SENATE—*Wednesday, March 5, 1986*

(Legislative day of Monday, February 24, 1986)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Our prayer this morning will be offered by the Reverend Ernest R. Gibson, executive director of the Council of Churches of Greater Washington, and pastor of the First Rising Mt. Zion Baptist Church, Washington, DC.

PRAYER

The Reverend Ernest R. Gibson, executive director of the Council of Churches of Greater Washington, and pastor, First Rising Mt. Zion Baptist Church, offered the following prayer:

Let us pray.

Gracious Heavenly Father, Father of our Lord and Savior, Jesus Christ, Thou Who hast created us in Thine own image and called us according to Thine own purpose, we thank You for this country, America, "the land of the free and the home of the brave."

We thank You for our Democratic government and the continued efforts to bring equality and justice to all of Your people. We thank You, Lord, for our legislative branch of government, the Congress, and especially the Senate. We thank You for the persons who have been elected by the people to serve in this body of government.

Lord, we believe that the Senators and their staffs are not only representatives of the people of this Nation but that they also are Your servants, to reflect Your will in government.

As Your servants begin this day of work, make each of them be sensitive to Your presence. Although, Lord, they may often find themselves "between a rock and a hard place," may their decisions indicate that they have heard Your requirement "to do justly, and to love mercy, and to walk humbly with their God." Through Jesus Christ our Lord. Amen.

RECOGNITION OF THE MAJORITY LEADER

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

SCHEDULE

Mr. DOLE. Mr. President, under the standing order, the leaders have 10 minutes each, followed by special orders for not to exceed 15 minutes by Senators HAWKINS, HEFLIN, BYRD, CRANSTON, MATSUNAGA, PROXMIRE, and PRYOR, then routine morning business not to extend beyond 11:30 a.m., with Senators permitted to speak therein for not more than 5 minutes each.

Following morning business, it is my hope that we could move to the agriculture package. The debate last evening indicated there might be some hope of doing that today, at least getting it before the Senate so that amendments can be offered. This is a very critical time for farmers. We must act today. It would also be very helpful to the House if the Senate took action on these various provisions. And again I think there is wide support for the package, just difficulty in placing it before the Senate because we need unanimous consent. As long as someone objects, of course, it frustrates the will of the majority. So I would hope that those who have objections will let us proceed. They may offer amendments and otherwise deal with the concerns they have.

We also hope to have an agreement on armor-piercing bullets, and we also hope to take up today the CCC supplemental appropriations and the committee funding resolution. There are other bills which are available if we have time this week.

I think it is fair to say that we will have a session and votes on Friday. We will be on the balanced budget amendment. I have indicated as part of the agreement not to move to that until tomorrow that we would want to be in session on Friday, so I would urge my colleagues to be alert to that. There will likely be amendments and votes on Friday unless something else occurs in the meantime.

CHARLES A. HALLECK

Mr. DOLE. Mr. President, on March 3, the United States lost one of its finest public servants, former House Majority and Minority Leader Charles A. Halleck, Republican of Indiana.

Charlie Halleck and I served together only a short time before he retired. But it was clear that his wisdom and ability were stamped on the institution, and remain so today.

Interestingly, Charlie Halleck and I started our political careers in the same way—as prosecuting attorneys—Charlie for the Jasper-Newton County Circuit—and in the State legislature.

During the 17 consecutive terms he served in the House of Representatives, Charlie Halleck earned a reputation as a consummate legislator. In fact, President Dwight D. Eisenhower called him "the greatest legislator I have ever seen."

His joint press conferences with Senator Everett Dirksen, known as "the "Ev and Charlie Show" made Charlie Halleck a household name throughout America.

Despite his loyalty to the Republican Party, Charlie Halleck, whether as House majority or minority leader, always played fair with Members on both sides of the political aisle.

As Eisenhower wrote in the forward to a biography of Charlie:

> Charles A. Halleck has been an exemplary public servant. He has been foremost a patriot. He has demonstrated many times not only political courage but a high order of selflessness in service to our Nation. He has been faithful to friends, a hard hitting but fair partisan, a dynamic and effective leader, and always a respected advocate of his views.

That is a most fitting eulogy to an outstanding American, Charles A. Halleck.

RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. WARNER). The minority leader is recognized.

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

ORDER OF BUSINESS

Mr. BYRD. Mr. President, Mr. PROXMIRE and Mr. PRYOR have special orders on this side, also Messrs. LEVIN, BYRD, CRANSTON, and MATSUNAGA have special orders on this side. The request which I shall make will only shift certain of our orders on this side and concentrate others in one Senator.

