

"(2) The Attorney General shall prescribe from time to time regulations which establish a minimum and maximum amount for the commissions collected under paragraph (1).

"(d) The United States Marshals may require a deposit to cover any of the fees and expenses prescribed under this section.

"(e) Without regard to the provisions of 31 U.S.C. 3302(b), the United States Marshals Service is authorized to credit amounts from fees and expenses collected (including amounts for overtime expenses) for the service of civil process, including complaints, summonses, subpoenas, and similar process performed by the Marshals to its current appropriation account (Salaries and Expenses, United States Attorneys and Marshals) for the purpose, only, of carrying out those activities.

SEC. 8. Chapter 301 of title 18, United States Code, is amended by inserting after section 4002 the following new section:

"§ 4002A. Support of United States Prisoners.

"The Attorney General or his designee is authorized to make payments from the Support of United States Prisoners appropriation for:

"(a) the necessary clothing, medical aid, and payment of rewards; and

"(b) entering into contracts or cooperative agreements for the necessary construction, physical renovation, and the acquisition of equipment, supplies, or materials required to improve conditions of confinement and services of any facility which confines Federal detainees, in accordance with regulations issued by the Attorney General: *Provided* That, amounts made available for constructing any local correctional facility shall not exceed the cost of constructing space for the average Federal prisoner population to be housed in the facility or in other facilities in the same correctional system, as projected by the Attorney General: *Provided further*, That following agreement on or completion of any federally assisted correctional facility construction, the availability of the space acquired for Federal prisoners with these Federal funds shall be assured and the per diem rate charged for housing Federal prisoners in the assured space shall not exceed operating costs for the period of time specified in the cooperative agreement.

SEC. 9. Chapter 33 of title 28, United States Code, is amended by inserting after section 537 the following new sections:

"Sec.
"538. General authorizations—Federal Bureau of Investigation.
"539. Fees for furnishing identification services.

"§ 538. General authorizations—Federal Bureau of Investigation

"(a) The Federal Bureau of Investigation is authorized to make payments from its appropriation for:

"(1) expenses necessary for the detection and prosecution of crimes against the United States;

"(2) protection of the person of the President of the United States and the person of the Attorney General;

"(3) acquisition, collection, classification and preservation of identification and other records and their exchange with, and for the official use of, the duly authorized officials of the Federal Government, of States, cities, and other institutions, such exchange to be subject to cancellation if dissemination is made outside the receiving departments or related agencies;

"(4) such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General;

"(5) purchase for police-type use and the lease of passenger motor vehicles;

"(6) purchase, lease, maintenance, and operation of aircraft;

"(7) purchase of firearms and ammunition and attendance at firearms matches and law enforcement competitions;

"(8) payment of rewards;

"(9) expenses to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and to be accounted for on the certificate of the Attorney General or the Deputy Attorney General;

"(10) payment of travel and related expenses for immediate family members of employees, including expenses incurred for specialized training and orientation, if such training and orientation is not offered by the Department of State, in connection with a transfer to Puerto Rico, other territories and possessions of the United States, and assignments in a legal attache post outside the territory of the United States; and

"(11) research related to investigate activities.

"(b) None of the sums authorized to be appropriated for the Federal Bureau of Investigation shall be used to pay the compensation of any employee in the competitive service.

"§ 539. Fees for furnishing identification services

"The Federal Bureau of Investigation may establish and collect fees for the processing of noncriminal employment and licensing fingerprint cards. Such fee is to represent the cost of furnishing the service. The funds collected shall be credited to the Salaries and Expenses, Federal Bureau of Investigation appropriation without regard to 31 U.S.C. 3302(b), and shall be available only to the extent specified in appropriatons acts and may be used to pay for salaries and other expenses incurred in operating the FBI Identification Division, and such funds may be carried over from fiscal year to fiscal year for such purposes. There will be no fee assessed in connection with the processing of requests for criminal history records by criminal justice agencies for criminal justice purposes or for employment in criminal justice agencies. 'Criminal justice agency' is defined in 28 C.F.R. 20.3."

"SEC. 10. Section 6 of the Act of July 28, 1950 (c. 503) (8 U.S.C. 1555), is amended to read as follows:

"§ 6. General authorizatons—Immigration and Naturalization Service

"The Immigration and Naturalization Service is authorized to make payments from its appropriation for:

"(a) interpreters and translators who are not citizens of the United States and distribution of citizenship textbooks to aliens without cost to such aliens;

"(b) allowances (at such rate as may be specified from time to time in the appropriation act), to aliens while held in custody under the immigration laws, for work performed;

"(c) expenses to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for on the certificate of the Attorney General or the Deputy Attorney General;

"(d) expenses related to the purchase and/or lease of privately owned horses;

"(e) advance of cash to aliens for meals and lodging while en route;

"(f) expenses and allowances incurred in tracking lost persons as required by public exigencies in aid of State or local law enforcement agencies;

"(g) payment of rewards and purchases of evidence and payments for information;

"(h) purchase for police-type use and lease of passenger motor vehicles;

"(i) purchase, lease, maintenance, and operation of aircraft;

"(j) purchase of firearms and ammunition and attendance at firearms matches and law enforcement competitions;

"(k) planning, acquisition of sites and construction of new facilities and construction, operation, maintenance, remodeling and repair of buildings and the purchase of equipment incident thereto, subject to the limitation of 18 U.S.C. 1252(c) and 18 U.S.C. 4003 to remain available until expended;

"(l) refunds of maintenance bills, immigration fines and other items properly returnable except deposits of aliens who become public charges and deposits to secure payment of fines and passage money;

"(m) acquisition of land as sites for enforcement fences, and construction incident to such fences;

"(n) research related to immigration enforcement to remain available until expended:

"(o) contracting with individuals for personal services abroad, provided that such individuals shall not be regarded as employees of the United States Government for the purpose of any law administered by the Office of Personnel Management; and

"(p) entering into contracts with private organizations or entities for the safekeeping, care and subsistence of persons held under any legal authority."

SEC. 11. Authority for the Immigration and Naturalization Service to accept voluntary services:

Notwithstanding the provisions of 31 U.S.C. 1342, the Commissioner of the Immigration and Naturalization Service is authorized to accept voluntary and uncompensated services to assist the Service in information services to the public. Persons providing voluntary services shall not be used to displace any federal employee and shall not be considered federal employees for any purpose except for the purposes of chapter 81 of title 5, United States Code, (relating to compensation for injury) and 28 U.S.C. §§ 2671-2680 (relating to tort claims).

SEC. 12. Drug Enforcement Administration general authorizations "Chapter 13 of title 21, United States Code, is amended by inserting after section 904 the following new section:

"§ 905 General authorizations—Drug Enforcement Administration

"The Drug Enforcement Administration is authorized to make payments from its appropriation for:

"(a) the lease and purchase of law enforcement and passenger motor vehicles;

"(b) payment in advance for special tests and studies by contract;

"(c) payment in advance for expenses arising out of contractual and reimbursable agreements with State and local law enforcement and regulatory agencies while engaged in cooperative enforcement and regulatory activities in accordance with section 503a(2) of the Controlled Substances Act [P.L. 91-513 (1970)];

"(d) expenses to meet unforeseen emergencies of a confidential character to be ex-

pended under the direction of the Attorney General, and to be accounted for on the certificate of the Attorney General or the Deputy Attorney General;

"(e) Payment of rewards;

"(f) publication of technical informational material in professional and trade journals and purchase of chemicals, apparatus, and scientific equipment;

"(g) purchase, lease, maintenance, and operation of aircraft;

"(h) contracting with individuals for personal services abroad, provided that such individuals shall be not regarded as employees of the United States Government for the purpose of any law administered by the Office of Personnel Management;

"(i) purchase of firearms and ammunition and attendance at firearms matches and law enforcement competitions;

"(j) research related to enforcement and drug control to remain available until expended; and

"(k) payment of travel and related expenses for immediate family members of employees, including expenses incurred for specialized training and orientation, if such training and orientation is not offered by the Department of State, in connection with a transfer to Puerto Rico, other territories and possessions of the United States, and assignment in a post outside the territory of the United States.

SEC. 13. Chapter 303 of title 18, United States Code, is amended by inserting after section 4043 the following new section:

"§ 4044. General authorizations—Bureau of Prisons

"The Bureau of Prisons is authorized to make payments from its appropriations for:

"(a) the administration, operations, and maintenance of Federal penal and correctional institutions, including supervision and support of United States prisoners in non-Federal institutions, and for inmate legal services within the systems;

"(b) purchase and lease of law enforcement and passenger motor vehicles;

"(c) compilation of statistics relating to prisoners in Federal penal and correctional institutions;

"(d) purchase of firearms and ammunition and medals and other awards;

"(e) payment of rewards;

"(f) purchase and exchange of farm products and livestock;

"(g) construction of buildings at prison camps and acquisition of land as authorized by 18 U.S.C. 4010;

"(h) entering into contracts with private organizations or entities for the safekeeping, care and subsistence of persons held under any legal authority; and

"(i) planning, acquisition of sites and construction of new facilities, and constructing, remodeling and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account, to remain available until expended and the labor of United States prisoners may be used for work performed with sums authorized to be appropriated by this subsection.

SEC. 14. Chapter 307 of title 18, United States Code, is amended by inserting after section 4128 the following new section:

"§ 4129. General authorizations—Federal Prison Industries, Inc.

"Federal Prison Industries, Incorporated, is authorized to make such expenditures, within the limits of funds and borrowing authority, and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitation as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation, including purchase and hire of passenger motor vehicles."

SEC. 15. Section 4204(b) of title 18, United States Code, is amended by adding at the end thereof the following new subsection:

"(9) hire passenger motor vehicles."

SEC. 16. Part II of title 28, United States Code, is amended by inserting after chapter 37 the following new chapter:

"CHAPTER 40—UNDERCOVER INVESTIGATIVE OPERATIONS

§ 599. Federal Bureau of Investigation Undercover Operations

"(a) The authorizations and exemptions provided below may be utilized—

for each operation designed to detect and prosecute crimes against the United States, only upon written certification of the Director of the Federal Bureau of Investigation (or, if designated by the Director, a member of the Undercover Operations Review Committee) and the Attorney General (or if designated by the Attorney General, a member of such committee) that any action authorized by this section is necessary for the conduct of such undercover investigation, or in each operation designed to collect foreign intelligence or to conduct foreign counterintelligence, upon written certification of the Director, Federal Bureau of Investigation (or if designated by the Director, the Assistant Director, Intelligence Division) and the Attorney General (or if designated by the Attorney General, the Counsel for Intelligence Policy). The type of exemptions sought for each operation shall be specified in the certification and the use of the exemptions for each operation will be reviewed during the operation by the Director's designee.

"(1) Appropriations may be used for purchasing or leasing property, buildings, facilities, space, goods, insurance, licenses and any equipment necessary to establish and/or operate an undercover operation. These acquisitions shall be made in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal acquisitions, federal property management and federal appropriations shall not apply to any acqusition for a certified undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

"(2) Appropriations may be used to establish, acquire and/or operate proprietary corporations or business entities in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal appropriations and government corporations shall not apply to any transaction for a certified undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

"(3) Appropriations and the proceeds from such undercover operation may be deposited in banks or other financial institutions and may be used to offset necessary and reasonable expenses incurred in such operation without deposit in the Treasury.

"(b) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under subparagraph (3) of paragraph (a) are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(c) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (2) of paragraph (a) with a net value of over $150,000 is to be liquidated, sold, or otherwise disposed of, the Federal Bureau of Investigation, as much in advance as the Director or his designee determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(d)(1) The Federal Bureau of Investigation shall conduct a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1986, and each fiscal year thereafter, and shall,

"(A) submit the results of such audits in writing to the Attorney General, and

"(B) not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

"(2) The Federal Bureau of Investigation shall also submit a report annually to the Congress specifying—

"(A) the number, by programs, of undercover investigative operations pending as of the end of the one-year period for which such report is submitted,

"(B) the number, by programs, of undercover investigative operations commenced in the one-year period preceding the period for which such report is submitted, and

"(C) the number, by programs, of undercover investigative operations closed in the one-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained. With respect to each such closed undercover operation which involves any of the sensitive circumstances specified in the Attorney General's Guidelines on FBI Undercover Operations, such report shall contain a detailed description of the operation and related matters, including information pertaining to—

"(i) the results,

"(ii) any civil claims arising out of the investigation, and

"(iii) identification of such sensitive circumstances involved, that arose at any time during the course of such undercover operation.

"(e) for purposes of paragraph (d)(1)—

"(1) the term "closed" refers to the point in time at which—

"(a) all criminal proceedings (other than appeals) are concluded, or

"(b) covert activities are concluded, whichever occurs later;

"(2) the term "employees" means employees, as defined in 5 U.S.C. 2105, of the Federal Bureau of Investigation, and

"(3) the terms 'undercover investigative operation' and 'undercover operation' mean any undercover investigative operation of the Federal Bureau of Investigation (other than a foreign counterintelligence undercover investigative operation)—

"(A) in which—

"(i) the gross receipts (excluding interest earned) exceed $150,000, or

"(ii) expenditures (other than expenditures for salaries of employees) exceed $150,000, and

"(B) which is exempt from laws applicable to federal appropriations and government corporations.

"§ 599A. Drug Enforcement Administration Undercover Operations

"(a) The authorization and exemptions provided below may be utilized—

for each operation designed to detect and prosecute crimes against the United States, only upon written certification of the Administrator of the Drug Enforcement Administration or his designee and the Attorney General or his designee that any action authorized by this section is necessary for the conduct of such undercover investigation. The type of exemptions sought for each operation shall be specified on the certification and the use of the exemptions for each operation will be reviewed during the operation by the Administrator's designee.

"(1) Appropriations may be used for purchasing or leasing property, buildings, facilities, space, goods, insurance, licenses and any equipment necessary to establish and/or operate an undercover operation. These acquisitions shall be made in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal acquisitions, federal property management and federal appropriations shall not apply to any acquisition for a certified undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigations.

"(2) Appropriations may be used to establish, acquire and/or operate proprietary corporations or business entitles in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal appropriations and government corporations shall not apply to any transaction for a certified undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

"(3) Appropriations and the proceeds from such undercover operation may be deposited in banks or other financial institutions and may be used to offset necessary and reasonable expenses incurred in such operation without deposit in the Treasury.

"(b) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under subparagraph (3) of paragraph (a) are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited into the Treasury as miscellaneous receipts.

"(c) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (2) of paragraph (a) with a net value of over $150,000 is to be liquidated, sold, or otherwise disposed of, the Drug Enforcement Administration, as much in advance as the Administrator or his designee determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

"(d)(1) The Drug Enforcement Administration shall conduct a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1986, and each fiscal year thereafter, and shall,

"(A) submit the results of such audits in writing to the Attorney General, and

"(B) not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

"(2) for the purposes of paragraph (1), the terms 'undercover investigation operation' and 'undercover operation' mean any undercover investigative operation of the Drug Enforcement Administration—

"(A) in which—

"(i) the gross receipts (excluding interest earned) exceed $150,000, or

"(ii) Expenditures (other than expenditures for salaries of employees) exceed $150,000, and

"(B) which is exempt from laws applicable to federal appropriations and government corporations."

SEC. 17. The table of chapters for part II of title 28, United States Code, is amended by inserting after the item related to chapter 35 the following new item:

"36. General Authorizations—United States Attorneys and Marshals Service..... 555".

and by inserting after the item relating to chapter 37 the following new item:

"38. General Authorizations..... 576.".

and by inserting after the item relating to chapter 39 the following new item:

"40. Undercover Investigative Operations..... 599.".

SEC. 18. The table of sections for chapter 301 of title 18, United States Code, is amended by inserting after the item relating to section 4002 the following new item:

"4002A. Support for United States prisoners in non-Federal institutions.".

SEC. 19. The table of sections for chapter 303 of title 18, United States Code, is amended by inserting after the item relating to section 4043 the following new item:

"4044. General authorizations—Bureau of Prisons."

SEC. 20. The table of sections for chapter 307 of title 18, United States Code, is amended by inserting after the item relating to section 4128 the following new item:

"4129. General authorizations—Federal Prison Industries, Inc."

SEC. 21. The table of sections for chapter 13 of title 21, United States Code, is amended by inserting after the item relating to section 904 the following new item:

"905. General authorizations—Drug Enforcement Administration."

SEC. 22. The table of sections for chapter 31 of title 28, United States Code, is amended by inserting after the item relating to section 525 the following new item:

"525a. Department of Justice gift acceptance authority."

SEC. 23. The table of sections for chapter 33 of title 28, United States Code, is amended by inserting after the item relating to section 537 the following new item:

"538. General authorizations—Federal Bureau of Investigation."

"539. Fees for furnishing identification services."

SEC. 24. The table of sections for chapter 36 of title 28, United States Code, shall read as follows:

"555. General authorizations—United States Attorneys and Marshals Service."

SEC. 25. The table of sections for chapter 38 of title 28, United States Code, shall read as follows:

"576. General authorizations."

"577. Evaluations."

SEC. 26. The table of sections for chapter 40 of title 28, United States Code, shall read as follows:

"599. Federal Bureau of Investigation undercover operations."

"599A. Drug Enforcement Administration undercover operations.".

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AND INTERGOVERNMENTAL AFFAIRS,
Washington, DC, April 29, 1985.

Hon. GEORGE A. BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is forwarded herewith a legislative proposal to meet the requirements of the Fiscal Year 1986 appropriations authorization process for the Department of Justice. As in the 1985 proposal, this legislation would incorporate much of the general authorization language previously contained in the Department's annual appropriations authorization bill within title 28 and other titles of the United States Code. This would take most of the funding related authorities out of the annual authorization cycle. Sections one through four of the proposal have been drafted to satisfy the statutory requirement of submitting to the Congress an annual funding level authorization request for the Department. This portion of the legislative proposal addresses only specific funding levels for 1986.

Again, we have taken the approach of drafting a two part proposal because of our serious concern regarding the current authorization process. The Department's 1981, 1982, 1983, 1984 and 1985 authorization bills were not passed and action on continuing our authorities is often in doubt.

It is critical that the Department be provided a reasonable expectation of continuity for its basic programs. The authorization process of recent years has not met this expectation. On the contrary, it has fostered an environment which makes planning and program implementation most difficult. This has prompted our request for legislation which would take many basic, noncontroversial authorities out of the annual authorization cycle and place them into permanent law.

The annual authorization bill requests resource levels identical to the President's 1986 appropriation request. The "permanent" authorization portion requests most of the same general provisions the Department routinely includes in its authorization requests, e.g., undercover provisions for the Federal Bureau of Investigation (FBI) and the Drug Enforcement Administration (DEA), authority to use confidential funds, and authority to pay rewards.

However, this authorization bill does include two significant changes which follow:

"Proposed Section 6(p) (p. 21) contains language which would allow INS to make payments from its appropriation for entering into contracts for detention of persons held under legal authority. This would provide the INS with the flexibility to ensure that proper care, safekeeping and subsistence is provided to detainees no matter where apprehension occurs. This is similar

to authority provided to the Bureau of Prisons.

"Proposed Sections 599 and 599A (pp. 25-33) concerning undercover authority for the FBI and DEA have been revised to provide generic exemptions from laws applicable to appropriations, procurement and government corporations. This approach is similar to that proposed for the Department of Defense in the draft Intelligence Authorization Act for Fiscal Year 1986 which clarifies the intent of undercover operations while providing sufficient latitude to anticipate unforeseen circumstances. The section-by-section analysis provides illustrations of the types of exemptions this language provides."

We are confident the overall approach contained in this legislative proposal will adequately address the needs of the Congress to carry out its legislative mandate and oversight function while, at the same time providing for the Department's program continuity needs.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the presentation of these legislative proposals to the Congress and that their enactment would be in accord with the program of the President.

Sincerely,

PHILLIP D. BRADY,
Acting Assistant Attorney General,
Office of Legislative and
Intergovernmental Affairs.

SECTION-BY-SECTION ANALYSIS

PROPOSED SECTIONS 1 AND 2

This portion of the legislative proposal addresses the provisions of section 204 of P.L. 94-503 which requires specific fiscal year authorization for appropriations for the Department of Justice for any fiscal year beginning on or after October 1, 1978.

Each of these provisions apply only to fiscal year 1986.

P.L. 94-504, Section 204:

No sums shall be deemed to be authorized to be appropriated for any fiscal year beginning on or after October 1, 1978, for the Department of Justice (including any bureau, agency, or other similar subdivision thereof) except as specifically authorized by Act of Congress with respect to such fiscal year. Neither the creation of a subdivision in the Department of Justice, nor the authorization of an activity of the Department, any subdivision, or officer thereof, shall be deemed in itself to be an authorization of appropriations for the Department of Justice, such subdivision, or activity, with respect to any fiscal year beginning on or after October 1, 1978.

Approved October 15, 1976.

PROPOSED SECTION 3

This language amends title 28 of the United States Code by creating a new Chapter 38 which would provide general authorizations for the Department of Justice especially the General Administration area.