I ask unanimous consent that the orders for Messrs. PROXMIRE and PRYOR proceed after Senator HAWKINS has completed her order and prior to the orders by the other four Democrats.

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

Mr. BYRD. Mr. President, I ask unanimous consent that the orders for BYRD, CRANSTON, and MATSUNAGA be under the control of Senator HEFLIN.

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

Mr. BYRD. Mr. President, I ask unanimous consent that I may reserve the remainder of my time.

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

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

Mr. BYRD. Mr. President, I yield the floor.

RECOGNITION OF SENATOR HAWKINS

The PRESIDING OFFICER. The Chair recognizes the Senator from Florida.

DRUG USE IN AMERICA—REPORT BY PRESIDENT'S COMMISSION ON ORGANIZED CRIME

Mrs. HAWKINS. Mr. President, I rise today to commend the President's Commission on Organized Crime for the release of its 455-page report on drug use in America. This, the first in a series of reports on organized crime, underscores the severity of the problem we face as we begin to carry the drug war to the enemy. The report finds that organized crime fills its coffers each year with blood money to the tune of $110 billion and that these profits make up 40 percent of the criminal activity in this country. That is $20 billion more than the income of the world's largest company, Exxon. It is one-third the size of the annual U.S. defense budget. It is many, many times the amount of money that our Government spends to fight the war on drugs. In short, this report confirms what those of us involved in the war on drugs have known for some time—we face a cold, calculating, deadly, and well-financed enemy.

Fortunately the report does not stop at describing the problem. It also offers scores of thoughtful, well-considered ideas on how to carry the war to the enemy. The key is to limit demand. Yesterday I pointed out how development experts at a meeting in Trinidad, Bolivia, found that "the huge market for narcotics promotes large-scale clandestine farming of coca leaves, which in turn hampers the social and economic development of the Amazon countries and in some cases reduces the effectiveness of regional development organizations." In short, these development experts were pointing the finger at the United States and saying that many of their drug related problems are connected to the American demand for illegal narcotics.

An independent report by the Limited Financial Consultants organization of La Paz, Bolivia, confirmed that the vast majority of land under cultivation for coca is used to meet American demand for cocaine. Their report on Andean coca production estimated that only 20 percent of the annual coca leaf production is used for culturally related chewing. The remainder is used to satisfy the huge demand of the American market.

There is no question in my mind that we in the United States must take steps to bring the demand for illegal narcotics under control. Toward this end, one of the Commission's recommendations is to require drug tests of all Government employees, and to prohibit the awarding of Federal contracts to employers that do not begin drug testing programs. In addition, it highly recommends drug testing on the part of all private employers.

In spite of the fact that the Commission was headed by Judge Irving Kaufman of the Second U.S. Circuit Court of Appeals, a man who should have a sense of what is and what is not unconstitutional, this recommendation has been attacked by the American Civil Liberties Union and the American Federation of Government Employees as unconstitutional. They say it is a violation of the fourth amendment relating to unwarranted search and seizures. They say that a person would be considered guilty until proven innocent. I say, nonsense. Am I guilty of being a terrorist simply because I have to walk through a metal-detector before I board an airplane. Of course not. It is a reasonable precaution to take to address a serious national problem. I believe the same is true of the Commission's recommendation on drug testing.

The fact is that there is much in common with the problems of the illegal use of drugs and terrorism. They both undermine society, and are a threat to our way of life and our future. It is no wonder that in the international arena we find increasing evidence of the link between drug trafficking and terrorism. The Commission's report says the following about the increasing ties between drug traffickers and terrorists, and I quote:

> Traffickers supply terrorists with American currency and weapons in return for protection and assistance in smuggling activities. While terrorists and insurgents do not currently control significant portions of the drug trade, the profit potentially realized from even isolated drug transactions could provide sizeable revenues for a militant cause . . .
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> . . . Terrorists and insurgents funded through drug trafficking could very conceivably become powerful enough to disrupt governments in a number of countries presently allied with the United States, and thus pose a serious threat to this country's national security . . .

Mr. President, the Commission has made numerous recommendations ranging from repeal of the Mansfield amendment to increasing emphasis on drug prevention, to lifting the $20 million cap on seized drug assets that can go to drug enforcement agencies. We may not like all of these ideas, but this report is a well-considered document that deserves our careful study.

RECOGNITION OF SENATOR PROXMIRE

The PRESIDING OFFICER. Under the previous order, the Senator from Wisconsin [Mr. PROXMIRE] is recognized.

HOW MIDGETMAN ADVANCES THE CAUSE OF NUCLEAR PEACE

Mr. PROXMIRE. Mr. President, do we ever advance arms control by building additional nuclear missiles? Answer: Yes. When? How? Under what circumstances? Isn't arms control a matter of reducing nuclear arms? Doesn't any addition to our already excessive supply of nuclear arms contradict the very purpose of arms control? No. It does not. What is the purpose of arms control? Simple. The purpose of arms control is to prevent a superpower nuclear war. That's it. Nothing else. How do we prevent nuclear war? Consider that for the 40 years of the nuclear age, there have been 40 years of nuclear peace. Why? Did arms control play the major part in securing and keeping that peace? No. It played a strictly minor role. Let's not kid ourselves.

We have not kept the peace because of any of the five major arms control treaties between the Soviet Union and the United States. We have not kept the peace because either or both sides have restrained the growth and power of their nuclear arsenals. All during this era of peace the nuclear arsenals of the two superpowers have enormously increased their capacity to deliver a nuclear payload and a totally devastating payload on the adversary. Oh sure, the United States has decreased the megatonnage of its arsenal. We have retired many of our biggest and heaviest nuclear weapons. But we have steadily improved the accuracy and reliability of our nuclear military power.

How can bigger nuclear arsenals for the two superpowers move them toward peace? The answer is deterrence. Why do the President of the United States and the leader of the Soviet Union now both agree that a nuclear war can never be won and must never be fought? Is it because of any present arms control treaty? No. It is because each superpower knows the other has the capability to survive a preemptive strike at least to the point that it could retaliate with a counter punch that would completely destroy the initiator of the first strike. Deterrence not arms control has convinced both sides that they would lose a nuclear war and lose big. Does that mean there is no place for arms control and only the threat of nuclear weapons counts? No, indeed. We cannot achieve peace without arms control. Arms control is quintessential for peace. And yet, by itself, it is not enough. Without arms control, the nuclear arms race can quickly veer off into the production of more and more first strike offensive weapons and de-

fensive weapons calculated to permit the superpower striking first to prevent the adversary to retaliate.

Arms control can make its big contribution to peace not by trying to achieve the impossible dream advanced by both President Reagan and Secretary Gorbachev. The two leaders have both talked of an ultimate objective—to be achieved through arms control—of the total banishment of all nuclear arms from the face of the Earth forever. Obviously both are striving to occupy the high moral ground. In asserting such a dreamy and impossible objective for arms control, both Gorbachev and Reagan are grossly misstating what arms control can do. Arms control cannot eliminate all nuclear arms everywhere and forever. It can help channel the production of arms into more stable areas. It can see that both sides produce nuclear arms that will enhance deterrence and discourage a first strike.

Mr. President, this is exactly what the recent struggle over the Midgetman missile is all about. Members of Congress lead by Senator GORE, Congressman ASPIN, and others, tried to head off the MX missile by persuading the administration to choose a mobile single warhead missile—the so-called Midgetman instead. The Gore-Aspin purpose was to give our land-based missiles something like the invulnerability our submarine and bomber missiles enjoy. The stationary, land-based, 10 warhead MX is the prime example of a missile that has the advantages of pinpoint accuracy, and devastating power plus the economy of 10 independently targeted warheads in a single missile. So much for the MX advantages. It has the far more serious disadvantage of conspicuous vulnerability. It is stationary. Once the Soviets find it, they know its location forever. It concentrates 10 warheads in one target. Obviously it would become objective No. 1 in any Soviet attack. The Midgetman on the other hand is mobile. The Soviets would have to track it night and day. They could and would often lose it. And if they did hit it, what would they hit? A single warhead. What does this mean? It means the MX would certainly appear to the Soviets to have a single mission. That mission would be to give this country the capacity for a preemptive strike. We know the MX would be unlikely to survive a strike by the Soviets. Now this is further complicated by the SDI or star wars system.

SDI advocates claim that even if star wars cannot defend our cities it would defend our nuclear weapons and especially it could defend the MX. The administration can argue that star wars makes the MX far less vulnerable if not invulnerable. The answer is that star wars is many years away from deployment. Even the strongest advocates of the system agree that it may not work. The cost would be immense, probably upward of a trillion dollars. For far less cost, a combination of such weapons as the mobile Midgetman missile, our submarines and our bombers could provide a virtually invulnerable triad, a sure deterrent. The role of arms control would be to steer both superpowers into less vulnerable and therefore more credible deterrents. Arms control will also keep the arms race cost within reasonable limits.