Part II of title 28, United States Code, is amended by inserting after chapter 37 the following new chapter: Chapter 38 General Authorizations—Department of Justice.

§ 576. General authorizations—Department of Justice:

Proposed Section 576(a)—The Attorney General or his designee is authorized to make payments from Department of Justice appropriations for.

Proposed Section 576(a)(1) the hire of passenger motor vehicles:

This provision allows the Department of Justice to lease automobiles and general purpose vehicles from the General Services Administration for the purpose of providing necessary transportation for the Attorney General and other high-level staff in the Washington, D.C. area.

Proposed Section 576(a)(2) miscellaneous and emergency expenses authorized or approved by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General for Administration.

This provision allows the Attorney General to respond to unforeseen circumstances where a need for action is clear but is not considered a normal cost of administration. Examples of these expenses include the Department's response to the Miami civil disturbances, the Atlanta mass homicide situation, and the influx of the Cuban boatlift entrants. Another situation which required the use of this emergency authority was the Department's initial involvement at Wounded Knee, South Dakota.

Proposed Section 576(a)(3) benefits authorized under section 901 (3), (5), (6A), (8), (9) and section 904 of the Foreign Service Act of 1980 22 U.S.C. 4081 (3), (5), (6A), (8), (9) and 22 U.S.C. 4084), and under the regulations issued by the Secretary of State:

The Foreign Service Act of 1946 was the basic statutory source for providing medical treatment and health care facilities for Department of Justice employees serving overseas. The Foreign Service Act of 1946 was replaced by the Foreign Service Act of 1980 (P.L. 96-465) on October 17, 1980. This language conforms the FY 1985 Authorization bill with certain benefits included in the Foreign Service Act of 1980. These provisions would allow the payment of certain travel benefits for employees stationed overseas and their dependents.

Proposed Section 576(a)(4) the purchase of insurance for motor vehicles and aircraft operated in official government business in foreign countries:

A number of overseas employees in the Department of Justice, in particular the Immigration and Naturalization Service, the Federal Bureau of Investigation, the Drug Enforcement Administration, are required to operate motor vehicles or aircraft in the scope of their employment. In addition, a number of officers stationed in the United States at points along the borders use automobiles to enter Canada and Mexico in the performance of their official duties. This provision authorizes the Department to pay the premiums or fees for contracts of indemnification or insurance of officers, employees and agents for their liability or that of the United States.

If an employee of the Department, while operating a motor vehicle or aircraft on official business in a foreign country becomes involved in a collision which causes personal injury or property damage, then this section provides a basis for payment of damages to a third party. Failure by the United States to assume responsibility for these third party claims could possibly result in international incidents, especially in those countries with compulsory insurance laws. This provision protects employees and permits them to comply with the laws of embarassment or unfavorable publicity for the United States.

Proposed Section 576(a)(5) services as authorized by 5 U.S.C. 3109:

This provision allows the Department flexibility in its hiring practices, and maximized managerial efficiency. Section 3109 of title 5 requires that the use of temporary or intermittent services be authorized by an appropriation or other statute.

Proposed Section 576(a)(6) official reception and representation expenses in accordance with distributions, procedures, and regulations issued by the Attorney General:

This language authorizes the use of funds to cover the expenses of Department of Justice senior employees whose official positions entail the responsibility for establishing and maintaining the relationships of value to the Department.

Proposed Section 576(a)(7) per diem allowances and transportation expenses for an employee who serves in a law enforcement, investigative, protective, or administrative support and clerical capacity, and for members of his immediate family in accordance with regulations prescribed under 5 U.S.C. 5707 by the Administrator of the General Services Administration or his designee, when necessarily occupying temporary living accommodations at or away from the employee's designated post of duty because of a threat to life or property or because law enforcement, investigative or protective interests may be compromised.

Authority is proposed to provide per diem allowances and transportation expenses for law enforcement employees and transportation expenses for their families in emergency situation, principally because of threat to life or property. Primarily, the adjustment amends the current travel regulations to permit temporary living accommodations.

Proposed Section 576(a)(8) attendance at meetings in accordance with the regulations issued by the Attorney General:

This provision ensures that funds for attendance at meetings are expended in the legally required manner, thus eliminating waste and deliberate abuse.

Proposed Section 576(a)(9) assistance to individuals under section 501(c) of the Refugee Education Assistance Act of 1980 (P.L. 96-422) who meet the definition of "Cuban and Haitian entrant" under section 501(e) of said Act but for the application of paragraph (2)(B) thereof:

Title V of the Refugee Education Assistance Act of 1980 (Public Law 96-422) was added primarily to provide federal reimbursement for State and local government expenditures for Cuban and Haitian entrants. However, because of the way section 501(e) of the Act defines Cuban and Haitian entrants, funds provided for this program cannot be applied to Cuban and Haitian entrants who are under "final, nonappealable, and legally enforceable orders of deportation or exclusion." When Cuba refused to accept these individuals, this language was designed to overcome the restricting clause so benefits could be provided to these entrants. Recently an agreement was negotiated between the United States and Cuba which provides for repatriation of 2,764 Mariel Cubans. It is anticipated that this repatriation will ultimately have an effect on Community Relations Service activities; however, currently it is not possible to predict when or to what extent, the reception, processing and care of Cubans and Haitians program will be effected.

Proposed Section 576(a)(10) payment of interpreters and translators who are not citizens of the United States:

This legislation would permit the Attorney General to pay interpreters and translators who are not U.S. citizens. It is designed primarily to assist the Executive Office for Immigration Review (EOIR) in carrying out its functions. Translators and interpreters are necessary to facilitate communications between EOIR personnel and persons who do not speak or write English. EOIR has oc-

casionally had difficulty in obtaining the services of native-born naturalized United States citizens. This provision would provide EOIR the capability to procure the services of interpreters and translators who, while not United States citizens, are legally allowed to work in the United States.

Proposed Section 576(b) Travel advances issued to Special Agents of the Department of Justice engaged in undercover activities shall be deemed to be public moneys within the meaning of 31 U.S.C. 3527:

This provision would relieve the agents of liability for loss of travel advances when there is no fault or negligence of the agents in consonance with the standards set forth in 31 U.S.C. 3527. The inherently dangerous nature of law enforcement should entitle DOJ agents (and their estates) to be afforded some protection from the potential liability for non-negligent loss of travel advance funds.

Proposed Section 576(c):

This section addresses authorization for those organizations within the General Legal Activities area and the Antitrust Division. The General Legal Activities area includes the Office of the Solicitor General, the Tax Division, the Criminal Division, the Civil Division, the Land and Natural Resources Division, the Office of Legal Counsel, the Civil Rights Division and U.S. National Central Bureau—INTERPOL.

Proposed Section 576(c) the Offices, Divisions, and subdivisions included in the Salaries and Expenses, General Legal Activities appropriation of the Department of Justice, and the Salaries and Expenses, Antitrust Division appropriation are authorized to make payments from their appropriations for:

Proposed Section 576(c)(1) the hire of passenger motor vehicles:

The Department of Justice leases automobiles and general purpose vehicles for the purpose of providing necessary transportation for high level staff in the Washington, D.C. area.

Proposed Section 576(c)(2) miscellaneous and emergency expenses authorized or approved by the Attorney General, the Deputy Attorney General, the Associate Attorney General, or the Assistant Attorney General for Administration:

The language authorizes the use of funds in unforeseen circumstances, such as expenses related to appointment of an independent counsel under the Ethics in Government Act.

Proposed Section 576(c)(3) expenses for collecting evidence, to be expended under the direction of the Attorney General and accounted for on the certificate of the Attorney General or the Deputy Attorney General:

Funds authorized by this provision are used primarily by the Criminal Division to collect information.

Proposed Section 576(c)(4) advance of public moneys under 31 U.S.C. 3324:

Occasional advances have been made to State and local governments when they cannot legally begin performance on a contract until they receive partial payment in advance. Section 3324 of title 31, United States Code, prohibits the advance of public moneys unless authorized by the appropriation or other law.

Proposed Section 576(c)(5) expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980 (P.L. 96-422):

Executive Order 12341 dated January 29, 1982 transferred this program to the Department of Justice. The Criminal Division executes the duties and administration of the Attorney General's Review Panel which screens Cuban entrants, currently housed in the Atlanta Federal Penitentiary, for possible parole.

Proposed Sections 576(d). The Antitrust Division is authorized to make payments from its appropriation for the hire of passenger vehicles:

This provision allows the Antitrust Division to lease automobiles and general purpose vehicles from the General Services Administration for the purpose of providing necessary transportation for high level staff in the Washington, D.C. area.

Proposed Section 576(e) This section addresses certain authorizations for the Fees and Expenses of Witnesses area.

Section 576(f) The Department of Justice is authorized to make payments from the Fees and Expenses of Witnesses appropriation for.

Proposed Section 576(e)(1) expenses, mileage, compensation, and per diem of witnesses in lieu of subsistence, as authorized by law:

The protection of witnesses activity provides financial security for government witnesses and potential government witnesses and their families in legal proceedings against persons alleged to be involved in organized criminal activity. Subsistence and relocation costs are paid from this appropriation.

Proposed Section 576(e)(2) advance of public moneys under 31 U.S.C. 3324:

Advances of fees and expenses are often necessary to ensure appearance of those witnesses who could not otherwise afford to appear. Section 3324 of title 31 United States Code prohibits the advance of public moneys unless authorized by an appropriation or other law.

Proposed Section 576(e)(3) planning, construction, renovation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto for protected witness safesites.

These proposed language changes would clarify the Department's authority to use this appropriation to fund specific expenses incident to the operation of the witness Security Program. Specifically, these changes pertain to the operation of command posts and the renovation and construction expenses associated with the establishment of "safesite" facilities for the protection of individuals admitted to the Witness Security Program and the processing and protection of individuals admitted to the Witness Security Program and the processing and protection of individuals considered to be protected entrants into the Witness Security Program. The language change clarifies (1) the extent of the authority given to the Attorney General by Title V, Section 502, of the Organized Crime Control Act of 1970, (P.L. 91-452) as it relates to "renovation" and "construction" in light of 41 U.S.C. 12 and 31 U.S.C. 1301, 1307 and (2) the source of funding to exercise the authority contained in Section 502.

Proposed Section 576(e)(4) No sums authorized to be appropriated shall be used to pay any witness more than one attendance fee for any one calendar day.

The limitation of one attendance fee reduces the possibility of excess payments to witnesses who testify more than once on any given calendar day.

Proposed Section 576(f) The Community Relations Service of the Department of Justice is authorized to make payments from its appropriation to pay for.

Proposed Section 576(f)(1) the hire of passenger motor vehicles:

Automobiles are leased from the General Services Administration for the purpose of providing necessary transportation for key personnel in carrying out their proper assignments.

Proposed Section 576(f)(2) payments in advance for grants, contracts, and reimbursable agreements and other expenses necessary under section 501(c) of the Refugee Education Assistance Act of 1980 (P.L. 96-422) for the processing, care, maintenance, security, transportation and reception and placement in the United States of Cuban and Haitian entrants.

On January 21, 1982, the President, by Executive Order 12341, transferred from the Department of Health and Human Services (HHS) to the Department of Justice the responsibility and funding for the Cuban/Haitian entrant processing and care activities mandated by Section 501(c), Title V of the Refugee Education Assistance Act of 1980. This transfer of responsibility has been ratified by the Congress in past appropriation actions. The Department of Justice, with the concurrence of the Office of Management and Budget, has decided to consolidate the major activities related to the 501(c) program within the Community Relations Service (CRS). It was decided that since the President had vested the responsibility and the funding for this program in the Department of Justice, the personnel carrying out the program's principal activities would also be vested in the Department of Justice.

The consolidation of these activities required the transfer of personnel associated with the 501(c) Cuban/Haitian entrant related activities formerly situated in the Office of Refugee Resettlement, HHS to CRS. Since a considerable portion of the activities within this program is conducted through funding of grants or entering into contracts with qualified voluntary agencies or other qualified individuals to resettle or place Cuban/Haitian entrants, appropriate statutory language is required for CRS.

§ 577. Evaluations:

This section includes a generic authority to conduct evaluations of Department programs.

Proposed Section 577(a) The Attorney General shall perform periodic evaluations of the overall efficiency and effectiveness of the Department of Justice programs and any supporting activities funded by appropriations authorized and annual specific program evaluations of selected subordinate organizations' programs, as determined by priorities set by the Attorney General.

Proposed Section 577(b) Subordinate Department of Justice organizations and their officials shall provide all the necessary assistance and cooperation in the conduct of evaluations, including full access to all information, documentation, and cognizant personnel, as required.

A similar provision was included in most of the past Department of Justice Appropriation Authorization Acts. It was again proposed by the Department for fiscal year 1984 and is being reinitiated by the Department in an effort to continue to improve its management capabilities and to work with Congress to increase the overall efficiency and effectiveness of the Department's programs.

PROPOSED SECTION 4

Section 263a of title 22, United States Code, is amended by adding the following at the end thereof:

The Attorney General is authorized to make payments from the Salaries and Expenses, General Legal Activities appropriation of the Department of Justice for expenses necessary to host, at intervals of ten years or longer, the annual meeting of General Assembly of INTERPOL, and to periodically sponsor INTERPOL conferences on emerging topics of international crime.

The additional legislative authority being proposed is extremely important to INTERPOL-USNCB, and to the United States in general. Currently, the United States, through the INTERPOL-USNCB, is exerting a greater leadership role in the international organization. In this regard, the INTERPOL-USNCB, with substantial member country support, has successfully initiated an ongoing fiscal audit and review of the INTERPOL General Secretariat and plans are currently being made to implement a similar management review of the General Secretariat.

Additionally, during the recent meeting of the General Assembly, the United States achieved the support of the majority of the INTERPOL member countries in passing specific resolutions relating to international crime. The increasing leadership role of the United States in the international organization also is reflected by this country's successful efforts to seek and win the Presidency of INTERPOL in 1984. As United States involvement continues to expand, it is important that a highly credible United States image is maintained and that INTERPOL member countries perceive that the United States is assuming a greater participatory role in the organization.

One way to accomplish this objective is for the INTERPOL-USNCB to host the annual meeting of the INTERPOL General Assembly at intervals of approximately ten years or more. The proposed legislative language would clarify the USNCB's role in hosting such annual meetings and conferences.

PROPOSED SECTION 5

This section would establish general statutory authority for the Department of Justice to accept gifts.

Sec. 5(a). Chapter 31 of title 28, United States Code, is amended by inserting after the section 525 the following new section.

§ 525a. Department of Justice gift acceptance authority:

Sec. 525a. (a) The Attorney General is authorized to accept and utilize, on behalf of the United States, any gift, donation, or bequest of real or personal property for the purpose of aiding or facilitating the work of the Department of Justice. No gift may be accepted:

(1) that attaches conditions inconsistent with applicable laws or regulations, or

(2) that is conditioned upon or will require the expenditure of appropriated funds unless such expenditure has been authorized by Act of Congress. Gifts from foreign governments may be accepted only pursuant to the Foreign Gifts Act, 5 U.S.C. 7342.

(b) The Attorney General shall promulgate rules for accepting gifts pursuant to this provision, to ensure, among other things, that no gifts are accepted under circumstances that will create a conflict of interest for the Department of Justice.

(c) Gifts and bequests of money and proceeds from sales of property received as gifts or bequests that were not immediately useable by the Department of Justice may be credited to any appropriation or fund that is available for similar purposes to remain available until expanded upon order of the Attorney General.

(d) Gifts, bequests of property and property acquired from the proceeds deposited in accordance with subsection (c), and which are no longer required by the Department of Justice for its needs and the discharge of its responsibilities, shall be reported to the Administrator of General Services for transfer, donation, or other disposal in accordance with the provisions of the Federal Property and Administrative Services Act of 1949, as amended.

(e) Property accepted pursuant to this section and the proceeds credited to appropriations or funds pursuant to subsection (c) shall be used as nearly as practicable in accordance with the terms of the gift or bequest.

(f) For the purpose of Federal income, estate, and gift taxes, property accepted under subsection (a) of this section shall be considered as a gift or bequest to or for the use of the United States."

The proposed legislation would authorize the Attorney General to accept gifts, donations, or bequests of real or personal property to aid the Department in carrying out its functions. Gifts that attach conditions inconsistent with applicable laws or that are conditioned upon or require the expenditure of appropriated funds (unless the expenditure had been authorized by Congress) may not be accepted. The Attorney General is required to establish rules to insure that no gifts are accepted that will create a conflict of interest for the Department.

The Department of Justice currently has no general statutory authority to accept gifts, although similar authority exists for the Treasury Department (31 U.S.C. 3113), and the Administrative Conference of the United States (5 U.S.C. 575). Without specific authorizing legislation, no federal official may properly accept gifts or contributions for particular agencies to augment congressional appropriations.

The Department has received a variety of gift offers, including an offer of eight Morgan Horses to the Immigration and Naturalization Service, and an offer to the FBI of a piece of real property that was to be used in a foreign counterintelligence operation.

Proposed Section 5(b) Subsection 871(c) of title 21, United States Code, is hereby repealed.

21 U.S.C. 871—(c) The Attorney General may accept in the name of the Department of Justice any form of devise, bequest, gift, or donation where the donor intends to donate property for the purpose of preventing or controlling the abuse of controlling substances. He may take all appropriate steps to secure possession of such property and may sell, assign, or transfer, or convey any such property other than moneys.

The Department is proposing that this subsection be deleted so that all organizational units within the Department will be subject to a standard gift provision. The provisions of this subsection will be fully subsumed by proposed section 525a of title 28.

PROPOSED SECTION 6

This language amends Section 104 of the Act of March 14, 1980, 94 Stat. 97, and provides certain authorizations for the Foreign Claims Settlement Commission.

Proposed Section 6 Section 104 of the Act of March 14, 1980, [P.L. 96-209, 22 U.S.C. 1622] is amended by adding the following at the end thereof:

The Commission is authorized to make payments from its appropriation for the hire of passenger motor vehicles (for field use only);

Motor vehicles are used from time to time for the field work of the Commission.

Advances of funds abroad:

There have been instances in previous programs where the Commission was required to advance funds to foreign governments as part of leasing arrangements or contracts abroad. Federal law prohibits the advance of funds unless authorized by the appropriation or other law.

PROPOSED SECTION 7

Subsection 7(a) Part II of title 28, United State Code, is amended by inserting after chapter 35 the following new chapter: Chapter 36—General Authorizations—United States Attorneys and Marshals Service.

§ 555. General Authorization—United States Attorneys and Marshals Service:

This section amends part II of title 28, United States Code, to provide certain authorizations for United States Attorneys and the United States Marshals Service.

Proposed Section 555 Appropriations for the United States Attorneys and Marshals are available for:

Proposed Section 555 (a) the purchase of firearms and ammunition and attendance at firearms matches and law enforcement competitions:

The marshals and their deputies perform hazardous law enforcement duties which not only require expertise in handling weapons but superior physical ability. These duties range from providing personal protection to judges and witnesses to arresting and transporting felons. Attendance at firearms matches increases the expertise in the use of firearms and is a significant factor in boosting agent morale. This authority is identical to the authority requested for other organizations in the Department. Marshal Service personnel work hand in hand with State and local law enforcement officials. Participation in these matches and competitions promotes physical fitness and contributes to the improved conduct of this agency's mission.

Proposed Section 555(b) lease and purchase of law enforcement and passenger motor vehicles.

Personnel require passenger motor vehicles to perform their routine duties such as service of government process, movement of prisoners, and the transportation of protected witnesses.

Proposed Section 555(c) supervision of United States prisoners in non-federal institutions:

This clause provides for the safekeeping of United States prisoners in non-Federal institutions. Minimum standards for health and general welfare for the United States prisoners are required when contracting with non-Federal institutions for housing such prisoners.

Proposed Section 555(d) bringing to the United States from foreign countries persons charged with crime:

Extradition involves the return of fugitives ordered surrendered by a foreign government pursuant to a request by the United States.

Proposed Section 555(e) purchase, lease, maintenance, and operation of aircraft:

Aircraft is used to transport United States prisoners in the custody of the U.S. Marshals Service. This authority will be utilized only if it will result in a cost savings. The U.S. Marshals Service does not intend to acquire a large number of aircraft.

Proposed Section 555(f) payment of rewards and the purchase of evidence and payments for information.

This language provides for payments to informants or other persons aiding the Government in the arrest of suspects, federal law violators and their prosecution.

Proposed Section 8(b) Section 1921 of title 28, United States Code, is amended to read as follows: § 1921. United States Marshal's fees:

This subsection would amend section 1921 of title 28, United States Code, as follows:

"(a)(1) The United States Marshals or deputies shall routinely collect, and a court may tax as costs, the fees for the following:

"(A) serving a writ of possession, partition, execution, attachment in rem, or libel in admiralty, warrant, attachments, summons, capias, or any other writ, order or process in any case or proceeding:

"(B) serving a subpoena or summons for a witness or appraiser:

"(C) forwarding any writ, order, or process to another judicial district for service:

"(D) the preparation of any notice of sale, proclamation in admiralty, or other public notice or bill of sale:

"(E) the keeping of attached property (including boats, vessels, or other property attached or libeled), actual expenses incurred, such as storage, moving, boat hire, or other special transportation, watchmen's or keepers' fees, insurance, and an hourly rate including overtime for each deputy marshal required for special services, such as guarding, inventorying, and moving:

"(F) copies of writs or other papers furnished at the request of any party:

"(G) necessary travel in serving or endeavoring to serve any process, writ, or order, except in the District of Columbia, with mileage to be computed from the place where service is returnable to the place of service or endeavor:

"(H) overtime expenses incurred by deputy marshals in the course of serving or executing civil process.