All of this, Mr. President, is why the recent report from a committee appointed by the Defense Department is so significant. The Defense Department has been critical of the Midgetman concept. It has favored scrapping Midgetman, allegedly because of its cost and the desirability of building more MX missiles. Such a strategy would help make it easier to sell star wars as an essential protector of the otherwise highly vulnerable MX. Now comes this Defense Department sponsored study which comes down emphatically and clearly on the side of the Midgetman. That makes sense, Mr. President. It will save lots of dollars and cents in the long run by helping stop the star wars extravaganza. It will compliment our arms control policy of steering nuclear weapons into stable and less vulnerable modes. It will advance the cause of peace.

MARCH GOLDEN FLEECE AWARDED

Mr. PROXMIRE. Mr. President, the Office of Management and Budget—OMB—has won my Golden Fleece Award for the month of March for looking the other way while Federal agencies cranked up their public relations machines. Between 1983 and 1985, spending on PR zoomed from $376.2 million to $436.7 million, an increase of 16 percent. OMB is supposed to be tightfisted but when it comes to PR, they snap open the taxpayers' purses even as the deficits hit record highs.

At my request, the General Accounting Office [GAO] conducted a comprehensive survey of executive agency spending on public and congressional affairs. In 1985, these agencies spent $336.8 million and assigned 5,599 employees to public affairs. Another $99.9 million and 1,982 people looked after relations with Congress.

But an arresting pattern emerged from this survey. Between 1981 and 1983, spending on PR actually decreased from $383.3 million to $376.2 million. Could this administration really be serious about its efforts to cut fat from the budget?

This auspicious beginning quickly turned around as OMB put down its knife and started giving away chocolate fudge. Between 1983 and 1985, spending on PR jumped from that slimmed down $376.2 million to a bloated $436.7 million.

Why this abrupt reversal? When people are out of office, they look on governmental public relations as the quintessential definition of wasteful spending. But once the "outs" become the "ins," then public relations is magically transformed from waste into a shield to guard against a hostile press and an obtuse Congress. And spending increases in proportion to the number of unfavorable stories and congressional oversight hearings.

For this survey, GAO used a strict definition of what constitutes public relations. If the cost of closely related activities is included, the figure becomes much higher. For example, in 1985, the Defense Department spent an additional $15.4 million on its special aerial teams, $26.9 million on ceremonial bands in the Washington area, and another $116.5 million on bands elsewhere. This Senator is not the only one who thinks such spending sounds a sour note.

Not all public relations spending is fat. Informing the public can be a useful function of government. But OMB richly deserves this month's Fleece for first demonstrating that such spending can be cut without harming the Republic and then beating a hasty retreat.

THE MYTH OF THE DAY: THE FTC PROTECTS AMERICAN CONSUMERS FROM DECEPTIVE ADVERTISING

Mr. PROXMIRE. Mr. President, the myth of the day is that the Federal Trade Commission protects American consumers from deceptive advertising.

Just a few short years ago, this would not have been a myth. It was a fact that Americans count on. But today, with a radical turn in FTC policy, American consumers can no longer count on the FTC to be in the forefront of efforts to protect them from deception by advertisers. In fact, the FTC is in a race to be dead last, even behind the private sector, in efforts to protect Americans.

Keep in mind that over 30 percent of food advertising contains health and nutritional claims. The potential for skulduggery is enormous.

But the FTC has been marching backward in its efforts to crack down on deceptive advertising with its own sleight of hand.

Under traditional FTC guidance, an ad was deceptive if it had a "tendency or capacity" to mislead; today, the new policy considers an ad deceptive only if it is "likely to mislead" consumers.

Notice any difference? Probably not. When you first read the change, it sounds like a simple rewording of past policy. But it is far from a technical change. In fact, it has proven the

death knell for effective FTC enforcement against deceptive advertisers.

Today, it is virtually impossible to get the FTC to act against a deceptive advertising campaign without the proverbial smoking gun and dead body.

Am I overstating the case? Consider just 1 year; 1983. In that year the Center for Science in the Public Interest found that the FTC did not find cause to take action against one major national food advertiser. Not one.

But the National Advertising Division of the Council of Better Business Bureaus found more than a dozen national food advertising campaigns with unsubstantiated claims in that same year.

Or consider just a few egregious examples of advertising skulduggery against which the FTC has failed to act:

A Campbell ad boasting that its chicken soup was nutritious; in fact, it had more vitamin C than an apricot. What the ad failed to mention was that an apricot, unlike an orange, contained little vitamin C as did the soup.

When Nutrasweet was first being introduced in the diet soft drinks, major bottlers advertised that their drinks were made "Now with Nutrasweet," a claim that was only partially correct. There was Nutrasweet in the product but they neglected to add that, at that time, it was a blend with saccharin. An omission that was important to tens of thousands of consumers who avoided diet soda because it contained saccharin.

The National Coffee Association ad campaign for coffee similarly faced a credibility problem. It claimed that "coffee picked you up and calmed you down," a claim patently at odds with the known effects of caffeine.

Or the Del Monte claim that its canned vegetables, laden with 5 to 300 times the sodium as fresh vegetables, were nonetheless "as nutritious as the vegetables you buy fresh and cook at home."

In each of these cases, did the FTC help protect consumers? Not in the least. The FTC was nowhere to be found.

It was left to the New York State Attorney General's office, the National Advertising Division of the Council of Better Business Bureaus, and independent consumer pressure.

Far from being the "national Nanny" which critics have alleged the FTC became under Mike Pertschuk, it has quickly become the "Silent Sam" of this administration. And that is no myth.

UNITED STATES-SOVIET MILITARY COMPARISONS

PRESIDENT REAGAN MISSTATES THE FACTS

Mr. PROXMIRE. Mr. President, in his February 27 radio speech on defense, President Reagan misstated the facts about comparative United States and Soviet defense spending. He said that, since 1970, the Soviets have invested $500 billion more in its military than has the United States. That statement is a distortion and a gross exaggeration.

I can well understand the President's concern for the defense program. All Presidents worry about how Congress might change their defense proposals and, in this year of Gramm-Rudman-Hollings, there is a possibility of deep cuts. The President is well advised to argue the case for his proposed budget before the public.

COMPARISONS SHOULD BE BALANCED

But defense is too important to allow rhetoric to go beyond reason. The Soviets have not spent $500 billion on defense more than we have in the past 15 years. Obviously, the Soviets spend rubles, not dollars. The question that needs to be asked is how do we measure what the Soviets spend against what we spend, and is it appropriate to state the results in dollar terms?

THE PROBLEM OF RUBLES VERSUS DOLLARS

The fact is that the results of any international economic comparison are biased in one direction or another, depending upon whose monetary unit is used. If rubles are converted to dollars in order to compare United States and Soviet defense in dollars, the Soviet figure will be inflated. If dollars are converted to rubles in order to compare United States and Soviet defense in rubles, the United States side will be inflated. It is conceivable that such a comparison would show the Soviets spending more when dollars are used, and the United States spending more when rubles are used.

A more correct approach is to draw an average between the two measures. To do so, the results must be stated in percentage terms. To give a rough example, suppose for 1984 that Soviet defense spending was 115 percent of United States spending in dollars, but United States spending was 110 percent of Soviet spending when measured in rubles. In that case, it can be seen that spending was about even.

By the same token, the attempt to compare spending over a long period of time should also be done in a balanced way. The results should be shown in the monetary units of both countries and averaged out to reduce the bias.

THE SOVIET DEFENSE SLOWDOWN SINCE 1976

An additional fact, omitted in the President's speech, is that the rate of growth of Soviet defense spending slowed down after 1976. Since that time, Soviet defense spending has been growing by about 2 percent annually. More importantly, spending for procurement has been about level, according to the most recent published intelligence estimates.

WEINBERGER ACKNOWLEDGES UNITED STATES SPENT MORE THAN SOVIETS ON PROCUREMENT

As a result of this trend, and the United States military buildup, United States and Soviet military spending has probably been about equal in recent years. Defense Secretary Weinberger acknowledges the change in the trends in his latest annual report of Congress. There, after pointing to the Soviet slowdown since 1976, he states:

In 1984, the first time since 1969, U.S militay procurement appears to have exceeded Soviet military procurement.

This statement indicates the progress that has been made over the past several years in eliminating factual mistakes from official statements about Soviet military spending.

In an op ed article in the March 4, 1986, New York Times, Franklyn D. Holzman criticizes President Reagan's use of the alleged military spending gap and places the issue in a broad context. I ask unanimous consent that the article by Professor Holzman, entitled "What Defense-Spending Gap?" be inserted in the RECORD at the close of my remarks.

I yield the floor.

RECOGNITION OF SENATOR THURMOND

The PRESIDING OFFICER. The Chair recognizes the Senator from South Carolina.

THE FREEDOM FIGHTERS IN AFGHANISTAN

Mr. THURMOND. Mr. President, I rise today to commend the heroism of the Afghan freedom fighters in their long struggle to rid their nation of Soviet domination. The invasion of Afghanistan in 1979 has resulted in international condemnation of the Soviets. On seven occasions the overwhelming majority of the member-states of the United Nations have passed resolutions calling for the withdrawal of foreign forces from Afghanistan and demanding self-determination for the Afghan people.