"(2) The Marshals shall collect, in advance, a deposit to cover the initial expenses for special services required under subparagraph (E), and periodically thereafter such amounts as may be necessary to pay such expenses until the litigation is concluded. This paragraph applies to all private litigants, including seamen proceeding pursuant to section 1916 of this title.

"(3) For purposes of subparagraph (G), if two or more services or endeavors, or if an endeavor and a service, are made in behalf of the same party in the same case on the same trip, mileage shall be computed to the place of service or endeavor which is most remote from the place where service is returnable, adding any additional mileage traveled in serving or endeavoring to serve on behalf of that party. If two or more writs of any kind, required to be served in behalf of the same party on the same person in the same case or proceeding, may be served at the same time, mileage on only one such writ shall be collected.

"(b) The Attorney General shall prescribe from time to time regulations for the fees to be collected and taxed under subsection (a).

"(c)(1) The United States Marshals Service shall collect a commission of 3 per centum of the first $1,000 collected and 1 per centum on the excess of any sum over $1,000 for seizing or levying on property (including seizures in admiralty), disposing of such property by sale, setoff, or otherwise, and receiving and paying over money, except that the amount of the commission shall be within the range set by the Attorney General. If the property is not disposed of by marshal's sale, the commission shall be in such amount, within the range set by the Attorney General, as may be allowed by the court. In any case in which the vessel or other property is sold by a public auctioneer, or by some party other than the marshal or his deputy, the commission authorized under this subsection shall be reduced by the amount paid to such auctioneer or other party. This subsection applies to judicially ordered sales and execution sales, without regard to whether the judicial order of sale constitutes a seizure or levy within the meaning of State law.

"(2) The Attorney General shall prescribe from time to time regulations which establish a minimum and maximum amount for the commissions collected under paragraph (1).

"(d) The United States marshals may require a deposit to cover any of the fees and expenses prescribed under this section.

"(e) Without regard to the provisions of 31 U.S.C. 3302(b), the United States Marshals Service is authorized to credit amounts from fees and expenses collect (including amounts for overtime expenses) for the service of civil process, including complaints, summonses, subpoenas, and similar process performed by the Marshals to its current appropriations account (Salaries and Expenses, United States Attorneys and Marshals) for the purpose, only, of carrying out those activities."

The language would permit the Attorney General to set fees for the service of process commensurate with the costs incurred to serve such process. The receipts from such fees are to be credited to the U.S. Marshals Service's appropriation.

PROPOSED SECTION 8

This section would amend chapter 301 of title 18, United States Code, by inserting a new section after section 4002 providing certain authorizations for the Support of United States Prisoners appropriation.

Chapter 301 of title 18, United States Code, is amended by inserting after section 4011 the following new section:

§ 4002A. Support of United States Prisoners:

"The Attorney General or his designee is authorized to make payments from the Support of United States Prisoners appropriation for:

Proposed Section 4002A(a) the necessary clothing, medical aid:

The contracts with non-Federal institutions provide funds to these institutions to confine, clothe and provide medical care for certain unsentenced Federal inmates, for certain sentenced Federal prisoners awaiting transportation to permanent incarceration facilities, and for certain Federal prisoners called to non-Federal facilities for judicial purposes.

Proposed Section 4002A(a) (continued) and payment of rewards:

This authority is required to allow the U.S. Marshals Service to pay rewards for the capture of escaped Federal prisoners who were in the custody of the U.S. Marshals Service at the time of escape.

Proposed Section 4002A(b) entering into contracts or cooperative agreements for the necessary construction, physical renovation, and the acquisition of equipment, supplies, or material required to improve conditions of confinement and services of any facility which confines Federal detainees in accordance with regulations issued by the Attorney General: *Provided*, that amounts made available for constructing any local correctional facility shall not exceed the cost of constructing space for the average Federal prison population to be housed in the facility or in other facilities in the same correctional system as projected by the Attorney General. *Provided further*, that following agreement on or completion of any federally assisted correction facility construction the availability of the space acquired for Federal prisoners with these Federal funds shall be assured and the per diem rate charged for housing prisoners in the assured space shall not exceed operating costs for the period of time specified in the cooperative agreement.

This language would provide the Department with statutory authority to use the "Support of United States Prisoners" appropriation for the purpose of improving local jail facilities and conditions.

PROPOSED SECTION 9

Chapter 33 of title 28, United States Code, is amended by inserting after section 537 the following new sections:

§ 538. General Authorizations—Federal Bureau of Investigation:

Proposed Section 538(a) The Federal Bureau of Investigation is authorized to make payments from its appropriation for:

Proposed Section 538(a)(1) expenses necessary for the detection and prosecution of crimes against the United States:

Authorization for appropriations for the detection and prosecution of crimes against United States includes the expenses necessary for the FBI to conduct investigations of those violations of Federal law for which the FBI has responsibility. In addition to national priority areas of organized crime, foreign counterintelligence terrorism and white-collar crime, the FBI has primary jurisdiction over numerous other Federal statutes concentrating on such areas as interstate crimes, forcible crimes against banking institutions, civil rights, and fugitive investigations. Typical expenses include personnel compensation and benefits, travel and transportation of persons and property, rent, communications and utilities, capital and noncapital equipment, and supplies.

Proposed Section 538(a)(2) protection of the person of the President of the United States and the person of the Attorney General:

Appropriations are utilized for the purposes of assuring the security of the President, and of the Attorney General, when so requested by the Department of Justice. Typical expenses include personnel compensation and travel costs.

Proposed Section 538(a)(3) acquisition, collection, classification and preservation of identification and other records and their exchange with, and for the official use of, the duly authorized officials of the Federal Government, of States, cities, and other institutions, such exchange to be subject to cancellation if dissemination is made outside the receiving departments or related agencies:

Authorization for appropriations for the collection and preservation of identification and other records and their exchange with authorized officials includes expenses for the maintenance at FBI Headquarters of the Central Records System, consisting of over six million investigative, personnel, applicant, administrative, and general case files, and for the maintenance of fingerprint identification records submitted by over 20,000 authorization agencies. In addition, this authorization for appropriations includes expenses of providing information contained in FBI records to other Federal agencies in compliance with Executive

Order 10450 and to authorized officials of States, cities, and other institutions.

Proposed Section 538(a)(4) such other investigations regarding official matters under the control of the Department of Justice and the Department of State as may be directed by the Attorney General:

This language would permit the expenditure of funds at the direction of the Attorney General for other investigations regarding official matters as determined by the Attorney General.

Proposed Section 538(a)(5) purchase for police-type use and lease of passenger motor vehicles:

Authorization for appropriations for motor vehicles includes the expenses associated with the purchase and hire of motor vehicles utilized by investigative and support personnel in the performance of their official duties.

Proposed Section 538(a)(6) purchase, lease, maintenance and operation of aircraft:

Authorization for appropriations for aircraft includes the expenses of acquisition, lease, maintenance and operation of aircraft strategically located in various field offices of the Federal Bureau of Investigation.

Proposed Section 538(a)(7) purchase of firearms and ammunition and attendance at firearms matches and law enforcement competitions:

Authorization for appropriations for firearms and ammunition includes the expenses of acquisition and maintenance of firearms and implementation of FBI firearm training programs utilized by employees in the performance of their official duties.

A provision has been added to allow FBI agents to attend certain organized firearms matches. Participation in competitive matches with other law enforcement agencies improves firearms proficiency and improves the morale of the agents. At times these matches include other law enforcement competitions designed to test certain physical skills related to the profession. Other entities in the Justice Department are requesting authority to permit their agents to attend firearm matches and other competitions.

Proposed Section 538(a)(8) payment of rewards:

Authorization for appropriations for payment of rewards is utilized on a selective basis for information which results in the identification and apprehension of individuals being sought by the Federal Bureau of Investigation.

Proposed Section 538(a)(9) expenses to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and to be accounted for on the certificate of the Attorney General or the Deputy Attorney General:

The word "solely" has been dropped from the phrase "solely on the certification of the Attorney General." The word "solely" restricts the certification process by providing that only the Attorney General is permitted to approve the use of funds for such purposes. Removing the word "solely" and adding the Deputy Attorney General permits expeditious certification by either the Attorney General or the Deputy Attorney General.

Proposed Section 538(a)(10) payment of travel and related expenses for immediate family members of employees, including expenses incurred for specialized training and orientation, if such training and orientation is not offered by the Department of State, in connection with a transfer to Puerto Rico, other territories and possessions of the United States, and assignment in a legal attache post outside the territory of the United States:

This provision would allow family members of agents under transfer to Puerto Rico, other territories and possessions of the United States and legal attaché posts outside U.S. territories, travel and per diem allowances. These expenses would be incurred when receiving orientation training prior to the agent's departure to a new assignment. Family success in adjusting to life in a new environment depends largely upon language ability, attitude and cultural awareness prior to arrival. Training and orientation will be coordinated by the FBI Academy and the State Department's Foreign Service Institute.

Proposed Section 538(a)(11) research related to investigative activities:

The Technical Services Division of the FBI is involved in several long-term, high-technology research projects. These projects relate to audio and technical collection systems, surveillance aids, and radio engineering. Due to the high degree of sophistication some of these projects involve, some aspects of them are contracted out to private industry. Because funding for these projects is available only on a fiscal year basis, the FBI has experienced some reluctance on the part of private companies to sign contracts to assist in our research. No year authority for research activities will be requested in the appropriation act to permit the FBI to enter into long-term contracts and enhance its ability to conduct scientific research.

Proposed Section 538(b) None of the sums authorized to be appropriated for the Federal Bureau of Investigation shall be used to pay the compensation of any employee in the competitive service.

All positions in the Federal Bureau of Investigation are excepted from the competitive service and the incumbents of such positions occupy positions in the excepted service.

§ 539. Fees for furnishing identification services:

Proposed Section 539 The Federal Bureau of Investigation may establish and collect fees for the processing of non-criminal employment and licensing fingerprint cards. Such fee is to represent the cost of furnishing the service. The funds collected shall be credited to the Salaries and Expenses, Federal Bureau of Investigation appropriation without regard to 31 U.S.C. 3302(b), and shall be available only to the extent specified in appropriations acts and may be used to pay for salaries and other expenses incurred in operating the FBI Identification to fiscal year for such purposes. There will be no fee assessed in connection with the processing of requests for criminal history records by criminal justice agencies for criminal justice purposes or for employment in criminal justice agencies. 'Criminal justice agency' is defined in 28 C.F.R. 20.3."

This language allows the FBI to set fees for services rendered by the Identification Division and permits the receipts from these fees to be utilized in paying for the operation of the FBI's Identification Division.

PROPOSED SECTION 10

This section would amend section 6 of the Act of July 28, 1950, 64 Stat. 380 (8 U.S.C. 1555) to provide authorization for certain activities for the Immigration and Naturalization Service.

Proposed Section 10 "Section 6 of the Act of July 28, 1950, (c. 503) (8 U.S.C. 1555) is amended to read as follows:

§ 6. General authorizations—Immigration and Naturalization Service:

Proposed Section 6 "The Immigration and Naturalization Service is authorized to make payments from its appropriation for:

Proposed Section 6(a) interpreters and translators who are not citizens of the United States and distribution of citizenship textbooks to aliens without cost to such aliens:

Translators and interpreters are necessary to facilitate communication between Service personnel and persons not speaking or writing English. While protecting the interests of the non-English speaking people, translators and interpreters are primarily used during deportation proceedings and other legal hearings. The textbooks provide clear instruction in citizenship responsibilities to applicants for naturalization. Similar authority exists at 8 U.S.C. 1555.

Proposed Section 6(b) allowances, (at such rate as may be specified from time to time in the appropriation act), to aliens while held in custody under the immigration laws, for work performed:

Payment of allowances to aliens held in custody is for work such as serving meals and cleaning. Such expenses are incurred by the Detention and Deportation function. This authority is contained in existing law (8 U.S.C. 1555).

Proposed Section 6(c) expenses to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for on the certificate of the Attorney General or the Deputy Attorney General:

These expenses are often necessary to protect the identity of informants. This proposal would amend existing authority (8 U.S.C. 1555) by deleting the word "solely" from the phrase "solely on the certificate of the Attorney General." The provision permits the expenditure of funds for the collection of evidence and information of a confidential nature. The word "solely" restricts the certification process by providing that only the Attorney General is permitted to approve the use of funds for such purposes. Removing the word "solely" and adding the Deputy Attorney General permits expeditious certification by either the Attorney General or the Deputy Attorney General.

Proposed Section 6(d) expenses related to the purchase and/or lease of privately owned horses:

This language would allow INS to use horses in its routine activities under the Border Patrol program. Remote areas not accessible by motor vehicle require the use of such horses to accomplish routine patrol. Similar authority currently exists in 8 U.S.C. 1555.

Proposed Section 6(e) advance of cash of aliens for meals and lodging while enroute:

Section 3324 of title 31, United States Code, prohibits the advance of public money unless authorized by appropriation or other law.

Proposed Section 6(f) expenses and allowances incurred in tracking lost persons as required by public exigencies in aid of State or local law enforcement agencies:

Local law enforcement agencies often request Border Patrol agents to participate in searches for lost persons. Without the proposed language, there is no authority to pay officers while on a regular tour of duty or on an overtime basis. This authorization is also necessary to clarify employee rights to

benefits if injured or killed while conducting searches.

Proposed Section 6(g) payment of rewards and purchases of evidence and payments for information:

Such expenses are incurred by the border and interior enforcement program activities of the Service. Payment of rewards is used for purposes of a confidential nature such as informant development, infiltration, and information or evidence in civil or criminal prosecution.

Authority is also included for the Immigration and Naturalization Service (INS) to use funds for the purchase of evidence and to make payments for information. The nature of investigative operations carried out by INS requires the use of certain amounts of money for the purchase of evidence and for the payment for information. This provision would permit the use of appropriated funds for these purposes. The use of these funds is particularly critical to the anti-smuggling program.

Proposed Section 6(h) purchase for police-type use for the current fiscal year and lease of passenger motor vehicles:

Motor vehicles are a necessary enforcement tool of the Service for pursuit of individuals in violation of the immigration laws, transportation of aliens in custody, travel status situations, and case investigation.

Proposed Section 6(i) purchase, lease maintenance, and operation of aircraft:

Aircraft are used in the Service by the Border and Interior Enforcement Program Activities. These aircraft are an effective method of detecting the presence of persons attempting or completing unlawful entry into the United States, while providing further assistance in the containment and apprehension of these individuals.

Proposed Section 6(j) purchase of firearms and ammunition and attendance at firearms matches and law enforcement competition:

Firearms and ammunition are provided primarily to Border Patrol and Investigative Agents of the Service for use in emergency situations only. Firearms matches are conducted to develop the expertise and safe use of these weapons. Similarly, matches many times offer additional competitions which test the skills of agents.

Proposed Section 6(k) planning, acquisition of sites and construction of new facilities and construction, operation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto, subject to the provisions of 8 U.S.C. 1252(c) and 18 U.S.C. 4003:

These buildings and associated equipment are used primarily for purposes of alien detention, inspections and border patrol facilities and in some cases, living quarters for officers assigned to remote locations. Language has been added to refine the authority INS has to construct facilities. INS believes that additional language for planning, site acquisition and construction is required to clarify its authority to construct facilities. No year authority is requested for this provision in order to facilitate construction.

Proposed Section 6(l) refunds of maintenance bills, immigration fines, and other items properly returnable except deposits of aliens who become public charges and deposits to secure payment of fines and passage money:

Occasionally it is necessary to refund immigration fines collected from a carrier when it is determined, through adjudication, that such fines were improperly imposed and other items properly refundable.

Proposed Section 6(m) acquisition of land as sites for enforcement fences, and construction incidental to such fences:

Enforcement fences are utilized by the Service in certain border areas as part of its prevention strategy, and are useful for the purpose of controlling the flow of unlawful entrants into areas where apprehension is most assured.

Proposed Section 6(n) research related to immigration enforcement to remain available until expended:

This research includes the evaluation of new technology for its applicability to Service programs, such as communications systems and detection services. Research and development projects have, for example, been directed toward new capabilities in wide area surveillance through infrared and radar devices, in automatic inspections of large vehicles and rooms through heartbeat detector techniques, and in selected enforcement and public service activities through satellite and digital communications techniques. No year authority for research activities will be requested in the appropriation act.

Proposed Section 6(o) contracting with individuals for personal services abroad, provided that such individuals shall not be regarded as employees of the United States Government for the purpose of any law administered by the Office of Personal Management:

The INS currently has the authority to hire aliens, by contract, abroad. This authority continues to be necessary to hire investigative assistants, translators and other aliens for a variety of purposes in its foreign offices. Recruitment actions for clerical positions in many overseas offices meet with negative results because few qualified people apply due to the remote locations and adverse living conditions. Even when recruitment is successful, the time between selection and actual arrival at post often leaves the INS foreign offices without the assistance of necessary support personnel for extended periods of time. There are dependents of U.S. Foreign Service Offices, U.S. military personnel and other U.S. citizens at all posts where INS has an office who are available for temporary employment.

Proposed Section 6(p) entering into contracts with private organizations or entities for the safekeeping, care and subsistence of persons held under any legal authority.

The Attorney General has general authority to hold under legal custody those who violate Immigration laws and (18 U.S.C. 4082) to "designate as a place of confinement any available, suitable, and appropriate institution or facility, whether maintained by the Federal Government or otherwise." INS frequently has a need to place Federal detainees in quarters located far away from Federal facilities and in some cases Federal facilities are unable to accommodate additional persons held by INS. This provision would allow INS to enter contracts with a variety of agencies, public or private for the custody and care of persons held under legal authority. This concept of contractual placement of offenders in the facilities of another jurisidiction or agency is recognized in 18 U.S.C. 4002 (placing Federal offenders in state institutions), and in 18 U.S.C. 5003 (contracting to receive state offenders in Federal institutions).

PROPOSED SECTION 11

This section would provide authority for the Immigration and Naturalization Service to accept voluntary services.

Notwithstanding the provisions of 31 U.S.C. 1342, the Commissioner of the Immigration and Naturalization Service is authorized to accept voluntary and uncompensated services to assist the Service in information services to the public. Persons providing voluntary services shall not be used to displace any federal employee and shall not be considered a federal employee for any purpose except for the purpose of chapter 81 of title 5 United States Code, (relating to the compensation for injury) and 28 U.S.C. §§ 2671-2680 Code, (relating to Tort Claims).

The authority to use voluntary services without compensation in the information service function of INS would remove the restriction in 31 U.S.C. 1342 for the acceptance of such services. This provision will enable voluntary agencies to operate "ask immigration" tape libraries in conjunction with INS and maintain roving information representatives in INS' waiting rooms.

PROPOSED SECTION 12

This section would provide authority for certain activities of the Drug Enforcement Administration.

PROPOSED SECTION 12 Chapter 13 of title 21, United States Code, is amended by inserting after section 904 the following new chapter:

§ 905. General authorizations—Drug Enforcement Administration.

Proposed Section 905(a) the lease and purchase of law enforcement and passenger motor vehicles:

This provision authorizes the hire of passenger motor vehicles to give special agents the capability to operate in a clandestine mode to carry out surveillance and other enforcement techniques in enforcing the drug abuse laws. The vehicles must appear to be the same as those found in the environment in which the agents carry out their mission, with no identification to indicate that the vehicles are government owned. Vehicles purchased for law enforcement use typically cost more than fleet-type vehicles. DEA's operations, such as special investigative matters and regulatory and training activities, are most effectively and efficiently carried out through use of passenger motor vehicles hired or leased from private organizations and from GSA.

Proposed Section 905(b) payment in advance for special tests and studies by contract:

This section provides for payment in advance for research contracts and projects. Advance payment is the most efficient financing mechanism. These projects maximize the effectiveness of DEA's operations by development of new or improved techniques and procedures and increase the quantity and quality of investigative evidence. Section 3323 of title 31, U.S.C., prohibits advance payments unless specifically authorized by the appropriation or other law.

Proposed Section 905(c) payment in advance for expenses arising out of contractual and reimbursable agreements with State and local law enforcement and regulatory agencies while engaged in cooperative enforcement and regulatory activities in accordance with section 503a(2) of the Controlled Substances Act [P.L. 91-513 (1970)]:

This section provides for the funding of contracts, cooperative or reimbursable agreements, executed for the purpose of supporting cooperative law enforcement activities with State and local law enforcement, and with controlled substances regu-

latory agencies. These agreements aid in suppressing the abuse of controlled substances through the institution and prosecution of cases in courts and before licensing boards. It is often necessary to advance funds to accomplish this activity.