Last year the U.N. General Assembly adopted a resolution which condemned the violation of human rights in Afghanistan. The Washington Post recently published a series of well-written articles on the situation in Afghanistan. It was reported that some of the worst violations of human rights are directed at innocent Afghan children. One of the tactics reportedly used by the Soviet forces is to drop bombs disguised as toys around villages. When unsuspecting children pick up these "toys," they become maimed and disfigured from the resulting explosion.

Further reports from Afghanistan indicate that the Soviets have changed the Afghan educational system by in-

stalling Soviet teachers, a Marxist-Leninist curriculum, and a reinterpretation of Afghan history. Many young Afghan children are taken from their parents and Islamic heritage to schools in the Soviet Union where they are trained to have unquestioning loyalty to the current Communist regime.

Numerous Afghan towns and villages have been bombed. Homes which have not been destroyed are often abandoned by people fleeing from the destruction and the danger to their children posed by the Soviet invaders. According to the Post, nearly one-third of Afghanistan's 16 million people have fled to Pakistan and Iran.

Last year the intensity of the fighting increased, and there have been more casualties than in the past on both sides. The Soviets have expanded the deployment of their well-equipped, elite Spetznaz antiguerrilla commandos to fight the Afghan freedom fighters. KHAD, the KGB-run Afghan secret police, has also grown in strength. It is now reported that KHAD employs over 10,000 people. KHAD agents attempt to infiltrate Afghan resistance organizations and to assassinate key resistance commanders.

Despite increased deployment of Soviet special forces, increased levels of espionage by Soviet-supported secret police, and in the face of far superior Soviet military equipment—the Afghan freedom fighters have valiantly and successfully frustrated the military goals of the Soviets. Recently, for example, freedom fighters from the National Islamic Front of Afghanistan [NIFA] attacked the airport and the Soviet Army garrison at Ghazni.

Mr. President, last fall, I met with three of the NIFA leaders to discuss the situation in Afghanistan and their need for military aid. These brave Afghan freedom fighters deserve our praise and moral support in their struggle against Soviet aggression. More importantly, they deserve the opportunity of regaining the freedom of their Nation from the Soviets. Based on what I have read, as well as my discussions with the Afghan resistance leaders, I believe the freedom fighters, in a fair fight, can win the military battle against the Soviets. I urge my colleagues to join this cause in supporting legislation which would provide sufficient military aid to the Afghan freedom fighters to repel the Soviet invaders.

RECOGNITION OF SENATOR PRYOR

The PRESIDING OFFICER (Mr. GORTON). Under the previous order, the Senator from Arkansas [Mr. PRYOR] is recognized for not to exceed 15 minutes.

Mr. PRYOR. Thank you, Mr. President.

DEFENSE SPENDING

Mr. PRYOR. Mr. President, we are approaching spring, and one of our annual rites of this beautiful season is to begin the complex and laborious task of examining defense spending: Exactly how many dollars are needed to defend this Nation; how much to equip our various branches of our services, and how many and what kind of weapons should we purchase? These are monumental decisions, Mr. President, requiring huge amounts of dollars and bipartisanship at its best.

Last week, we heard an appeal from our President for significant increases in defense dollars—big bucks—at the same time, when the Library of Congress closes it doors at 5 p.m., when braille programs for the blind are being slashed and meat inspectors furloughed.

In that appeal our President asked us for an 8-percent increase in military spending. He implied that more dollars will make us stronger. Many people seem to accept this hypothesis. Today I ask the question, why? Because we are spending much more on defense than we spent in 1981, are we now stronger because of it in 1986?

My purpose for speaking on this issue today is to ask whether our massive military spending increases in the past 5 years have made us a truly stronger or a safer Nation. First, let us get the record straight on exactly how much military spending has increased since President Reagan took office in 1981. The answer, according to the General Accounting Office: A 40-percent increase in defense spending in the past 5 years.

But, Mr. President, is growth in dollars a true measure of growth in real defense? First, American dollars do not do battle with Russian rubles. Second, it is men that fight men, and it is machines and weapons they use, not checkbooks.

Now, let us take a brief look at what a 40-percent increase in defense spending has purchased.

First, let us look at people, certainly the most important part of any nation's fighting capability. How much has the Army grown? In 1982, we had 780,000 Active Army soldiers. Today we have 781,000, an increase of 1,000 people. Is that an increase of 40 percent, as we have had in money? No; it is an increase of one-tenth of 1 percent. In the Air Force, we have had an increase of 39,000, or 7 percent. Navy manpower has increased 4 percent. Overall, all uniformed manpower has increased about 3 percent in 4 years.