Section 905(d) expenses to meet unforeseen emergencies of a confidential character to be expended under the direction of the Attorney General, and to be accounted for on the certificate of the Attorney General or the Deputy Attorney General:

These expenses are necessary for the purchase or procurement of information or evidence from individuals whose identity must be protected and remain confidential, to meet emergency situations threatening the personal safety of Government agents, informants, or their families, and for emergency situations in which disclosure of the expenditures would jeopardize investigative operations. The above language has been included in DEA's appropriation since 1974. It had also been included in the appropriation of predecessor agencies from 1966. The word "solely" has been dropped from the phrase "solely on the certificate of the Attorney General." The provision permits the expenditure of funds for the collection of evidence and information of a confidential nature. The word "solely" restricts the certification process by providing that only the Attorney General is permitted to approve the use of funds for such purposes. Removing the word "solely" and adding the Deputy Attorney General permits expeditious certification by either the Attorney General or the Deputy Attorney General.

Proposed Section 905(e) payment of rewards:

This language provides for payments to informants or other persons aiding the Government in the arrest of suspects, seizure of drugs, or prosecution of violators.

Proposed Section 905((f) publication of technical and informational material in professional and trade journals, and purchase of chemicals, apparatus, and scientific equipment:

This section provides for the publication of materials which help to develop an awareness of Federal drug enforcement and drug industry regulatory activities. The DEA laboratories perform analyses of drug evidence and provide expert scientific testimony for prosecutorial purposes. In-depth ballistics examinations are performed to help determine sources of drugs. Research capability is maintained in the areas of forensic science and advanced technological development.

Proposed Section 905((g) purchase, lease, maintenance, and operation of aircraft:

This provision authorizes aviation support for DEA operations. Aircraft is needed by DEA to detect and interdict narcotics traffic primarily through air to ground surveillance, overwater surveillance, and undercover operations. The use of aircraft by drug traffickers is well documented. The use of aircraft for surveillance activities can often replace complex or impossible ground surveillance.

Proposed Section 905(h) contracting with individuals for personal services abroad, provided that such individuals shall not be regarded as employees of the United States Government for the purpose of any law administered by the Office of Personnel Management.

The authority to employ aliens and U.S. citizens, by contract, abroad, is necessary to hire investigative assistants, translators, clerical and other personnel in foreign offices. Staffing clerical positions with personnel hired in the U.S. is difficult in many foreign offices and impossible in others due to remote locations and adverse living conditions. Recruitment of personnel from the U.S., even if successful, is generally met with extended delays in the selectee's actual arrival at post. Hence, without this authority, the office will be without clerical assistance for extended periods of time. There are dependents of State Department Foreign Service Officers, U.S. Military personnel and other U.S. citizens at all posts where DEA has an office who are available for temporary employment.

Proposed Section 905(i) purchase of firearms and ammunition and attendance at firearms matches and law enforcement competitions.

This section provides authorization for appropriations for firearms and ammunition including the expense of acquisition and maintenance of firearms utilized by employees in the performance of their official duties. These duties include participating in firearms matches to develop the expertise and safe use of weapons. Events which offer firearms matches often include competitions which test other law enforcement skills. Under this authority it would be clear that agents could also participate in these other competitions.

Proposed Section 905(j) research related to enforcement and drug to remain available until expended.

This language provides for a research and engineering program covering the following elements: search and surveillance; communications; command and control; regulatory support; forensic sciences; operational support; and special studies. No year authority for research activities is being sought in the Department's appropriation request.

Proposed Section 905(k)—payment of travel and related expenses for immediate family members of employees, including expenses incurred for specialized training and orientation, if such training and orientation is not offered by the Department of State, in connection with a transfer to Puerto Rico, other territories and possessions of the United States, and assignment in a post outside the territory of the United States.

This provision would allow family members of agents under transfer to Puerto Rico, other territories and possessions of the United States and posts outside U.S. territories, travel, and per diem allowances. These expenses would be incurred when receiving orientation training prior to the agent's departure to a new assignment. Family success in adjusting to life in a new environment depends largely upon language ability, attitude, and cultural awareness prior to arrival. Training and orientation will be coordinated by the Federal Law Enforcement Training Center, Glynco, Georgia.

PROPOSED SECTION 13

This section would amend chapter 303 of title 18 United States Code by inserting a new section 4044 authorizing certain activities by the Bureau of Prisons.

Proposed Section 13 Chapter 303 of title 18, United States Code, is amended by inserting after section 4043 the following new section:

§ 4044. General authorizations—Bureau of Prisons:

The Bureau of Prisons is authorized to make payments from its appropriation for:

Proposed Section 4044(a) the administration, operation, and maintenance of Federal penal and correctional institutions, including supervision and support of United States Prisoners in non-Federal institutions, and for inmate legal services within the system:

The Bureau contracts with appropriate non-Federal agencies for facilities to board certain types of Federal offenders and detainees. These facilities are used for the following reasons:

(1) to relieve overcrowding in Federal institutions,

(2) to offer protection to Federal offenders who would be in danger in Federal institutions,

(3) to help keep inmates near to their home communities,

(4) to provide programs not generally available in Federal institutions, and

(5) to place juvenile offenders in residential facilities.

Provision is also made to make available certain funds for inmate legal services, such as assistance programs where law students represent inmates on selected matters.

Proposed Section 4044(b) purchase and lease of law enforcement and passenger motor vehicles:

Hire of passenger motor vehicles is often necessary for personnel in travel status. Law enforcement and passenger vehicles are used to transport offenders and for routine functions in the operation of Bureau of Prison facilities.

Proposed Section 4044(c) compilation of statistics relating to prisoners in Federal penal and correctional institutions:

Administrative services performs up-to-the-minute locator and status information on all individuals in the custody of the Attorney General; population counts and statistics; and inter-agency, inter-facility and intra-institution population movement schedules, notices, statistics, and computation and update of sentences; this language provides the authority to gather such information.

Proposed Section 4044(d) purchase of firearms and ammunition and medals and other awards:

Expenses are incurred for the purchase of firearms and ammunition necessary to ensure the security of Bureau facilities and to respond to emergency situations. Correctional officers must undergo weapons familiarization as a routine part of their training activities. Medals and other awards are offered to staff personnel for recognition of superior performance.

Proposed Section 4044(e) payment of rewards:

Rewards are offered for information leading to the capture of those who escape from Federal penal or correctional institutions.

Proposed Section 4044(f) purchase and exchange of farm products and livestock:

The farm program uses available land resources to produce food products that will be used by federal correctional institutions. Farm productivity provides a primary hedge against inflation and spiraling food costs. The effective use of equipment, supplies, and manpower is used to achieve maximum use of the available land resources.

Proposed Section 4044(g) construction of buildings at prison camps:

Projects of $100,000 or less may be charged to the Salaries and Expenses appropriation of the Bureau of Prisons. Projects in excess of $100,000 are funded from the Buildings and Facilities appropriation with the specific line items being approved by Congress. The nature of construction at prison camps involves housing and adminis-

trative facilities for staff and inmates at the prison camp.

Proposed Section 4044(g) (continued) and acquisition of land as authorized by 18 U.S.C. 4010:

Acquisition of land primarily to perimeter security and camp expansions. As correctional programs expand, the necessity for renovation or expansion of existing facilities often requires the acquisition of additional acreage. Section 4010 of title 18, U.S.C., indicates the Attorney General may acquire land, if authorized by law.

Proposed Section 4044(h) entering into contracts with private organizations or entities for the safekeeping, care and subsistence of persons held under any legal authority:

The Bureau of Prisons has general authority (18 U.S.C. 4042) to "provide for the safekeeping, care, and subsistence of all persons charged with or convicted of offenses against the United States, or held as witnesses or otherwise." A place of confinement may be "any available, suitable, and appropriate institution, whether maintained by the Federal government or otherwise" (18 U.S.C. 4082). With expanding prison populations, and special needs for some offenders, this authorization recognizes the necessity of looking to a variety of agencies, public and private, for the custody and care of Federal offenders and others who are in lawful federal custody. It provides specific authority to enter contracts, wherever the appropriate contract source may be found, for the care of such persons. This concept of contractual placement of offenders in the facilities of another jurisdiction or agency is recognized in 18 U.S.C. 4002 (placing Federal offenders in state institutions), and in 18 U.S.C. 5003 (contracting to receive state offenders in federal institutions).

Proposed Section 4044(i) planning, acquisition of sites and construction of new facilities and constructing, remodeling, and equipping necessary buildings and facilities at existing penal and correctional institutions, including all necessary expenses incident thereto, by contract or force account:

This section provides authority for the Buildings and Facilities activities of the Bureau of Prisons. This language authorizes appropriations for planning, acquisition of sites, constructing, remodeling, and equipping of penal and correctional institutions. The purposes of the site acquisition and planning process are to identify and locate suitable sites for construction of new correctional facilities, and to design these facilities in a manner consistent with security, program requirements, and architectural innovation. Construction is completed within a specific timetable, within budgeted costs, and with the highest degree of quality. Rehabilitation and renovation of buildings is made to effect repairs at existing facilities and make modifications to accommodate new correctional programs.

Proposed Section 4044(i) (continued) to remain available until expended:

A no-year appropriation allows for the efficient and effective implementation of construction funds. Construction schedules are approximately two years for the warmer climates and two and a half years for the colder climates. Proposed Section 4044(i) (continued) and the labor of United States prisoners may be used for work performed with sums authorized to be appropriated by this subsection.

The use of inmate labor contributes to lower construction costs and provides inmates with vocational training opportunities.

PROPOSED SECTION 14

Chapter 307 of title 18, United States Code, is amended by inserting after section 4128, the following new section:

§ 4129. General authorizations—Federal Prison Industries, Inc.:

Proposed Section 4129 Federal Prison Industries, Incorporated, is authorized to make such expenditures, within the limits of funds and borrowing authority and in accord with the law, and to make such contracts and commitment without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out the program set forth in the budget for the current fiscal year for such corporation:

This section will provide authorization for Federal Prison Industries (FPI) Inc. FPI was created by Congress in 1934 and is a wholly-owned Government Corporation. Its mission is to employ and train Federal inmates through a diversified program providing products with a minimum of competition to private industry and labor. Employment provides inmates with work, develops occupational knowlege and skills, and earns money for personal expenses and family assistance.

Proposed Section 4129 (continued) including purchase and hire of passenger motor vehicles.

Passenger motor vehicles are often necessary for personnel in travel status. Purchase of passenger motor vehicles is required for routine functions in the day-to-day operation of the factories at Bureau facilities.

PROPOSED SECTION 15

This section would amend 18 U.S.C. 4204(b) by adding a new paragraph at the end for the United States Parole Commission.

Proposed Section 15 Section 4204(b) of title 18, United States Code, is amended by adding at the end thereof the following new subsection:

Proposed Section 4204(b)(9) hire passenger motor vehicles.

Passenger motor vehicles are necessary for transporting hearing examiners to hearing locations. This language would authorize the hire of such vehicles.

PROPOSED SECTION 16

This section would amend Title II of part 28, United States Code by inserting a new Chapter 40 which would provide authorization for certain undercover investigative operations of the FBI and the DEA.

Proposed Section 16 Part II of title 28, United States Code, is amended by inserting after chapter 37 the following new chapter: Chapter 40—Undercover Investigative Operations.

§ 599 Federal Bureau of Investigation undercover operations:

PROPOSED SECTION 599

(a) The authorizations and exemptions provided below may be utilized—

For each operation designed to detect and prosecute crimes against the United States, only upon written certification of the Director of the Federal Bureau of Investigation (or, if designated by the Director, a member of the Undercover Operations Review Committee) and the Attorney General (or if designated by the Attorney General, a member of such committee) that any action authorized by this section is necessary for the conduct of such undercover investigation, or

In each operation designed to collect foreign intelligence or to conduct foreign counterintelligence, upon written certification of the Director, Federal Bureau of Investigation (or if designated by the Director, the Assistant Director, Intelligence Division) and the Attorney General (or if designated by the Attorney General, the Counsel for Intelligence Policy). The type of exemptions sought for each operation shall be specified on the certification and the use of the exemptions for each operation will be reviewed during the operation by the Director's designee.

(1) Appropriations may be used for purchasing or leasing property, buildings, facilities, space, goods, insurance, licenses and any equipment necessary to establish and/or operate an undercover operation. These acquisitions shall be made in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal acquisitions, federal property management and federal appropriations shall not apply to any acquisition for a certified undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

(2) Appropriations may be used to establish, acquire and/or operate proprietary corporations or business entities in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal appropriations and government corporations shall not apply to any transaction for a certified undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

(3) Appropriations and the proceeds from such undercover operation may be deposited in banks or other financial institutions and may be used to offset necessary and reasonable expenses incurred in such operation without deposit in the Treasury.

(b) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under subparagraphs (3) of paragraph (a) are no longer necessary the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited in the Treasury of the United States as miscellaneous receipts.

(c) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (2) of paragraph (a) with a net value of over $150,000 is to be liquidated, sold, or otherwise disposed of, the Federal Bureau of Investigation, as much in advance as the Director or his designee determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

(d)(1) The Federal Bureau of Investigation shall conduct a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1985, and each fiscal year thereafter and shall,

(A) submit the results of such audits in writing to the Attorney General, and

(B) not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

(2) The Federal Bureau of Investigation shall also submit a report annually to the Congress specifying—

(A) the number, by programs, of undercover investigative operations pending as of

the end of the one-year period for which such report is submitted,

(B) the number, by programs, of undercover investigative operations commenced in the one-year period preceding the period for which such report is submitted, and

(C) the number, by programs, of undercover investigative operations closed in the one-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained. With respect to each such closed undercover operation which involves any of the sensitive circumstances specified in the Attorney General's Guidelines on FBI Undercover Operation, such report shall contain a detailed description of the operation and related matters, including information pertaining to—

(i) the results,

(ii) any civil claims arising out of the investigation, and

(iii) identification of such sensitive circumstances involved, that arose at any time during the course of such undercover operation.

(e) For purposes of paragraph (d)(1)—

(1) the term "closed" refers to the point in time at which—

(a) all criminal proceedings (other than appeals) are concluded, or

(b) covert activities are concluded, whichever occurs later;

(2) the term "employees" means employees, as defined in 5 U.S.C. 2105, of the Federal Bureau of Investigation, and

(3) the terms "undercover investigative operation" and "undercover operation" means any undercover investigative operation of the Federal Bureau of Investigation (other than a foreign counterintelligence undercover investigative operation)—

(A) in which—

(i) the gross receipts (excluding interest earned) exceed $150,000, or

(ii) expenditures (other than expenditures for salaries of employees) exceed $150,000, and

(B) which is exempt from laws applicable to federal appropriations and government corporations, except that clauses (A) and (B) shall not apply with respect to the report required under subparagraph (2) of such paragraph.

Subsection (a) has been revised to clarify the administrative latitude conferred upon the FBI for the limited purpose of conducting undercover or intelligence activities. These activities require agents to conform to the standards of commercial, and sometimes even criminal environments. It is impossible to conform to these standards while complying with statutory requirements that govern routine government procurement and financial transactions.

In specifically authorizing the undercover and intelligence activities Congress never intended to compromise the security of these missions or the safety of the agents involved. In the current authorization Congress has exempted the FBI from certain procurement and financial requirements e.g. the Anti Deficiency Act, 31 U.S.C. § 1341.

It is not intended that the authorities contained in this section will relieve the Department of Justice from any requirements of the applicable laws other than in the establishment and conduct of its undercover operations.

The list of exemptions, cited in the current authorization, merely provides illustrations of the types of requirements from which an undercover operation must be exempt in order to preserve its cover. This list is not exhaustive, and cannot be, for it is virtually impossible to foresee and list by citation every statutory requirement that is incompatible with undercover and/or intelligence activities.

Therefore, subsection (a) has been revised to describe the exemptions, categorically in order to capture and embody all the provisions that may compromise the security of an investigation or an agent. The categorical references are to the following areas of law: federal acquisitions, federal property management, federal appropriations and government corporations. These categories of law are defined below.

"Federal Acquisitions" means acquiring by contract supplies or services by purchase or lease using appropriated funds. These activities are principally governed by Title 41 of the United States Code. Requirements that may be incompatible with undercover operations include: the requirement to advertise proposed purchases and proposed contracts for supplies or services, 41 U.S.C. § 5, and the inclusion of certain contract provisions such as the Walsh-Healey Act representations and stipulations required by 41 U.S.C. § 35, the requirement to purchase blindmade products, 41 U.S.C. §§ 46–48C; the prohibition on advance payment to contractors, 41 U.S.C. 255; and the requirements for full and open competition, 41 U.S.C. § 253.

"Federal property management" means the control and use of Federal real and personal property. These activities are principally governed by Title 40 of the United States Code. Restrictions that may be incompatible with undercover operations include: limitations on the leasing of space in the District of Columbia, 40 U.S.C. § 34; restrictions on construction loans for office buildings by Government Corporations 40 U.S.C. § 33a; limitation on a Government Corporation's leasing of buildings in addition to the limitation on rental rates, 40 U.S.C. § 129; and the prohibition against the inclusion, in any lease, of any provision regarding the repair of real property, 40 U.S.C. § 303b.

"Federal appropriations" means an act of Congress that permits Federal agencies to incur obligations and to make payments out of the Treasury for specified purposes. Fiscal transactions are principally governed by Title 31 of the United States Code. Restrictions that may be incompatible with undercover operations include: the proscription against the depositing of money in banks or lending money 31 U.S.C. § 3302(a); the requirement that all proceeds shall be deposited into the General Treasury 31 U.S.C. § 3302(b); the requirement that contracts and leases must be reexecuted at the beginning of each fiscal year 31 U.S.C. § 1341; the prohibition against the acceptance of voluntary services 31 U.S.C. § 1342; the proscription against installing telephones in private residence 31 U.S.C. § 1348; and the requirement that agreements be in writing in order to record an amount as an obligation 31 U.S.C. § 1501.

"Government Corporations" means a corporation that is owned by the Federal Government. While undercover proprietaries are not government corporations in the classical sense, they nonetheless meet the definition set out in 31 U.S.C. § 9101(1). Government Corporations are principally governed by Title 31 of the United States Code. Requirements that pertain to Government Corporations that may be incompatible with undercover operations include: the requirement that each corporation established or acquired by an agency be specifically authorized by Congress 31 U.S.C. § 9102; the requirment for budget submission 31 U.S.C. § 9103; the requirement that the Comptroller General's approval be obtained prior to the consolidation of a corporation's cash 31 U.S.C. § 9107; and the limitation on the obligations that may be issued by a government corporation, 31 U.S.C. § 9108.

It is intended that undercover operations utilize these exemptions only to the extent that it is necessary, and that they be conducted in a manner that is generally consistent with ordinary commercial practice. Adequate safeguards are provided in the legislation and the Department's own procedures to ensure the proper application of the exemptions and the appropriate use of funds. The type of exemptions sought will be specified on the certification. The use of the exemptions will be reviewed by the Director's designee, during the operation. Review of the use of the exemptions means periodic examination of submissions of exemption data, from field divisions, at FBI headquarters. "Director's designee" means: (1) with respect to undercover operations, a member of the Undercover Operations Review Committee or other person designated by the Director who is responsible for review of exemption data; (2) with respect to foreign counter intelligence operations, a member of the Intelligence Division Undercover Operations Review Committee or other person designated by the Director who is responsible for review of exemption data.

Subsection (a) requires that the exemptions be used only upon the certification of a high ranking official that the activities that warrant exempt status are necessary for the undercover or intelligence mission. Subsection (c) requires that the assets from a liquidated business revert to the Treasury. Subsection (d) requires the FBI to audit closed undercover operations and report the findings to the Attorney General and Congress. These safeguard will ensure the integrity and efficiency of these law enforcement activities while the exemptions will ensure their effectiveness.

"§ 599A. Drug Enforcement Administration Undercover Operations:

PROPOSED SECTION 599A

(a) The authorizations and exemptions provided below may be ulitized—for each operation designed to detect and prosecute crimes against the United States, only upon written certification of the Administrator of the Drug Enforcement Administration or his designee and the Attorney General or his designee that any action authorized by this section is necessary for the conduct of such undercover investigation. The type of exemptions sought for each operation shall be specified on the certification and the use of the exemptions will be reviewed during the operation by the Administrator's designee.

(1) Appropriations may be used for purchasing or leasing property, buildings, facilities, space, goods, insurance licenses and any equipment necessary to establish and/or operate an undercover operation. These acquisitions shall be made in accordance with prevailing commercial practices so long as such practices are consistent with the purposes of the undercover operation. Laws applicable to federal acquisitions, federal property management and federal appropriations shall not apply to any acquisition for a certified undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigations.

(2) Appropriations may be used to establish, acquire and/or operate proprietary corporations or business entities in accordance with prevailing commercial practices so long as such practices as consistent with the purposes of the undercover operation. Laws applicable to federal appropriations and government corporations shall not apply to any transaction for a certified undercover operation where compliance with such laws would risk compromise of the undercover nature of the investigation.

(3) Appropriations and the proceeds from such undercover operation may be deposited in banks or other financial institutions and may be used to offset necessary and reasonable expenses incurred in such operation without deposit in the Treasury.

(b) As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under subparagraph (3) of paragraph (a) are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited into the Treasury as miscellaneous receipts.

(c) If a corporation or business entity established or acquired as part of an undercover operation under subparagraph (2) with a net value over $150,000 is to be liquidated, sold or otherwise disposed of, the Drug Enforcement Administration, as much in advance as the administrator or his designee determines is practicable, shall report the circumstances to the Attorney General and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury as miscellaneous receipts.

(d)(1) The Drug Enforcement Administration shall conduct a detailed financial audit of each undercover investigative operation which is closed in fiscal year 1986, and each fiscal year thereafter and shall,

(A) submit the results of such audits in writing to the Attorney General, and

(B) not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

(2) for the purposes of paragraph (1), 'undercover investigative operation' and 'undercover operation' mean any undercover investigative operation of the Drug Enforcement Administration—

(A) in which

(i) the gross receipts exceed $150,000, or

(ii) expenditures (other than expenditures for salaries of employees) exceed $150,000 and

(B) which is exempt from laws applicable to federal appropriations and government corporations.

Subsection (a) has been revised to clarify the administrative latitude conferred upon the DEA for the limited purpose of conducting undercover or intelligence activities. These activities require agents to conform to the standards of commercial, and sometimes even criminal environments. It is impossible to conform to these standards while complying with statutory requirements that govern routine government procurement and financial transactions.

In specifically authorizing the undercover and intelligence activities Congress never intended to compromise the security of these missions or the safety of the agents involved. In the current authorization Congress has exempted the DEA from certain procurement and financial requirements e.g. the Anti Deficiency Act, 31 U.S.C. § 1341.

It is not intended that the authorities contained in this section will relieve the Department of Justice from any requirements of the applicable laws other than in the establishment and conduct of its undercover operations.

The list of exemptions, cited in the current authorization, merely provides illustrations of the types of requirements from which an undercover operation must be exempt in order to preserve its cover. This list is not exhaustive, and cannot be, for it is virtually impossible to foresee and list by citation every statutory requirement that is incompatible with undercover activities.

Therefore, subsection (a) has been revised to describe the exemptions categorically in order to capture and embody all the provisions that may compromise the security of an investigation or an agent. The categorical references are to the following areas of law: federal acquisitions, federal property management, federal appropriations and government corporations. These categories of law are defined below.

"Federal Acquisitions" means acquiring by contract supplies or services by purchase or leasing using appropriated funds. These activities are principally governed by Title 41 of the United States Code. Requirements that may be incompatible with undercover operations include: the requirement to advertise proposed purchases and proposed contracts for supplies or services, 41 U.S.C. § 5, and the inclusion of certain contract provisions such as the Walsh-Healey Act representations and stipulations required by 41 U.S.C. § 35, the requirement to purchase blind-made products, 41 U.S.C. §§ 46–48C; the prohibition on advance payment to contractors, 41 U.S.C. § 255; and the requirements for full and open competition, 41 U.S.C. § 253.

"Federal property management" means the control and use of Federal real and personal property. These activities are principally governed by Title 40 of the United States Code. Restrictions that may be incompatible with undercover operations include: limitations on the leasing of space in the District of Columbia, 40 U.S.C. § 34; restrictions on construction loans for office buildings by Government Corporations 40 U.S.C. § 33a; limitation on a Government Corporation's leasing of buildings in addition to the limitation on rental rates, 40 U.S.C. § 129; and the prohibition against the inclusion, in any lease, of any provision regarding the repair of real property, 40 U.S.C. § 303b.

"Federal Appropriations" Means an act of Congress that permits Federal agencies to incur obligations and to make payments out of the Treasury for specified purposes. Fiscal transactions are principally governed by Title 31 of the United States Code. Restrictions that may be incompatible with undercover operations include: the proscription against the depositing of money in banks or lending money 31 U.S.C. § 3302(a); the requirement that all proceeds shall be deposited into the General Treasury 31 U.S.C. § 3302(b); the requirement that contracts and leases must be reexecuted at the beginning of each fiscal year 32 U.S.C. § 1341; the prohibition against the acceptance of voluntary services 31 U.S.C. § 1342; the proscription against installing telephones in private residences 31 U.S.C. § 1348; and the requirement that agreements be in writing in order to record an amount as an obligation 31 U.S.C. § 1501.

"Government Corporations" means a corporation that is owned by the Federal Government. While undercover proprietaries are not government corporations in the classical sense, they nonetheless meet the definition set out in 31 U.S.C. § 9101(1). Government Corporations are principally governed by Title 31 of the United States Code. Requirements that pertain to Government Corporations that may be incompatible with undercover operations include: the requirement that each corporation established or acquired by an agency be specifically authorized by Congress 31 U.S.C. § 9102; the requirement for budget submission 31 U.S.C. § 9103; the requirement that the Comptoller General's approval be obtained prior to the consolidation of a corporation's cash 31 U.S.C. § 9107; and the limitation on the obligations that may be issued by a government corporation, 31 U.S.C. § 9108.

It is intended that undercover operations utilize these exemptions only to the extent that it is necessary. and that they be conducted in a manner that is generally consistent with ordinary commercial practice. Adequate safeguards are provided in the legislation and Department's own procedures to ensure the proper application of the exemptions and the appropriate use of funds. The type of exemptions sought will be specified on the certification. The use of exemptions will be reviewed by the Administrator's designee, during the operation. Review of the use of the exemptions means periodic examination of submissions of exemption data from field divisions, at DEA headquarters. With respect to undercover operations, Administrator's designee means any person designated by the Administrator who is responsible for review of exemption data.

Subsection (a) requires that the exemption be used only upon the certification of a high ranking official that the activities that warrant exempt status are necessary for the undercover or intelligence mission. Subsection (b) requires that all proceeds received from undercover operations, that are not longer necessary to the operation, revert to the General Treasury. Subsection (d) requires the DEA to audit every closed undercover operation and report the findings to the Attorney General and Congress. These safeguards will ensure the integrity and efficiency of these law enforcement activities while the exemptions will ensure their effectiveness.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 1066. A bill for the relief of Harold M. Wakefield; to the Committee on the Judiciary.

RELIEF OF HAROLD M. WAKEFIELD

● Mr. MURKOWSKI. Mr. President, I am introducing a private relief bill for Mr. Harold M. Wakefield and a bill to instruct that this matter be sent to the Court of Claims for adjudication.

Mr. Wakefield's story is one of compelling bravery and patriotism in the face of difficult circumstances. The service that Harold Wakefield performed on behalf of the U.S. Government should make us all proud.

Mr. Wakefield first came to Alaska in 1950. In the early 1970's, more than a decade ago, he had a well paying, highly responsible managerial position. He had a growing family and found Alaska to be the ideal location to raise his children.

In 1972, Mr. Wakefield's father passed away and Wakefield took over

the family's boat shop. A year later, a customer came to that shop and offered to sell an expensive diesel marine engine. Mr. Wakefield had just recently read in the local newspaper that a flat bed truck containing a number of new snow machines and this same diesel engine had been hijacked. Rather than simply saying "no" to the offer to purchase stolen property, Wakefield said he would think about it and then proceeded to the Federal Bureau of Investigation to report the incident.

During the meeting with the FBI, Mr. Wakefield was asked if he would help recover the stolen engine. Despite the potential danger involved, he agreed. At the request of the FBI, Wakefield contacted the individual who offered him the engine and indicated he might be willing to make a purchase if the price was right. With that, the FBI placed a wiretap on Mr. Wakefield's telephone. Meanwhile, the FBI was unsuccessful in getting a search warrant. To continue the investigation, the FBI needed Wakefield to become further involved with the sting operation. The Bureau asked that Wakefield meet with the criminals and work out a deal.

At a restaurant in Anchorage, Mr. Wakefield met with an individual who later was identified as Allen Wayne Hurley, the leader of the Alaska chapter of the Hell's Angels. An agreement was made on the purchase of the stolen engine. The FBI now knew who was behind the hijacking and Mr. Wakefield could have left the case at this point. He had done more than his civic duty required. However, the FBI asked that he again become personally involved in getting the stolen property back by purchasing the engine for $10,000.

Under these pressures, the character of Henry Wakefield shown through. He found himself intimately involved with an investigation that could have cost more than mere time and inconvenience. He had to consider that the person he was dealing with was the leader of the Hell's Angels. Not only was Mr. Wakefield risking his life, his family was placed in danger with his increasing involvement in this operation.

Remarkably, Mr. Wakefield did not back down. Instead he decided to go forward with the set-up. The engine was purchased and Wayne Hurley was arrested.

With their leader facing trial, the Hell's Angels began intimidating the Wakefields. They terrorized Mr. Wakefield's widowed mother. Mr. Wakefield was forced to move her to California. Of course, Mr. Wakefield was also in danger. To change his appearance, he shaved off his beard and had his hair cut. He slept with a loaded gun by the bed and had a gun in the family cars. The house was wired with alarms and Wakefield and his wife took turns staying awake at night to make sure the family was protected.

Trying to avoid the danger, Mr. Wakefield decided to go to Costa Rica for 1 year with his wife and four daughters. He returned to Alaska only to testify at Hurley's trial and then went back to his family in Central America. His plan was to return to Alaska and reestablish his life after this event had quieted down and it would be safe to come home.

The family left Anchorage for Costa Rica in December of 1974. Mr. Wakefield returned to Alaska secretly in April of 1975 for the trial. Upon arriving at the Anchorage International Airport, Wakefield was told by the FBI and U.S. Attorney's office that Hurley had taken out a contract on his life—one large enough to attract a professional hit-man from out-of-State. In fact, the FBI brought up a special agent to claim fulfillment of the contract so that Hurley and his gang would believe Mr. Wakefield was dead. The agent gave the Hell's Angels forged evidence to show that Wakefield had been killed.

Proceeding under a great deal of secrecy and security, Wakefield testified against the leader of the Hell's Angels. During the time he was in Anchorage, Wakefield was under the witness protection program. Hurley was convicted and Mr. Wakefield immediately left for his family in Costa Rica.

And there this story should have ended, with Mr. Wakefield returning to Alaska shortly after the trial and continuing his career and raising his family. However, it was not to be. Three days after being convicted, Hurley overpowered two guards and escaped from the Anchorage jail. The U.S. Marshal's Office contacted Mr. Wakefield and told him it was not safe to return to Alaska. Because of the network of Hell's Angels across the United States, there was no place in this country where Wakefield and his family would be truly safe. The Marshal's Office was confident that Hurley would be recaptured shortly. Unfortunately, the prediction was wrong. Hurley eluded law enforcement officers throughout the Pacific coast for over 8 years, until August 1984 when he was finally captured in Bellingham, WA, with over $400,000 worth of marijuana and sophisticated growing equipment. Last fall Alaska's most wanted fugitive was returned to Anchorage and finally sentenced for the 1973 crime. He was given 5 years in Federal prison.

During the 9 years between Hurley's escape and recapture, Mr. Wakefield was running out of funds in Costa Rica and was forced to return to the United States. He and his family lived in Alabama for 1 year and then moved to Florida. He could not work full time because he was unable to give a complete employment history and so was unable to get a responsible position.

Through these years of moving about and making ends meet with part-time jobs, the Wakefields kept in close contact with the Marshal's Office in both Anchorage and Florida. Finally in 1982, 7 years after he testified against Hurley, the U.S. Marshal gave Mr. Wakefield the go-ahead to return home to Alaska.

During this entire time, Mr. Wakefield received no money of any kind from the U.S. Government except $25 for testifying before the grand jury and reimbursement for his airplane ticket when he returned to Anchorage for the trial.

Mr. President, early on, Mr. Wakefield turned down permanent witness protection because he did not want to change his name and permanently move from Alaska. Additionally, he was told that Hurley would be captured and imprisoned in a short period of time. With "20/20" hindsight, perhaps Wakefield should have chosen witness protection. The rules of the Justice Department do not permit retroactive application of the witness protection program. Mr. Wakefield, who has lost thousands of dollars because he helped the Government, now has no recourse through normal governmental channels to recover his losses. Therefore, his last resort is this private relief measure that I am introducing today.

The merits of Mr. Wakefield's claim should be adjudicated by the Court of Claims, which will assess his monetary loss. For all that Henry Wakefield has gone through these past years on behalf of his country, we should at least provide him an opportunity to present his claim before the only remaining tribunal that can provide relief. ●

ADDITIONAL COSPONSORS

S. 262

At the request of Mr. BYRD, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 262, a bill to provide for the preservation of the ferroalloy industry in the United States.

S. 283

At the request of Mr. D'AMATO, his name was added as a cosponsor of S. 283, a bill to amend the Clean Air Act to better protect against interstate transport of pollutants, to control existing and new sources of acid deposition, and for other purposes.

S. 288

At the request of Mr. GORTON, the name of the Senator from Idaho [Mr. MCCLURE] was added as a cosponsor of S. 288, a bill to provide Federal coordination for the continued development and commercialization of food irradia-

tion through the establishment of a Joint Operation Commission for Food Irradiation in the Department of Agriculture and through other means.

S. 377

At the request of Mr. DECONCINI, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 377, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 657

At the request of Mr. THURMOND, the names of the Senator from Arizona [Mr. DECONCINI], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 657, a bill to establish the Veterans' Administration as an executive department.

S. 680

At the request of Mr. THURMOND, the name of the Senator from Maryland [Mr. MATHIAS] was added as a cosponsor of S. 680, a bill to achieve the objectives of the multi-fiber arrangement and to promote the economic recovery of the United States textile and apparel industry and its workers.

At the request of Mr. BUMPERS, his name was added as cosponsor of S. 680, supra.

S. 739

At the request of Mr. DIXON, the name of the Senator from Colorado [Mr. HART] was added as a consponsor of S. 739, a bill to establish a National Endowment for the Homeless.

S. 848

At the request of Mr. COHEN, the names of the Senator from North Carolina [Mr. HELMS], the Senator from Virginia [Mr. WARNER], the Senator from Rhode Island [Mr. PELL], and the Senator from Virginia [Mr. TRIBLE] were added as consponsors of S. 848, a bill to provide for orderly trade in nonrubber footwear, to reduce unemployment, and for other purposes.

S. 887

At the request of Mr. DOLE, the names of the Senator from Illinois [Mr. SIMON], and the Senator from North Dakota [Mr. ANDREWS] were added as cosponsors of S. 887, a bill to amend the Internal Revenue Code of 1954 to extend the deduction for expenses incurred in connection with the elimination of architectural and transportation barriers for the handicapped and elderly.

S. 906

At the request of Mr. GORTON, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 906, a bill to provide for the imposition of a surcharge duty on products imported from foreign countries under certain conditions, and for other purposes.

S. 908

At the request of Mr. MCCONNELL, the names of the Senator from Kansas [Mr. DOLE], the Senator from Maryland [Mr. MATHIAS], and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 908, a bill to provide market expansion and income protection for farmers, assure consumers an abundance of food and fiber at reasonable prices, and for other purposes.

S. 945

At the request of Mr. THURMOND, the name of the Senator from Arkansas [Mr. PRYOR] was added as a cosponsor of S. 945, a bill to recognize the organization known as the National Association of State Directors of Veterans' Affairs, Incorporated.

S. 983

At the request of Mr. MCCLURE, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Michigan [Mr. LEVIN], and the Senator from Montana [Mr. MELCHER] were added as cosponsors of S. 983, a bill to provide for limited extension of alternative means of providing assistance under the School Lunch Program and to provide for national commodity processing programs.

S. 987

At the request of Mr. EXON, the names of the Senator from New Jersey [Mr. BRADLEY], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 987, a bill to recognize the organization known as the Daughters of the Union Veterans of the Civil War 1861-65.

SENATE JOINT RESOLUTION 83

At the request of Mr. DOLE, the names of the Senator from Michigan [Mr. LEVIN], and the Senator from Idaho [Mr. MCCLURE] were added as cosponsors of Senate Joint Resolution 83, a joint resolution designating the week beginning on May 5, 1985, as "National Asthma and Allergy Awareness Week."

SENATE JOINT RESOLUTION 92

At the request of Mr. DENTON, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Joint Resoluition 92, a joint resolution to designate October 1985 as "National Foster Grandparents Month."

SENATE JOINT RESOLUTION 128

At the request of Mr. BYRD, the names of the Senator from Kansas [Mr. DOLE], the Senator from Montana [Mr. MELCHER], the Senator from Connecticut [Mr. DODD], the Senator from Florida [Mr. CHILES], the Senator from South Dakota [Mr. ABDNOR], the Senator from Vermont [Mr. STAFFORD], the Senator from Wyoming [Mr. SIMPSON], the Senator from Virginia [Mr. WARNER], the Senator from Arizona [Mr. GOLDWATER], the Senator from Oklahoma [Mr. NICKLES], the Senator from Alaska [Mr. STEVENS], the Senator from Arkansas [Mr. PRYOR], the Senator from Oklahoma [Mr. BOREN], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Alaska [Mr. MURKOWSKI], the Senator from South Dakota [Mr. PRESSLER], the Senator from Wisconsin [Mr. KASTEN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Georgia [Mr. MATTINGLY], the Senator from Michigan [Mr. LEVIN], the Senator from Arizona [Mr. DECONCINI], and the Senator from New Hampshire [Mr. RUDMAN] were added as cosponsors of Senate Joint Resolution 128, a joint resolution to designate May 7, 1985 as "Vietnam Veterans Recognition Day."

SENATE RESOLUTION 130

At the request of Mr. WALLOP, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of Senate Resolution 130, a resolution relative to the sport fish restoration trust fund.

SENATE RESOLUTION 140

At the request of Mr. BENTSEN, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from New Hampshire [Mr. HUMPHREY], and the Senator from New Hampshire [Mr. RUDMAN] were added as cosponsors of Senate Resolution 140, a resolution urging the President to impose a trade boycott and embargo against Nicaragua.

SENATE RESOLUTION 148

At the request of Mr. HELMS, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of Senate Resolution 148, a resolution commemorating the 50th anniversary of the Rural Electrification Administration.

SENATE RESOLUTION 153—TO REFER THE BILL S. 1066 TO THE U.S. CLAIMS COURT

Mr. MURKOWSKI (for himself and Mr. STEVENS) submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 153

Resolved, That the bill (S. 1066) entitled "A bill for the relief of Harold M. Wakefield" now pending in the Senate, together with all the accompanying papers, is referred to the Chief Judge of the United States Claims Court. The Chief Judge shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28, United States Code, and report thereon to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States or a gratuity and the amount, if any, legally or equi-

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tably due from the United States to the claimant.

AMENDMENTS SUBMITTED

VIETNAM VETERANS RECOGNITION DAY

BYRD (AND DOLE) AMENDMENT NO. 47

Mr. BYRD (for himself and Mr. DOLE) proposed an amendment to the joint resolution (S.J. Res. 128) to designate May 7, 1985, as "Vietnam Veterans Recognition Day"; as follows:

On page 2, in the first clause, after the word suffer, strike "physically and psychologically".

On page 2, in the fourth clause, strike, "and respond appropriately to the needs of".

FIRST CONCURRENT RESOLUTION ON THE BUDGET, DOLE (AND OTHERS) AMENDMENT NO. 48

Mr. DOLE (for himself, Mr. MURKOWSKI, Mr. TRIBLE, Mr. ROTH, Mr. ABDNOR, Mr. WARNER, Mr. DOMENICI, Mr. STAFFORD, and Mr. SIMPSON) proposed an amendment to amendment No. 43 proposed by Mr. DOLE (and Mr. DOMENICI), and subsequently amended, to the concurrent resolution (S. Con. Res. 32) setting forth the congressional budget for the U.S. Government for fiscal years 1986, 1987, and 1988, and revising the congressional budget for the U.S. Government for the fiscal year 1985; as follows:

In the pending amendment, do the following:

On page 3, increase the amount on line 12 by $200,000,000.

On page 3, increase the amount on line 13 by $900,000,000.

On page 3, increase the amount on line 14 by $1,700,000,000.

On page 3, increase the amount on line 18 by $900,000,000.

On page 3, increase the amount on line 19 by $2,400,000,000.

On page 3, increase the amount on line 20 by $3,900,000,000.

On page 3, increase the amount on line 25 by $900,000,000.

On page 4, increase the amount on line 1 by $2,400,000,000.

On page 4, increase the amount on line 2 by $3,900,000,000.

On page 4, increase the amount on line 6 by $900,000,000.

On page 4, increase the amount on line 7 by $3,300,000,000.

On page 4, increase the amount on line 8 by $7,200,000,000.

On page 4, increase the amount on line 12 by $900,000,000.

On page 4, increase the amount on line 13 by $2,400,000,000.

On page 4, increase the amount on line 14 by $3,900,000,000.

On page 24, increase the amount on line 3 by $700,000,000.

On page 24, increase the amount on line 13 by $1,700,000,000.