If most of the money has not been going into increasing our uniformed manpower, it must have been going into more weapons. Right? Wrong! Let us take a look at a few categories of weapons purchasing.

Let us look at aircraft. From 1977-81, our Government spent $69.9 billion on tactical and strategic aircraft. In his first 4 years, President Reagan spent $122 billion on aircraft. That is an increase of 75 percent in dollars. How many aircraft did each President actually buy in his 4 years? President Carter bought 2,040; President Reagan bought 1,799. That is a decrease of 12 percent. For 75 percent more money, President Reagan bought 12 percent fewer airplanes. And, each of those dollars is adjusted for inflation.

Let us look at the Navy. From 1977-81, we spent $33.3 billion; Mr. Reagan spent $49.4 billion in his first 4 years. That is an increase of 48 percent. Did we buy 48 percent more ships? No; we only bought 23 percent more ships, hardly our money's worth.

Let us look at some major Army programs. The Army's procurement budget for all categories went up 94 percent between Mr. Carter and Mr. Reagan. Did we get 94 percent more tanks? No; we got only 30 percent more tanks. Did we get 94 percent more helicopters? No; we got only 45 percent more helicopters. Did we get 94 percent more armored personnel carriers? No; we got 60 percent more.

Did we get 94 percent more in personnel? No; we got a one-tenth of 1 percent increase in that category.

Mr. President, it is a sad and I must say, a scary story, and it could go on and on. We have failed to match the dollar-for-dollar purchasing power of previous administrations. Things have not been getting better; they have been getting worse.

This sad state of affairs brings up an interesting question. Just where has all the money for DOD been going?

Well, in many respects, it has not been going to the right place.

First, we know we have been paying for a gigantic inflation windfall for the Department of Defense. Last September, the GAO told us this windfall amounted to $36.8 billion. We did not seem to do too much about that last year, so I and a few of my colleagues sent a letter to the GAO. We asked them if there was yet another inflation dividend or windfall in the fiscal year 1986 defense budget.

Well, Mr. President, the answer will be with us in just a few days, and the news is not going to be good. I will speak to this matter at another time, but I can tell you right now that we are still overappropriating billions based on rising predictions of inflation at a time when inflation is actually falling.

Now, let us see where some of our "people money" has been going in the past 4 or 5 years. We now know it has not been going for many more soldiers, sailors, and airmen.

Mr. President, in 1981, the Department of Defense had 990,382 civilian employees. How many does it have today? The answer: 1,129,148. That is an increase of 138,766. Our entire uniformed Armed Forces increased by 70,000. Our civilian bureaucrats increased by almost double that, almost 140,000. For every soldier, sailor, or airman we have added, we have added two civilian bureaucrats in the Department of Defense.

This is the greatest jobs program going in America today—new civilian employees in the Department of Defense.

Roughly speaking, just how much do these new civilians cost us each year? In his fiscal year 1987 annual report, Secretary Weinberger tells us that the average DOD civilian makes $20,400 each year. From this, we can compute that these 138,766 new civilian bureaucrats in DOD cost the taxpayer about $2.8 billion each year, a very heavy price for something we do not need, and we certainly do not want.

Who are these new DOD bureaucrats, Mr. President? Are we talking about janitors, guards, blue-collar workers who perform a useful function? No, we are talking about paper pushers in their purest, most expensive form. Professional civilians increased 18 percent, managers and other administrative workers increased 34 percent, clerks to type out their paperwork increased 7 percent, and lower level technicians to keep their computers and typewriters working increased 3.8 percent.

Well, what do these people do, Mr. President? Do they increase our frontline defense strength? Do they help us to buy more weapons, better weapons, or weapons that have been properly tested before going into the battlefield? Do these new civilian bureaucrats help us sleep better at night knowing our country is safer?

The answer, of course, is no. In fact, they further clog our procurement system to a state that approaches gridlock and institutional paralysis. They deprive us of the money needed to pay for additional soldiers, sailors, and airmen, and they soak up the money needed to keep the servicemen and women we already have in our armed services. They do not add to our strength, Mr. President; they take away from it.

To a large extent, the Reagan buildup has been in dollars only. In real strength, it has been a virtual builddown. Instead of getting more soldiers and weapons, we have been buying fat. It has been bought in the form of throwing dollars at inflation that does not exist and bureaucrats in DOD that we do not need. We have strengthened the balance sheets of defense contractors but not the strength of America's national defense. Hopefully, this year we will take a real look, a real hard, strong look, Mr. President, at the things that we have been paying for but not receiving in our military budgets. We have been building up only the illusion of strength. The next time, Mr. President, we see our President on television asking us to continue this charade, please let us start asking him how much is actually enough.