On page 24, increase the amount on line 22 by $500,000,000.

On page 24, increase the amount on line 23 by $2,700,000,000.

On page 27, increase the amount on line 4 by $200,000,000.

On page 27, increase the amount on line 5 by $200,000,000.

On page 27, increase the amount on line 13 by $500,000,000.

On page 27, increase the amount on line 14 by $500,000,000.

On page 27, increase the amount on line 22 by $800,000,000.

On page 27, increase the amount on line 23 by $800,000,000.

On page 33, increase the amount on line 2 by $200,000,000.

On page 33, increase the amount on line 3 by $200,000,000.

On page 33, increase the amount on line 11 by $400,000,000.

On page 33, increase the amount on line 12 by $400,000,000.

On page 37, decrease the second amount on line 20 by $276,000,000.

On page 37, decrease the amount on line 22 by $694,000,000.

On page 37, decrease the second amount on line 23 by $1,124,000,000.

On page 41, decrease the amount on line 17 by $372,000,000.

On page 41, decrease the amount on line 19 by $922,000,000.

On page 41, decrease the amount on line 21 by $1,480,000,000.

On page 43, decrease the amount on line 7 by $231,000,000.

On page 43, decrease the amount on line 8 by $209,000,000.

On page 43, decrease the first amount on line 9 by $541,000,000.

On page 43, decrease the second amount on line 9 by $514,000,000.

On page 43, decrease the amount on line 10 by $843,000,000.

On page 43, decrease the amount on line 11 by $819,000,000.

On page 44, decrease the second amount on line 19 by $276,000,000.

On page 44, decrease the amount on line 21 by $694,000,000.

On page 44, decrease the second amount on line 22 by $1,124,000,000.

On page 49, decrease the second amount on line 3 by $372,000,000.

On page 49, decrease the amount on line 5 by $922,000,000.

On page 49, decrease the amount on line 7 by $1,480,000,000.

On page 50, decrease the amount on line 18 by $231,000,000.

On page 50, decrease the amount on line 19 by $209,000,000.

On page 50, decrease the first amount on line 20 by $541,000,000.

On page 50, decrease the second amount on line 20 by $514,000,000.

On page 50, decrease the amount on line 21 by $843,000,000.

On page 50, decrease the amount on line 22 by $819,000,000.

PACKWOOD (AND OTHERS) AMENDMENT NO. 49

Mr. PACKWOOD (for himself, Mr. DOLE, and Mr. RUDMAN) proposed an amendment, which was subsequently modified to amendment No. 43 proposed by Mr. DOLE (and Mr. DOMENICI) and subsequently amended, to the concurrent resolution (S. Con. Res. 32), supra; as follows:

At the end of the pending amendment, add the following: It is the sense of the Congress that tax legislation should be enacted to provide for payment of minimum taxes by corporations and individuals on the broadest feasible definition of income to assure that all of those with economic income will pay tax, and that the resulting revenues be used to reduce individual income tax rates and to increase the threshold amounts for tax payments by individuals in connection with consideration of comprehensive tax reform legislation.

PACKWOOD (AND OTHERS) AMENDMENT NO. 50

Mr. PACKWOOD (for himself, Mr. CHAFEE, Mr. DURENBERGER, and Mr. HEINZ) proposed an amendment to amendment No. 43 proposed by Mr. DOLE (and Mr. DOMENICI) and subsequently amended, to the concurrent resolution (S. Con. Res. 32), supra; as follows:

In the pending amendment, do the following:

On page 3, increase the amount on line 12 by $200,000,000.

On page 3, increase the amount on line 13 by $900,000,000.

On page 3, increase the amount on line 14 by $2,200,000,000.

On page 3, increase the amount on line 18 by $200,000,000.

On page 3, increase the amount on line 19 by $1,100,000,000.

On page 3, increase the amount on line 20 by $1,900,000,000.

On page 3, increase the amount on line 25 by $200,000,000.

On page 4, increase the amount on line 1 by $1,100,000,000.

On page 4, increase the amount on line 2 by $1,900,000,000.

On page 4, increase the amount on line 7 by $400,000,000.

On page 4, increase the amount on line 8 by $1,200,000,000.

On page 4, increase the amount on line 13 by $400,000,000.

On page 4, increase the amount on line 14 by $800,000,000.

On page 21, increase the amount on line 16 by $200,000,000.

On page 21, increase the amount on line 17 by $300,000,000.

On page 21, increase the amount on line 24 by $500,000,000.

On page 21, increase the amount on line 25 by $600,000,000.

On page 22, increase the amount on line 16 by $200,000,000.

On page 22, increase the amount on line 17 by $200,000,000.

On page 22, increase the amount on line 24 by $600,000,000.

On page 22, increase the amount on line 25 by $700,000,000.

On page 23, increase the amount on line 7 by $1,500,000,000.

On page 23, increase the amount on line 8 by $1,100,000,000.

On page 33, increase the amount on line 2 by $100,000,000.

On page 33, increase the amount on line 3 by $100,000,000.

On page 33, increase the amount on line 11 by $200,000,000.

On page 33, increase the amount on line 12 by $200,000,000.

On page 40, decrease the first amount on line 16 by $180,000,000.
On page 40, decrease the amount on line 17 by $827,000,000.
On page 40, decrease the second amount on line 18 by $1,617,000,000.
On page 46, decrease the amount on line 10 by $180,000,000.
On page 46, decrease the second amount on line 11 by $827,000,000.
On page 46, decrease the amount on line 13 by $1,617,000,000.
On page 51, decrease the first amount on line 7 by $180,000,000.
On page 51, decrease the amount on line 8 by $587,000,000.
On page 51, decrease the second amount on line 9 by $1,047,000,000.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON NUTRITION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Nutrition, of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Thursday, May 2, 1985, in order to conduct a hearing on child nutrition programs.

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

ADDITIONAL STATEMENTS

NATIONAL SMALL BUSINESS WEEK

● Mr. RIEGLE. Mr. President this year, the week of May 5-11 has been designated "National Small Business Week;" 1985 marks the 21st year our Nation has acknowledged the contributions and achievements of small businesses throughout the country.

National Small Business Week is a very special week—special because it affords small businesses the recognition they deserve as the backbone of our Nation's economy. With this in mind, I would like to take a few moments to reflect on the vital contributions small businesses have provided in maintaining our country's economy as the world's leader.

This year there are over 15 million businesses in the United States; 98 percent of these are considered small businesses.

Between 1982 and 1983 the number of people employed by small businesses increased 2.6 percent. This represents almost twice the rate of increase in employment for large businesses.

The number of new jobs created by small business in 1981 and 1982 was 2,650,000. The small business sector is by far the largest creator of jobs in our economy.

Small business has afforded many minority and women entrepreneurs the opportunity to bring into reality their desire for economic freedom. From 1983 to 1984 the number of women who owned their own business increased 5.1 percent from 2,440,000 to 2,566,000. The number of minorities who owned their own business increased 10.3 percent from 570,000 to 629,000 during that same period.

Small businesses have also been instrumental in my own State of Michigan in putting people back to work. In 1984, small businesses provided over 1.5 million people with employment. This represents nearly 50 percent of Michigan's total employment.

By understanding the vital function small businesses play in our country, it is clear that small business will continue to provide our Nation with the growth and economic well-being needed in the decades ahead.

I am most pleased at this time to note that Mr. Patrick Thompson, president of Trans-Matic Manufacturing Co., located in Holland, has been selected the Michigan "Small Business Persons of the Year" by the U.S. Small Business Administration. Mr. Thompson started Trans-Matic Manufacturing in 1968 with two employees and sales of $51,000. Today, Trans-Matic Manufacturing is considered a leader in the application of high speed transfer presses, and employs over 80 people with sales of $8 million. Also of special note, the employees of Trans-Matic Manufacturing earned nearly $5,000 in profit-sharing bonuses last year, and Trans-Matic has shown an increase of 200 percent in productivity the last 10 years. This is a direct result of Mr. Thompson's strong belief in participative management.

Mr. Thompson, in addition to managing a successful business, is also active in civic affairs. He is a member of the board of directors of the Holland Education Foundation and was chairperson for the 1984 Hope College annual community fund drive. I congratulate Mr. Thompson for his achievement, and all of the employees at Trans-Matic Manufacturing who share this award through their dedication.

I would also like to take this opportunity to recognize several small business advocates in Michigan, who are being honored for providing a vast amount of time, energy, and expertise to Michigan small businesses in an effort to create a successful small business environment.

Mr. David T. Harrison, senior vice president of the First American Bank of Kalamazoo, is the "Financial Services Advocate" of the year. Mr. Harrison is one of the founders and the first president of the Kalamazoo Small Business Development Corp., and has taken an active role in responding to the financial needs of small businesses in Kalamazoo. Mr. Harrison was also a leader in implementing First America's Certified Lenders Program and Cooperating Bank Program with the SBA.

Mr. Edward M. Parks, managing partner of the Plante & Moran CPA firm in Southfield, is the "Accountant Advocate" of the year. Mr. Parks' dedication to small business has led to many innovative programs within Plante & Moran designed to assist small businesses. He has also given his strong support and encouragement to the staff of Plante & Moran to provide voluntary assistance to numerous associations, chambers of commerce, and other groups that directly assist small businesses.

Ms. Martha Mertz, president of the E&D Corp. located in Okemos, is the "Woman-In-Business Advocate of the Year." She also serves as president of the Lansing Regional Chamber of Commerce, through which she initiated an aggressive program designed to encourage women to participate in the chamber. This program resulted in an increase in women membership from 46 to 256 in just a few short years. She has a longstanding commitment to community involvement and created the Athena Award to focus community awareness on the contribution of business women to the local economy.

Mr. Wayne A. Curto, president of Pocketsavers, a cooperative direct mail company which he started in 1979, is the "Veteran Advocate of the Year." Mr. Curto has unselfishly given his time and expertise to other veterans and small business owners by participating in veterans business conferences, and local small business programs. He is a member of eight chambers of commerce in addition to managing Pocketsavers, which employs a full-time staff of 24, and has 23 independent contractors.

Mr. Larry Leatherwood, liaison officer with the Michigan Department of Transportation, is the "Minority Advocate of the Year." Mr. Leatherwood has exhibited a long and outstanding commitment to providing assistance to minority business. He is a founder and current president of the Minority Technology Council of Michigan. In his past position as director of the Division of Minority Business Enterprise within the Michigan Department of Commerce, he was responsible for providing assistance to over 2,000 clients through the department's program of assisting minority firms. In his current position, Mr. Leatherwood has been responsible for a significant increase in the number of minority- and women-owned business with the Michigan Department of Transportation.

Mr. Jack Hogan, news director of WZZM-TV-13, in Grand Rapids, is the "Media Advocate of the Year." Mr. Hogan has shown through his weekly "Success" feature for the station's regular newscast, that local small businesses can have a position and beneficial effect on their community, and has motivated others to start or expand their own businesses.

Mr. Chad C. Frost, chairman of the board of Frost, Inc., and president of Amprotect, Inc., is the "Innovation Advocate of the Year." Mr. Frost is another who has given his time, knowledge, and experience to helping other small business owners. He is a member of the board of the Michigan Technology Council, and chairman of the board of the West Michigan Technology Council. Mr. Frost is recognized as an expert on leading edge technologies and has spoken to public and private organizations on how these technologies can be applied to business.

The men and women I have spoken to here today have provided strong leadership throughout Michigan's small business community. They deserve our praise and admiration for serving as an example not just to Michigan business owners, but to small business owners throughout our country. These leaders have shown that small business is ready, willing, and able to adjust to and meet the challenges of our changing economy. I am extremely pleased to have been able to bring before you today their accomplishments, and the key role small business plays in Michigan.●

SENATE JOINT RESOLUTION 64—NATIONAL CORRECTIONAL OFFICERS WEEK

● Mr. D'AMATO. Mr. President, I rise today to cosponsor the joint resolution introduced by my Banking Committee colleague, Senator RIEGLE, to designate the week of May 5, 1985, as "National Correctional Officers Week." These officers supervise the hundreds of thousands of inmates housed in our Nation's jails, prisons, and other detention centers. They must do so under circumstances of serious overcrowding and tension that make their job even more difficult. I have visited many of these institutions, and I can only marvel at the professionalism of our correctional officers.

We ask much more of these brave men and women than that they merely keep order. We ask them to work with all inmates, even the most dangerous, to give them the opportunity to become productive and responsible citizens again.

I am pleased to cosponsor this joint resolution to accord those who undertake these most difficult and dangerous responsibilities the recognition and appreciation they deserve. I urge my colleagues to pass this joint resolution unanimously.●

HOWE MILITARY SCHOOL CELEBRATES ITS CENTENNIAL

● Mr. QUAYLE. Mr. President, to survive 100 years, from 1884 to 1984, as a private secondary school is no easy feat. To survive 100 years as a private secondary school with a commitment to excellence and high moral values, and a widely recognized superb reputation for educating young adults is an even greater feat. Yet, Howe Military School in Howe, IN, has done just that and has still flourished over the years.

Howe Military School has been celebrating its centennial throughout this current school year, 1984–85, and certainly deserves such an ongoing acknowledgement of the school's achievements and the achievements of its graduates. Howe Military School has graduated over the years hundreds of young Americans with superb academic backgrounds, high personal standards, and a strong sense of patriotism. Howe embodies what private education is and should be. Its superintendent, General Scott, its faculty, board of trustees, alumni, and supporters are dedicated to providing the students a foundation based on the principles that guided the creation of our Nation.

Howe Military School has always provided its students with a traditional education and has never swerved from its path when other secondary schools were trying to make their students happy by adding all sorts of new and experimental classes. Howe has had strong ties with the church also, which has helped guide the school and has contributed to the classic and moral education of the students.

For the most part, private schools have been able to attain greater academic quality, generate more concern for moral values, and offer a generally better disciplined classroom atmosphere than have public schools. Private education, like that offered at Howe, continues to exist because of the demand for its services. It meets the needs of a pluralistic United States because parents exercise more influence over its policies and because it combines high academic achievement and respect for traditional moral and spiritual values.

Howe Military School offers all this as well as high quality military training to its students. Ninety percent of these students go on to college or to our service academies. They are well-prepared, committed, and patriotic young adults. With the graduation of its students, Howe is performing a service to Indiana, the Midwest, and our Nation. Howe has performed this service for 100 years already. I feel certain that Howe Military School will continue to teach, lead, and prepare our youth for another 100 years.●

MARCH 1985 TRADE DEFICIT

● Mr. BINGAMAN. Mr. President, it was announced Tuesday that the U.S. merchandise trade deficit was $11 billion in March. The March total was down only slightly from February's $11.4 billion figure. As a result, the deficit for the first quarter of the year is running at an annual rate of $131 billion. At this rate, the 1985 trade deficit is expected to exceed last year's record deficit of $123.3 billion. I ask that an article which appeared in today's Washington Post on the trade deficit be printed in the RECORD following my remarks.

Mr. President, I continue to be amazed at the lack of concern that has been expressed over our deteriorating trade posture. We must immediately begin to reverse the harmful trend of rising imports, lack of commitment to expanding exports, and little concern for developing a coordinated trade policy. These issues, and the related issue of the competitiveness of American industry, are of the utmost importance to the economic security of our Nation.

Last year, the United States experienced a trade deficit of $123.3 billion, the ninth year in a row that we have imported more than we have exported. This is a striking reversal for a nation that has maintained a surplus in its trade with the rest of the world for most of our history as an industrial nation. In fact, this year we have become a net debtor nation for the first time since early in this century.

Although part of the enormous trade deficit is related to the high value of the dollar relative to the currency of other nations, the deteriorating trade imbalance also reflects a weakening of our competitive position in the world economy. This lack of competitiveness is not limited to the so-called sunset industries such as steel and automobiles, but is showing up in almost every sector of the American economy. Seven out of ten American high-technology sectors have lost market share since 1965, and in 1984 our trade deficit with Japan in electronics was greater than in automobiles. The declining competitive position of American industry is further documented in a recently completed report, "The President's Commission on Industrial Competitiveness."

Many other industries are also experiencing serious decline due to foreign competition, much of it unfair competition as a result of subsidization and imposition of trade barriers. These industries include mining, textiles, and agriculture among others. The mining industry in New Mexico, copper, potash and uranium have experienced serious declines as mines have closed, workers have been laid off and local economies have been seriously disrupted. As a result, we must begin to rethink our trade laws and remedies against unfair trade practices.

It is true that in many cases American products do not have the same access for foreign markets as foreign products have to U.S. markets. This problem has been the focus of much discussion in the Congress and country

recently, with particular reference to Japan. I strongly support any effort that results in the lowering of barriers, tariff and nontariff, to American exports to Japan. However, we must recognize that Japan accounts for only one-third of the worldwide American trade deficit. Our worldwide deficit continues to grow with all of our trading partners, including the European Economic Community and other so-called new Japans—South Korea, Taiwan and Singapore, in particular. In fact, recently these imbalances have grown even faster than our imbalance with Japan. We must open Japan's markets but we must also recognize this worldwide situation.

More than ever before we operate in a highly competitive international marketplace and world economy. International trade now accounts for over 10 percent of our gross national product. Almost 10 million American workers—several thousand in New Mexico—owe their jobs to trade related activities. Currently over 70 percent of American products now must compete with imports from countries in Europe, Asia and Latin America. A more constructive approach recognizes that the present trade imbalances are not transitory, but are likely to continue unless some action is taken. I have been active in trying to address these issues in the Senate. Specifically, I have introduced a bill, S. 450, to create a bipartisan National Trade Commission which would recommend means of developing a coherent trade policy, enhance our ability to export and improve the system of trade remedies. I am also a member of the Democratic Working Group on Trade Policy which recently issued its preliminary report on our trade policies and how to improve our trade posture.

I am also concerned that as we are now debating the budget for fiscal year 1986 we still are not recognizing the challenge and the consequences of our failure to address our trade problems. Interestingly, the budget submitted by the President and the GOP compromise plan passed by the Senate Tuesday contain spending cuts that would further exacerbate our competitiveness problems. Cuts are called for in programs to promote exports, to encourage research and development, and to improve our educational system in critical math, science, and high technology areas. We must all work to restore and enhance these programs and resist shortsighted cuts in these key areas.

The present economic summit in Bonn presents a good opportunity for this country to lead the way in bringing about a rethinking of our trade relationships. I hope it is an opportunity that will not be lost in blind adherence to the "nonpolicies" of the past which have brought us to this untenable trade deficit.

The strength and vitality of the American economy are the underpinnings of our standard of living and our security. I believe we now face a challenge to our economic leadership in the world. I also believe that once we recognize that challenge and develop a consensus on how to meet it, we will bring to bear all the ingenuity, creativity and energy that has made this country great.

The article from the Washington Post follows:

TRADE DEFICIT DROPS TO $11 BILLION

(By Stuart Auerbach)

The United States' merchandise trade deficit dipped to $11 billion in March, but without significantly slowing the record pace for the year that has dragged down the economy, the Commerce Department reported yesterday.

The March total was down slightly from February's $11.4 billion figure. Nonetheless, the deficit for the first quarter of the year is running at an annual rate of $131 billion, resulting in predictions that the 1985 total will top last years record deficit of $123.3 billion.

The Commerce Department said that the picture would have been bleaker, with a damaging surge of imports, except for a sharp decline for the fourth straight month in the value of petroleum products brought into the country.

Manufactured goods—including telecommunications equipment, industrial machinery, chemicals, footwear and clothing—continued to pour into the country as total imports reached $29.3 billion, an increase of less than 1 percent over February. Petroleum imports, however, showed a 16.8 percent decrease.

"The leading indicators, down 0.2 percent in March, have been affected by the loss in market shares to foreign manufacturers," Commerce Secretary Malcolm Baldrige said.

"The economy probably will strengthen during the current quarter, but domestic production gains will be limited by higher imports and flat export sales," he continued. "This drag on the economy would be moderated by reducing the budget deficit, lowering barriers" to American exports "and by stronger growth abroad."

House Democrats blamed an overvalued dollar for much of the trade deficit and called on the Reagan administration to convene an international monetary conference this year. The Democrats thus allied themselves with the United States' European allies—especially France—who are pressing Reagan to include monetary reform with his push at this week's economic summit for a new round of global trade talks.

Rep. Sam Gibbons (D-Fla.) said the March trade figures show "there is no turnaround" in economic problems caused by the supercharged dollar. Senate Democrats, headed by Lloyd Bentsen (D-Tex.) and a key Republican, John C. Danforth (R-Mo.), also pressed President Reagan to concentrate on correcting world currency misalignments rather than pushing for new trade talks.

Bentsen also complained that Reagan is bringing no trade specialists in his entourage to the summit, which starts Thursday in Bonn. "I think that is a serious mistake. It shows a lack of giving trade the priority and commitment that it needs. The trade deficit is not going to get turned around until the administration gets a coordinated trade policy and begins to show leadership in the White House," Bentsen said.

Baldridge said the dollar has increased 17 percent since March 1984 and 78 percent from its low point in July 1980.

A strong dollar makes American products more expensive in other countries and lowers the price of imports, making them more attractive to Americans.

The increase in overall imports was moderated by decreases in the number of automobiles shipped to the United States, especially from Japan, which most likely cut its shipments to conform to quotas that ended March 31. The Japanese government, however, announced that it will allow a 25 percent increase in automobile shipments to the United States for the next 12 months. Automobile shipments from Canada increased, indicating that the U.S. market remains firm.

Imports for the first quarter ran ahead of exports by $32.7 billion, an increase of 9 percent over last year's record pace, overwhelming slight improvements in U.S. companies' export performance.

U.S. overseas sales jumped to $18.4 billion in March, a 3.3 percent increase over February's $17.9 billion figure and 3 percent higher than the previous March. Exports had dropped by 8 percent in February for the sharpest decline in seven years. Overseas sales of aircraft and parts overcame a 13.6 decrease in exports of farm products in March.

The trade deficit with Japan, which is the United States' largest, dipped slightly in March to $3.2 billion, the lowest level since December and $1 billion less than February. The United States also recorded trade deficits of $2.1 billion with Canada, $1.7 billion with Western Europe and $1.3 billion with Taiwan.●

PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with my intention to see that such information is available to the full Senate, I ask to have printed in the RECORD at this point the notifications which have been received. Any portion which is classified information has been deleted for publication, but is available to Senators in the office of the Foreign Relations Committee, room SD-423.

The notifications follow:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, April 30, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding

herewith Transmittal No. 85-24, concerning the Department of the Army's proposed Letter of Offer to Saudi Arabia for design and construction services estimated to cost $450 million. Shortly after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

GLENN A. RUDD,
Acting Director.

[Transmittal No. 85-24]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Saudi Arabia.

(ii) Total estimated value: $450 million.

(iii) General description of facilities to be constructed: This is an extension of an existing case to provide design and construction services of the U.S. Army Corps of Engineers (USACE) in connection with the Saudi Arabian Army's Ordnance Corps (SAAOC) Logistics System, including engineering planning assistance, USACE sponsored SAAOC technical orientation visits to CONUS agencies and installations, technical service contracts, financial services and commercial procurement including construction from 26 July 1985 through 25 July 1986 with an option for an additional year.

(iv) Military Department: Army (HEI).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid: None.

(vi) Sensitivity of technology contained in the Defense articles or Defense services proposed to be sold: None.

(vii) Section 28 report: Case not included in section 28 report.

(viii) Date report delivered to Congress: April 30, 1985.

POLICY JUSTIFICATION

Saudi Arabia—Design and Construction Services

The Government of Saudi Arabia has requested an extension of an existing case to provide design and construction services of the U.S. Army Corps of Engineers (USACE) in connection with the Saudi Arabian Army's Ordnance Corps (SAAOC) Logistics System, including engineering planning assistance, USACE sponsored SAAOC technical orientation visits to CONUS agencies and installations, technical service contracts, financial services and commercial procurement including construction from 26 July 1985 through 25 July 1986 with an option from an additional year. The total cost is estimated to be $450 million.

This sale is consistent with the stated U.S. policy of assisting friendly nations to provide for their own defense by allowing the transfer of reasonable amounts of defense articles and services. It will demonstrate the continuing willingness of the United States to support the Saudi Arabian effort to improve the security of the country through moderization of its forces. In a regional context, enhancement of the defensive capabilities of Saudi Arabia will also contribute to overall Middle East security.

This case will extend for one year, and provide an option for an additional year, the services of the USACE to continue the modernization of the SAAOC logistics system initiated in 1972.

The sale of this equipment and support will not affect the basic military balance in the region.

There will be no prime contractor for this transaction. The USACE is the principal organization to implement provisions of this case.

Implementation of this sale will not require the assignment of any additional U.S. Government personnel or contractor representatives to Saudi Arabia.

There will be no adverse impact on U.S. defense readiness as a result of this sale.

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, April 30, 1985.

Hon. RICHARD C. LUGAR,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: Pursuant to the reporting requirements of Section 36(b) of the Arms Export Control Act, we are forwarding under separate cover Transmittal No. 85-25, concerning the Department of the Navy's proposed Letter of Offer to Korea for defense articles and services estimated to cost $50 million or more. Since most of the essential elements of this proposed sale are to remain classified, we will not notify the news media.

Sincerely,

GLENN A. RUDD,
Acting Director.

[Transmittal No. 85-25]

NOTICE OF PROPOSED ISSUANCE OF LETTER OF OFFER PURSUANT TO SECTION 36(b) OF THE ARMS EXPORT CONTROL ACT

(i) Prospective purchaser: Korea.

(ii) Total estimated value: Major Defense Equipment [1] and Other (Deleted).

(iii) Description of articles or services offered: (Deleted).

(iv) Military Department: Navy (SBN).

(v) Sales commission, fee, etc., paid, offered, or agreed to be paid:

(vi) Sensitivity of technology contained in the Defense articles or Defense services proposed to be sold: None.

(vii) Section 28 report: Included in report for quarter ending December 31, 1984.

(viii) Date report Delivered to Congress: April 30, 1985.

POLICY JUSTIFICATION

(Deleted).

(Deleted).

This sale will contribute to the foreign policy objectives of the United States by helping to improve the security of a friendly country which has been and continues to be an impetus for modernization and progress in Eastern Asia. The sale of this equipment and support will enhance deterrence and contribute to the preservation of peace and stability on the Korean peninsula.

(Deleted).

The sale of this equipment and support will not affect the basic military balance in the region.

The prime contractor will be Rockwell International of Columbus, Ohio.

Implementation of this sale will require the assignment of two additional U.S. Government personnel for three months and four contractor representatives for 12 months to Korea.

There will be no adverse impact on U.S. defense readiness as a result of this sale.●

S. 1048—THE ANTIFRAUDULENT ADOPTION PRACTICES ACT OF 1985

● Mr. BENTSEN. Mr. President, yesterday, I joined with my distinguished colleague from Alabama, Senator DENTON, in introducing the Antifraudlent Adoption Practices Act of 1985, S. 1048. I joined with my colleague as an original cosponsor of that legislation.

I have read reports about a small group of unlicensed independent adoption brokers that may have defrauded nearly 40 couples of up to $7,000 apiece by promising to find them adoptable babies.

Allegations of deceptive adoptive practices by this group have been made by couples in at least 20 States—from Hawaii to Pennsylvania. And if the accused brokers are to be believed, the actual number of fraudulent agreements may be as high as 400. One of the serious allegations stemming from these reports is the charge that pregnant women are smuggled into the United States as a way of circumventing immigration requirements relating to adoption.

Unfortunately, Mr. President, the seamy scenario I have described may only represent the tip of the iceberg in the largely unregulated world of international and interstate adoption. A reveiw of recent adoption statistics points to this unfortunate conclusion. Last year, according to the National Committee for Adoption, an estimated 2 million American couples were waiting to adopt children. Of these, only 60,000 were able to obtain a child. Foreign and interstate placements account for nearly 14 percent of reported adoptions—we have no reliable estimates of unreported independent placements.

As an adoptive parent I sympathize with the desire of all prospective parents to bring a child into their homes. And I believe that States, whose jurisdiction over family law is well established, should continue to exercise primary responsibility for regulation of adoption practices. However, because a significant number of adoptions occur outside the reach of State statute, the Federal Government has a responsibility to insure against deliberate and unconscionable deception of vulnerable children and their families—both natural and adoptive.

Under the provisions of our bill, the Federal Government would work in concert with States to supplement—and not supplant—State adoption statutes. This much needed measure would make fraudulent practices by an adoption service that operates between States or internationally a Federal crime punishable by a fine of up to $10,000 and imprisonment of up to 5 years. Enactment of this bill will provide access to the Federal courts for both prospective parents and pregnant mothers. In addition, this legislation will direct the Secretary of Health and Human Services to join with States in reviewing all adoption legislation to determine whether improvements in

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[1] As defined in Section 47(6) of the Arms Export Control Act.

existing law should be made as a means of better insuring that adoptive children and their parents are protected.

I hope my colleagues will agree with the objective of this bill and join us to secure its swift passage.●

ACID RAIN

● Mr. D'AMATO. Mr. President, I rise today in support of S. 283, introduced by my distinguished colleague, Senator MITCHELL. I am pleased to be added as a cosponsor of this bill.

In the past, I have indicated my support for a similar bill, S. 52, which is also pending before the Committee on Environment and Public Works, and I continue to support that bill. In cosponsoring both S. 283 and S. 52, I want to make it clear that I am ready to back any reasonable proposal which will substantially reduce sulfur dioxide emissions. We simply cannot tolerate any further delays in reducing this pollution. I am tired of proposals which suggest we should postpone action until we have more studies or more discussions. This is a problem that is going to cost us valuable, irreplaceable resources if we fail to act quickly.

Acid rain is a growing concern in the State of New York, not only for its detrimental effects on aquatic chemistry and life, but also for the increasing appearance of problems with our forests, crops, and even our drinking water.

As I regularly visit the beautiful Adirondack region, I have been particularly concerned over the damage in that area. As a rule, the Adirondack lakes do not have enough natural buffering capacity to neutralize the detrimental effects of acid rain. The combined effect of the damage to the forests and the loss of sport fisheries has cost the region millions of dollars in lost tourism. Acid rain is a growing disaster. It has even scarred the Statue of Liberty.

Mr. President, I do not believe, as some would propose, that we should simply study this problem over and over before taking action. Without prompt action, this problem will grow. A lake can take only so much acid; after a point, it may lose its fish and plant life forever. Some of our lakes have passed that point, while others are drawing dangerously close. Once acid rain has laid waste a forest, it takes decades for the trees to grow back.

Worse yet, acid rain may do harm we are only starting to understand. If enough acid gets into a reservoir, it might release aluminum and mercury from the bottom, with serious implications for our drinking water supplies. Acid might also leak lead from the pipes in water delivery systems. The health effects are still unknown, but the possibilities are disturbing.

The single greatest source of acid precipitation is believed to be sulfur in coal burned by electric utilities. Nationally, emissions of sulfur dioxide are running at about 25 million tons per year.

S. 283 would require sulfur dioxide emissions to be reduced by 10 million tons per year by 1994. I want to make it clear that I believe that those responsible for this pollution should bear the costs of these reductions. The message is simple: we have to cut down on the air pollution that causes acid rain—and we have to make the polluters pay.

The citizens of New York are extremely concerned about acid rain. The overwhelming majority of New Yorkers who have contacted me on this issue have indicated that they support strong acid rain legislation—even if it means slightly higher utility bills. They do not want to see Congress delay action through more hearings. They do not want to see Congress delay action through more discussions. They do not want to see us authorize more studies which do nothing to actually accomplish a reduction in emissions. They want a solid, strong acid rain control program, and they want it now.●

ADVANCE NOTIFICATION—PROPOSED ARMS SALES

● Mr. LUGAR. Mr. President, section 36(b) of the Arms Export Control Act requires that Congress receive advance notification of proposed arms sales under that act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon receipt of such notification, the Congress has 30 calendar days during which the sale may be reviewed. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Committee on Foreign Relations.

Pursuant to an informal understanding, the Department of Defense has agreed to provide the committee with a preliminary notification 20 days before transmittal of the official notification. The official notification will be printed in the RECORD in accordance with previous practice.

I wish to inform Members of the Senate that such a notification has been received.

Interested Senators may inquire as to the details of this advance notification at the office of the Committee on Foreign Relations, room SD 423.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, April 30, 1985.

In reply refer to: I-02275/85ct

Dr. M. GRAEME BANNERMAN,
Deputy Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR DR. BANNERMAN: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Northeast Asian country for major defense equipment tentatively estimated to cost $14 million or more.

Sincerely,

GLENN A. RUDD,
Acting Director.●

HARVESTING THE TAX CODE

● Mr. BOSCHWITZ. Mr. President, the current tax structure in our country provides for agricultural tax shelters that permit high-income investors to shelter nonfarm income in agricultural investments. This not only adds to our agricultural surpluses, but also costs our Government billions of dollars every year in lost tax revenues.

To remedy this situation, my esteemed colleague from South Dakota, Senator JAMES ABDNOR, has introduced legislation to limit to the national median family income ($23,600) the amount of off-farm income that can be used to offset a farm loss. This will help to make "farming the Tax Code" substantially less attractive to those in search of tax shelters. I commend Senator ABDNOR on having taken the leadership here in the Senate in addressing this problem in our tax structure and have added my name as cosponsor of Senate bill 244.

Recently, Newsweek magazine published an article on Senator ABDNOR's involvement with this issue. I ask that this article, "Harvesting the Tax Code" from the March 18 edition of Newsweek be inserted into the RECORD.

[From Newsweek, Mar. 18, 1985]

HARVESTING THE TAX CODE

The need for shelter is almost as basic as the need for food, and some enterprising humans have figured out a way to satisfy both. The past 20 years have produced a bumper crop of agricultural tax shelters, generally designed to shelter nonfarm income with farming losses. But in the midst of the deep agricultural depression, there is a growing belief that farming the tax code is making matters worse. Republican Sen. James Abdnor of South Dakota argues that the phenomenon "adds to our surplus-production problems," drives up land prices—and may even be accelerating soil erosion by encouraging the planting of marginal lands.

As a result, Abdnor is one of several farm-belt legislators leading a drive to make agricultural shelters less attractive. In terms of deals marketed to investors, such shelters

amounted to less than .5 percent of the $18.6 billion in limited partnerships sold in 1984, according to tax-shelter consultants Robert A. Stanger & Co. But the various types of agricultural shelters cut a wide swath through farming. In 1981 farm net income reported to the Internal Revenue Service totaled $8.5 billion; farm tax and operating losses equaled $16.3 billion.

Most of those losses were incurred by full-time farmers aiming to make a profit, but a large portion were reported by several kinds of tax-code farmers. An estimated 60 percent of farm operators also earn income off the farm—and they may incur tax losses in farming that they apply against their nonfarm income, sometimes leaving them with little or no tax liability. But there are, also, high-income earners—many of them professionals or celebrities—who live on or own farms that may produce as little as $1,000 in sales each year. These "gentlemen farmers" often use tax benefits from farming—such as investment tax credits or depreciation of farm equipment and livestock—to shelter nonfarm income; if they live on a farm, they may be able to deduct almost all their living expenses and generate huge tax losses. Finally, there are also passive tax-shelter investors who simply buy into an agricultural partnership, drawing many of the same tax benefits they would get from other forms of shelters.

Tax-code farming may produce a number of distortions in the economics of agriculture. Take, for example, the development of the "supercow"—a superior milk producer that is artificially induced to produce dozens of calf embryos a year. Because cows are eligible for investment tax credits, rapid depreciation and other tax benefits, these are bought and sold frequently, bidding up prices to stratospheric levels. And because they and their offspring are so good at producing milk, some dairy farmers complain that they are exacebating the nation's huge dairy surplus. "Is it fair? Hell, no," says George Morgan, a Walton, N.Y., dairy farmer who manages cows for investors. "But [I don't believe] the current tax system [is] fair at all."

Some economists think critics of tax-code farming overstate its ills. The current overproduction of cow embryos should be self-correcting; if the embryos "aren't very marketable," says Allen Bock, a professor of agricultural law at the University of Illinois, the business should shrink. Moreover, government dairy price supports are far more responsible for the dairy surplus than any number of supercows. Nonetheless, Abdnor has introduced a bill to limit to $23,600 the amount of off-farm income that any individual can offset with farm losses. The bill is considered a long shot, but if it passes, it could send many absentee farmers looking for shelter somewhere else.●

WINNIE MANDELA—A VOICE OF CONSCIENCE FROM SOUTH AFRICA

● Mr. KENNEDY. Mr. President, I would like to call my colleagues' attention to an article published in today's edition of USA Today. "We're Tired of Slavery; We Fight for Freedom" is a profoundly moving account of an interview with Winnie Mandela in Johannesburg.

At age 50, Winnie Mandela has spent almost half her life banned, detained, or banished. She has raised her children alone since her husband, Nelson Mandela, the leader of the African National Congress, was imprisoned in 1963 and sentenced to life imprisonment for leadership in the effort to achieve equal justice for all the people of South Africa.

Today in South Africa, black families are denied the most basic human rights by their Government—the right of children to grow up with their parents, the right of man and wife to be together, the right to make a home for those we love. Winnie Mandela's ordeal over the past two decades has been a continuing testament to the harsh injustices inflicted on the black majority by the racist South African regime and the abhorrent system of apartheid. Her courage and enduring commitment to justice are a symbol of the aspirations of the oppressed majority for justice and equal rights.

In the interview in USA Today, Winnie Mandela eloquently reminds us why it is as true in South Africa now as it was in America a generation ago that separate can not be equal. Her courage and unbroken spirit make her an inspiration to people all over the world who care about freedom and human rights. I ask that the full text of her interview, "We're Tired of Slavery; We Fight for Freedom," be printed in the RECORD.

The text follows:

[From the USA Today, May 2, 1985]

WE'RE TIRED OF SLAVERY; WE FIGHT FOR FREEDOM

USA TODAY. Your husband, Nelson Mandela, has been in jail for more than 20 years. How can he still be a respected leader of the African National Congress, which has been banned by the South African government?

MANDELA. Nelson is the embodiment of the aspirations of the people of this country. In him one sees the future of South Africa as embodied in the Freedom Charter, the document that was drawn by the people of this country in 1955. The Freedom Charter is the black man's political bible, the future constitution of this country. Mandela is the African National Congress—Mandela in exile and all the leaders in exile.

USA TODAY. You have been banned for 23 years. What does it mean to be banned?

MANDELA. To be banned means your house is literally turned into a prison by simply a stroke of a pen. I am under house arrest as well, which means I'm confined to my premises from 6 p.m. to 6 a.m. the following day. I cannot receive anyone during the house arrest hours. I can only see one person at a time. At any time in my life for the past 23 years, I have only been allowed to communicate with one person at a time.

USA TODAY. Why?

MANDELA. More than one is regarded by the racist regime as a social gathering. I am prevented from attending social gatherings. I may not enter school premises. I may not enter any institution. I may not enter any building where there are printing machines because I cannot disseminate any literature. A banning order means complete isolation from the reality of life.

USA TODAY. How has it affected your family?

MANDELA. I have never been able to play my role as a mother. I haven't been able to give my children any kind of normal life. One of the greatest prides of any parent, when a child reaches school-going age, is the pride of taking your child to the school the first time and introducing your child to the teacher.

USA TODAY. Have you ever been charged with a crime?

MANDELA. Never, with the exception of the time I was jailed and held incommunicado, held without trial in solitary confinement for 18 months. That was in 1969. I was charged with furthering the aims of communism, a charge that couldn't stick even in their courts, a charge that was thrown out by their own judges.

USA TODAY. What is the charge against Nelson Mandela?

MANDELA. High treason.

USA TODAY. The leaders of the ANC were all jailed for high treason in 1962?

MANDELA. Yes. None of those men has spilled an ounce of blood. None of those men was ever involved in any acts of terrorism. Those men have never lifted up a finger against any white man. Those men are sentenced to life imprisonment for political sabotage.

USA TODAY. There are over 20 million blacks in South Africa. If there could be an election by some miracle, how many people would vote for representatives of the African National Congress?

MANDELA. It could count on the masses of this country, with the exception of those who are the government's imposed leaders. It is difficult to give you statistics, but the majority of this country's blacks are members of the African National Congress.

USA TODAY. How do you respond to charges that you're really involving yourself in terrorism, not defense?

MANDELA. This is what they think they can continue deceiving the world into believing, that they are dealing here with a band of terrorists. The African National Congress never embarked on violence of their own accord. It launched the military arm in answer to the government's violence. It was the only honorable way, the only channel that was left after the government's total refusal to enter into any aspect of negotiation with the masses of this land.

USA TODAY. You oppose violence?

MANDELA. No sane man could take up arms, could resort to violence when there was an alternative. No sane man can embark on a course of violence for violence's sake. When Mandela delivered his speech the day he was sentenced to life imprisonment with the rest of the leadership, he said they wanted to guide the inevitable violence they saw coming. They wanted to contain it. They wanted to avoid loss of blood. Acts of sabotage were all over the country. People were beginning to express their anger in uncontrolled acts of violence, which led to mass deaths. The decision to embark on the armed struggle was not an easy one for the African National Congress. Our military arm of the ANC is named for the spear of the nation and that is the only tool we have had to defend ourselves with from the moment the white settlers arrived in this country.

USA TODAY. What was your reaction to the killing of the unarmed black protesters not long ago in the Port Elizabeth area?

MANDELA. That is the violence that continues to be the order of the day. The African National Congress leadership warned the government that with apartheid as it was and with the racist regime passing more and more racist laws, that could only lead to

more polarization between the races, that the laws were such that the people's anger could only be expressed by fighting a government that was not prepared for anything else other than violence.

USA TODAY. Why does that particular area see so much unrest?

MANDELA. Most of the trade unions are based there. The government continues to give an impression that it can divorce the black worker from the African National Congress.

USA TODAY. By forbidding involvement in politics?

MANDELA. Yes. For instance, one hears this common language from Pretoria that the worker should concern himself with his labor. But there is no aspect of a black man's life that is not political. The black worker doesn't have the same status as the white worker. How can the black worker not be part of the political stream when his very existence and position there in the factory is determined by apartheid laws, when he can never supervise a white. No matter how skilled or educated he is, he cannot supervise a white illiterate. How can the black worker not be a politician?

USA TODAY. What do you mean a politician?

MANDELA. Your blackness is a commitment. Your own existence, the fact that you live in an area that is designated for you at the stroke of a white man who is governing you. I cannot live where I please. I cannot work where I please. I am in exile. My people cannot sell their labor as they please. The country is bled dry economically today by a racist government that refuses to dismantle apartheid. In this country, a government has to do each item—no matter how infinitesimal—four times. For instance, schooling: There has to be a school for whites, a school for Indians, a school for coloreds, and a school for blacks.

USA TODAY. What should opponents of apartheid around the world do?

MANDELA. The West refuses to understand what we mean by saying leave us alone. We are tired of being well-fed slaves. We want to fight for our freedom on empty bellies. Stop sustaining and maintaining apartheid. Stop financing apartheid. Again, the white man prescribes for us. He tells us we will suffer, as if we have not been suffering.

USA TODAY. Should U.S. firms stop investing in South Africa?

MANDELA. The country is as it continues today because of the apartheid laws. Had it not been for the fact that it continues to be financed by the West, we probably would have been 10 years in advance today in our fight for our liberation. This country has continued to bleed the international community to finance apartheid. This is what the West does not want to understand. Disinvestment is the only other peaceful measure we know of. All other avenues have been closed to us. That is why we say stop supplying a racist regime with arms that kill us, stop giving them money to finance apartheid that is killing our people. We, too, thirst for the dignity of ourselves, and for that dignity we are prepared to go hungry.

USA TODAY. Why did your husband refuse the government's offer of freedom?

MANDELA. You do not jail men for life for their ideological beliefs and still insult them by offering release under exactly the same conditions that drove them to prison 23 years ago. Mandela is not in prison because he is fighting for his own individual freedom. Mandela is in prison, and the rest of the leaders are in prison, for the freedom of the people of this country.

USA TODAY. What happens now? Is this the beginning of a bloody revolution?

MANDELA. It is not the beginning; it is the protracted revolution. It started the day the Afrikaner closed the chapter of negotiation with the people of this country, the day the Afrikaner jailed the leadership. It began then.●

COSPONSORING S. 925—TO WITHDRAW MOST-FAVORED-NATION STATUS FROM THE ILLEGAL GOVERNMENT OF AFGHANISTAN

● Mr. D'AMATO. Mr. President, I rise today to cosponsor legislation, S. 925, introduced by my good friend, the senior Senator from New Hampshire and the chairman of the Congressional Task Force on Afghanistan. S. 925 would withdraw most-favored-nation status from the illegal Government of Afghanistan. Such action will represent a commitment on behalf of the United States to stand fully behind the freedom fighters seeking to remove the Karmal regime. It seems only consistent that, while we support the Afghan freedom fighters, we should withdraw most-favored-nation status from the Soviet puppet regime which has consciously accompliced Soviet attempts to obliterate the Afghan people.

This war has been primarily fought by the Soviet Army. After 5 years of brutal fighting, 115,000 Soviet soldiers are stationed within Afghanistan, while another 35,000 to 40,000 are on the Soviet border available at a moment's notice. Due to the Soviet's scorched earth policy and indiscriminate bombings, over 4 million Afghans have either been killed or forced to leave their country. Those Afghans who are brave enough to stay and resist Soviet domination are subject to antipersonnel mines, indiscriminate bombing, and chemical warfare. The Soviets have even restored to dropping toy bombs or "butterflies" from planes by the thousands. Hundreds of children roam Pakistani refugee camps devoid of hands and feet, thanks to these toys.

Against the might and brutality of the Red Army, the Mujahidin, or Afghan freedom fighters, have not relented. For the Soviets, they have turned the quick annexation once hoped for into a quagmire. In combat, they have killed between 8,000 and 9,000 Soviet soldiers and have inflicted 25,000 Soviet casualties. The Soviet Union can claim only 10 to 15 percent of this nation under its undisputed control. In short, the Afghan people will continue to fight until the Soviet oppressors have been removed from their soil. The United States must applaud this effort and must continually and consistently take actions to aid the freedom fighters.

On the first day of the 99th Congress, I introduced a resolution, Senate Resolution 34, which would turn the spotlight of world attention to the tragedy in Afghanistan. My resolution condemns the Soviets for their 5 years of military occupation and subjugation of the Afghan people and calls upon the President to supply the Afghan freedom fighters with all needed medical, military, and food aid. I believe Senate Resolution 34 and S. 925 depict the true sense of this Congress on the brutal atrocities of the Soviets toward the people of Afghanistan, and the need of the United States to fully support those Afghans seeking to repel the Soviet Army from Afghan sovereign lands. As the leader of the free world, the United States must support the quest for freedom worldwide, especially in Afghanistan.

Mr. President, I urge the adoption of both of these bills.

Thank you, Mr. President.●

SECURITIES SAFETY AND SOUNDNESS ACT OF 1985

● Mr. DOMENICI. Mr. President, in case my colleagues did not have an opportunity to read the most recent edition of Business Week, I would like to share with them an excerpt from the magazine's cover story on executive pay. The story shows that not only is T. Boone Pickens one of the savviest entrepreneurs to hire Wall Street, but also that he is one of the most highly compensated executives in corporate America. As a matter of fact, Pickens ranked No. 1 with a total compensation package of $22 million annually.

I insert this story in the RECORD, not because of his salary. I do not know if he is worth it or not. But any notion that a takeover of a company by Pickens will automatically benefit stockholders should be dispelled by this article. I ask that the article be printed in the RECORD.

The article follows:

DOES BOONE PICKENS PRACTICE WHAT HE PREACHES?

Mesa Petroleum Co. Chairman T. Boone Pickens Jr. had just finished another sermon on the "sunset" oil industry and its wastrel leaders. It was a well-worn speech on how big oil companies are liquidating themselves and should share their huge cash flows with stockholders.

The meeting was packed with independent oilmen in awe of the messenger of doom for Cities Service, Gulf, Phillips—and now perhaps Unocal. Still, there was one doubting Thomas. From back in the crowd, he asked: "What are the Mesa shareholders getting out of all of this?"

The question follows Pickens everywhere these days, as Mesa's stock trades at about $17 a share, up almost 30% from early 1984, when it looked as if Gulf Oil Corp. might escape from Mesa and leave it with big losses. But it is down from $22 last December and is only half of the 1981 high of $34.

LOWEST PROFITS

Meanwhile, Pickens has emerged as the highest-paid executive of any public compa-

ny, earning $22.8 million last year. "He's gone too far," chides one Mesa alumnus. Pickens retorts that he is getting his just rewards: "I've never questioned a corporate executive making money if he makes money for stockholders, and I make a lot of stockholders."

The facts, though don't support his claim. Even though Mesa posted a 34.2% return on equity in 1984, it yielded only a 7% return to shareholders in the past three years. Pickens' millions made him the CEO who produced the lowest profits and shareholder gains for his pay (table, page 81).

Mesa's board awarded Pickens a salary and bonus of $4.2 million in 1984—more than he earned in the prior three years combined. And after Mesa "lost" Gulf to Chevron for a profit of some $700 million, Mesa Director Cyril Wagner Jr. proposed that Pickens and a few aides get a $20 million bonus. It was approved in "deferred compensation units" that could be used to play along with Mesa in future takeover attempts. Pickens' share: $18.6 million.

Mesa's board also made Pickens a gift of an additional $7.6 million in "loan" chits for speculating—at no risk—on future deals. This allowed him to earn $5.5 million, or almost 7% of Mesa's profits, on the forced restructuring of Phillips Petroleum Co. earlier this year. Thus, Pickens is already a shoo-in to make 1985's best-paid list.

His defenders note that besides being his own investment banker, Pickens assumed hands-on responsibility for oil and gas exploration at Mesa after cleaning house last year. "If it weren't for Boone Pickens there would be no Mesa," says Wales H. Madden Jr., an Amarillo (Tex.) lawyer and Mesa director. "He's worth every penny he's paid." Presumably so are Mesa's directors, whose 1985 pay has been doubled to $50,000, plus expenses.

Madden admits that a shareholder suit is possible over Pickens' pay. If so, it will be the second. The first was over the options for 6 million shares at $11.50 awarded to Pickens in 1979. Pickens settled the suit by taking only 4.8 million options, which still would bring him up to 9% of the company, and are worth about $30 million.

Despite $1 billion in gains since 1981 from losing out to higher bidders in each of its forays, Mesa has neither upped its meager dividend nor bought back its stock to split the booty with shareholders. Mesa's dividend payout last year totaled $14 million—far less than Pickens' pay.

Nor has Mesa replaced its oil and gas reserves through exploration. Last year it resorted to buying back reserves in a tender offer for the Mesa Royalty Trust it had spun off to shareholders in 1979. Pickens was the largest unit-holder in the trust. From a high of $45 per unit in 1980, the trust had sunk to $29. Mesa offered $35.

"I don't know any other CEO that has done as much for shareholders as I have," says Pickens. Even though Mesa's stock price has slumped, Pickens contends that's just Wall Street's fretting over his takeover attack against Unocal. Moreover, Mesa still sells at about 90% of appraised breakup value—twice the ratio for most major oils.

GOING DOWNHILL

The real payoff for Mesa shareholders may be just around the corner, says Alan L. Edgar, an oil analyst at Schneider, Bernet & Hickman Inc. in Dallas. If Pickens can wrest control of Unocal for $54 a share, or about $9 billion, he can then take Mesa private by borrowing on the remainder of Unocal's assets. Pickens himself has recently been a big buyer of Mesa stock. If he loses Unocal to a higher bidder, the profit could still allow a Mesa leveraged buyout.

Such speculation is not new and is small consolation to longtime shareholders. Says an ex-Mesa officer. "His credibility is really going downhill."●

TRI-INDUSTRIES, INC., SMALL BUSINESS CONTRACTOR OF THE YEAR

● Mr. LUGAR. Mr. President, I would like to share with the Senate the outstanding achievement of a Terre Haute, IN, manufacturer which will be honored for its record as the top Federal procurement prime contractor in a six-State region. The firm, Tri-Industies Inc., was selected as the outstanding prime contractor in the Small Business Administration's Region V which encompasses Illinois, Indiana, Michigan, Minnesota, Ohio and Wisconsin. I ask that my remarks be printed in full:

The remarks follow:

INDIANA MANUFACTURER SELECTED REGIONAL SMALL BUSINESS CONTRACTOR OF THE YEAR

Tri-Industries, Inc., a Terre Haute, Indiana, manufacturer will be honored in Terre Haute, May 3, 1985, and in Washington, D.C. next week during National Small Business Week for its outstanding record as a federal procurement prime contractor. It is indeed a joy and honor to join in the accolades due this constituent firm, which was selected by the Small Business Administration as the outstanding prime contractor in a six-state region encompassisng Indiana, Illinois, Michigan, Minnesota, Ohio and Wisconsin.

Tri-Industries is a precision manufacturing house of combustion components and other major components for military and commercial manufacturers of gas turbine engines. Founded in 1955 by Vernon Hux, Tri-Industries has grown from a five-man operation to a modern plant employing 200 people. Vernon Hux is a veteran of 39 years of achievement in the machine trades industry, with 34 years experience in the aerospace industry.

I toured Tri-Industries in December, 1984, and can attest to the quality management and dedicated workforce of the company. The aerospace industry has changed dramatically in the last 30 years as manufacturers and designers have sought to keep pace with advances in aerospace technology. Tri-Industries' committment to quality, service, and economy has made it an integral part of the aerospace component field and will enable it to shape the future of the aerospace industry.

In the last year, the company has invested more than $5 million in facilities and equipment, including a move to a new physical plant which doubled the firm's size. Projections call for Tri-Industries' sales to double in the next two years and employment to increase by an additional 50 percent.

Tri-Industries selection as the outstanding prime contractor in SBA's Region V and third nationally attests to the company's unmatched excellence in the design and manufacture of aerospace components. And while we pause today to congratulate Tri-Industries on their past achievements, I am convinced that the company stands ready to meet future challenges with the same commitment to excellence.●

SAVE THE LAND BETWEEN THE LAKES FACILITY

● Mr. GORE. Mr. President, I present to the Senate a petition signed by 513 citizens from Stewart County, TN, in support of continued operation of the TVA Land between the Lakes Facility.

The petition follows:

We the undersigned residents of Stewart County oppose any reduction or change in status of land between the lakes.

JIMMY G. FITZHUGH
(And 512 others).●

NATIONAL DAY OF PRAYER

Mr. ARMSTRONG. Mr. President, our Nation has been blessed by God as no other nation in the history of mankind. Therefore, it is fitting that the President has proclaimed today the 33d consecutive National Day of Prayer, in humble acknowledgement of the God of our Founding Fathers for his graciousness to us these past 200 years.

Observances of a National Day of Prayer date back to 1775, when the Continental Congress declared the first one. Through the succeeding decades other national days of prayer were declared from time to time until 1952, when, by joint action, the two Houses of Congress established the custom of a National Day of Prayer on annual basis. By this action, the Nation's Chief Executive was instructed to set aside one such day each year.

During the Constitutional Convention in 1783, Benjamin Franklin reminded his colleagues of the active role that the hand of divine providence had played in their struggle against tyranny. He said:

When we were sensible to danger we had daily prayer in this room for divine protection. Our prayers, Sir, were heard, and they were graciously answered * * *. And have we now forgotten that powerful Friend? Or do we imagine that we no longer need his assistance?

In 1863, during the most critical juncture of our Nation's history, Abraham Lincoln once again appealed to divine providence for His assistance when he declared a Day of Humiliation, Fasting and Prayer. He said:

It is the duty of nations, as well as of men, to own their dependence upon the overruling power of God, to confess their sins and transgressions * * * and to recognize the sublime truth, announced in the Holy Scriptures and proven by all history, that those nations only are blessed whose God is the Lord * * *.

Across the Nation today, thousands of people took 5 minutes at noon to express their thanks to God and pray for his continued blessing upon this Nation and its leaders. Quite frankly, I find this a tremendous encouragement

to know that many of the people of this great country willingly took their time to do this. And I would hope that the American people would begin from this day forward to make it a daily habit to pray for their leaders, both in Washington, DC, and in their home States.

If Benjamin Franklin and Abraham Lincoln were alive today, I believe they would remind us of the importance of continuing to seek divine guidance as we address the many complex and critical issues facing our Nation today and in the days ahead of us. What we do here today, this week, this month, this year, will profoundedly affect future generations of Americans, as our past has deeply influenced us. We cannot afford to forget the blessings of our past as we seek to perform our God given responsibilities.

Mr. President, the National Day of Prayer is a truly significant day in the spiritual life of the Nation. To give my colleagues some idea of the events and observances that have occurred around the Nation this day, here is a brief summary of the activities as compiled by Mrs. Bill Bright, chairman of the National Day of Prayer Committee:

More than 20 States and over 50 cities have issued proclamations declaring May 2 a Day of Prayer.

In observance of this year's theme, "Take 5 at 12" church bells and chimes all over America will sound a national call to prayer.

As many as 58 prayer breakfast and luncheon observances will take place from Oregon to Florida and California to North Carolina.

State and local coordinators have indicated that rallies are planned on the steps of city halls in at least 15 major cities.

One mayor of a large southern city city sent a copy of his proclamation to all pastors in the city encouraging them to observe the Day of Prayer.

In Las Vegas, NV, the State coordinator has secured the donation of seven electronic billboards—reader boards—to communicate the "Take 5 at 12" challenge. They were in such strategic places as the entrance and the exit to the airport, on the main strip, a shopping mall, and a sports arena.

The Florida coordinators are hosting a dinner party for over 400 civic and religious leaders at which a State representative will be featured.

The Governor of Florida made a special 30-second and 60-second public service announcement encouraging Floridians to join in prayer for their State and Nation on May 2.

CNN, the cable news network, is featuring the National Day of Prayer on their network around the world, as is Super Station WTBS.

Untold thousands of National Day of Prayer table tent literature were printed and displayed in restaurants all over the Nation who ordered camera-ready artwork.

In Washington, DC, today construction workers will be asked to "Take 5 at 12" as they open their lunchpacks and read one of the 12,000 fliers a lunch canteen owner has placed in them.

Many small businesses are closing at noon to allow their employees to take time to pray for our Nation.

Across our Nation, executives have informed us that they are encouraging their employees to take time at noon or during the day for prayer for our country.

In California, an 85-year-old man wanted to inform his city about the Day of Prayer, so he went to the mayor and secured a proclamation. He then, at his own expense, printed 100 posters about the day and took them around to the businesses. The response from this multiracial community was so great, that he had to reprint about 1,000 more.

The Reverend Billy Graham is in Hartford, CT, today speaking to 2,000 pastors. At noon he will lead them in a time of prayer for our Nation.

The National Day of Prayer Task Force has distributed literature to over 21,000 people and organizations including almost 12,000 press release packets.

I would like to offer my thanks and encouragement to all those who took part in observing the National Day of Prayer today. At this point I would further ask unanimous consent that the President's proclamation of the National Day of Prayer be inserted into the RECORD.

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

NATIONAL DAY OF PRAYER, 1985

(By the President of the United States of America)

A PROCLAMATION

The history of the American Nation is one of conviction in the face of tyranny, courage in the midst of turmoil and faith despite the rolls of doubt and defeatism. Throughout our 208 years of freedom, the people of the United States have drawn upon the lessons learned at the dawn of our liberty by acting "with a firm reliance on Divine Providence" and expressing gratitude for the many blessings a loving God has showered upon us.

These lessons have not been learned and honored without difficulty. During the Revolutionary War, the Continental Congress proclaimed a National Day of Prayer each year for eight years, a practice that ended with the winning of the peace in 1783. Decades later, while the Civil War raged, this observance was renewed by Abraham Lincoln. Responding to a Senate Resolution requesting the President to designate and set apart a day for prayer and humiliation, Lincoln said that "intoxicated with unbroken success, we have become too self-sufficent to feel the necessity of redeeming and preserving grace, too proud to pray to the God that made us." He then called the Nation to prayer.

Our very existence as a free Nation, then, has provided potent witness to the efficacy of prayer. Grover Cleveland, in his First Inaugural Address, said, "Above all, I know that there is a Supreme Being who rules the affairs of men and whose goodness and mercy have always followed the American people, and I know He will not turn from us now if we humbly and reverently seek His powerful aid." Franklin D. Roosevelt, in his Fourth Inaugural Address, expressed the same thought, "The Almighty God has blessed our land in many ways . . . So we pray to Him now for the vision to see our way clearly—to see the way that leads to a better life for ourselves and for all fellow men—to the achievement of His will, to peace on earth."

Today our Nation is at peace and is enjoying prosperity, but our need for prayer is even greater. We can give thanks to God for the ever-increasing abundance He has bestowed on us, and we can remember all those in our society who are in need of help, whether it be material assistance in the form of charity or simply a friendly word of encouragement. We are all God's handiwork, and it is appropriate for us as individuals and as a Nation to call to Him in prayer.

By joint resolution of the Congress approved April 17, 1952, the recognition of a particular day set aside each year as a National Day of Prayer has become a cherished national tradition. Since that time, every President has proclaimed an annual National Day of Prayer, resuming the tradition begun by the Continental Congress.

Now, therefore, I, Ronald Reagan, President of the United States of America, do hereby proclaim May 2, 1985, as a National Day of Prayer. I call upon the citizens of this great Nation to gather together on that day in homes and places of worship to pray, each after his or her own manner, for unity of the hearts of all mankind.

In witness whereof, I have hereunto set my hand this twenty-ninth day of January, in the year of our Lord nineteen hundred and eighty-five, and of the Independence of the United States of America the two hundred and ninth.

RONALD REAGAN.

ORDERS FOR FRIDAY, MAY 3, 1985

ORDER FOR RECESS UNTIL 8:30 A.M.

Mr. DOLE. Mr. President, apparently there was some confusion about the earlier request. I renew the request and ask unanimous consent that when the Senate completes its business today it stands in recess until the hour of 8:30 a.m. on Friday, May 3, 1985.

The PRESIDING OFFICER. Without objection, the request is granted.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE ON FRIDAY

Mr. DOLE. Mr. President, and there was a request for the distinguished Senator from Wisconsin, Mr. PROXMIRE, to be recognized on a special order not to exceed 15 minutes. Was that properly put?

The PRESIDING OFFICER. Without objection.

Mr. DOLE. Is there any further business to come before the Senate?

Mr. BYRD. No.

RECESS UNTIL 8:30 A.M. TOMORROW

Mr. DOLE. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order just entered, that the Senate stand in recess until 8:30 a.m. tomorrow.

Thereupon, at 9:50 p.m., the Senate recessed until tomorrow, Friday, May 3, 1985, at 8:30 a.m.