Mr. President, I yield the balance of my remaining time to the Senator from Alabama, Senator HEFLIN. At this point, I yield the floor.

RECOGNITION OF SENATOR HEFLIN

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

TRIBUTES TO THE LATE SENATOR JOHN J. SPARKMAN

Mr. HEFLIN. Mr. President, we gather today in tribute to one of the greatest Americans ever to hold a seat in this body, John J. Sparkman, who passed away last November 16 at the age of 85.

I am certain that we are all well aware of the life and work of Senator Sparkman. Born as one of 11 brothers and sisters in a small tenant farm home near Hartselle, he went on to graduate from the University of Alabama, where he financed his education through the sale of a cotton crop he had raised. During his years at the University, John Sparkman served as both editor of the student newspaper and president of the student body. In addition, at his graduation, he was awarded the faculty cup for this student contributons to the university.

Following law school, John Sparkman settled in Huntsville, AL. After practicing law for 11 years, he was elected to the U.S. House of Representatives in 1936. He first came to Washington to see that Alabama got better schools, better housing, better roads, a better quality of life. He did all of that and more—for Alabama and America—before he retired from the Senate 42 years later. Throughout his long career, Senator Sparkman made it a point not only to remember who elected him, but why. He understood the need to bring opportunity and comfort to all Americans, and he had the legislative ability to shape the policies of Government toward those ends.

In five terms in the House, John Sparkman distinguished himself as a member of the Military Affairs Committee, which then had jurisdiction over the Tennessee Valley Authority, and as majority whip. In 1946, the death of Senator John H. Bankhead, Jr., created a set of unique circumstances, where Sparkman not only sought the vacant Senate seat, but also remained on the ballot for his House seat. So highly was he thought of that he won both races, becoming the only person in American history to be simultaneously elected to the House and Senate.

During his 32 years here in the Senate, Senator Sparkman achieved the stature of a statesman in domestic and world affairs. He served as the first chairman of the Select Committee on Small Business when it was established in 1950. In this capacity, he sponsored the landmark legislation creating the Small Business Administration. From 1967 through 1974, Senator Sparkman served as chairman of the Banking, Housing, and Urban Affairs Committee, and, from 1975 to 1978, as chairman of the Foreign Relations Committee. The work of these committees, under his leadership, illustrated the fact that legislation, in the final analysis, is the ultimate art of the possible, that it does involve the consideration of differing views by honest men of good will.

Although his last years in the Senate brought him the chairmanship of the Foreign Relations Committee, John Sparkman's particular area of involvement will always be remembered as housing. In fact, long before he became chairman of the Banking and Housing Committee, he had earned the name "Mr. Housing." He was the primary craftsman and drafter of almost every single piece of public housing legislation, beginning with the Housing Act of 1949, which began the Nation's Urban Renewal Program. In fact, there is one quotation which, more than any other, illustrates Senator Sparkman's realization of the importance of housing. It reads, "Decent, safe and adequate shelter is just as necessary to the American family as is food, medicine or clothing."

In his capacity as chairman of the Foreign Relations Committee, John Sparkman had a hand in developing an expanded role for the Congress in the shaping of American foreign policy. It is no surprise to anyone who knew him that his view of foreign policy was a view of humanity. He dealt less with other countries than with other people.

Indeed, Mr. President, the legislative career and achievements of John Sparkman can serve as a highly accurate mirror of his life. Whether his career is measured on a scale of legislative accomplishments or one of political achievements or one of warm humanity, the same conclusion will undoubtedly be reached—he was, in the best sense of the word, a distinguished Senator for the people of Alabama and America.

During John Sparkman's 42 years of representing Alabama, the ways of the Congress, of the Nation, and of the world all changed greatly. For a public

servant to survive through these changes required ability, dedication, determination, and understanding. Not only did Senator Sparkman survive these times, he prospered during them. He helped lead through them. He was that type of man.

Senator Sparkman first came to Congress in the second term of President Franklin Roosevelt. In that age of the New Deal, he was a leader. In the time of World War II, the era of the cold war, and the crisis of Vietnam, he remained a leader. Even today, by the example he set for the countless Americans who remember his efforts, John Sparkman remains a leader.

In an age when it was easy, and even expected, to practice bitter regional politics, John Sparkman was a man of progressive and broad views. By a generation, he anticipated the vast transformation of both southern and national politics. His sense of humanitarianism, his overriding concern for the welfare of all people, his soft-spoken leadership and keen intellect, and his belief in the basic goodness of the people he represented endures as a reliable formula for us all when we feel overcome by the bewildering complexity of the problems of today's world.

One of the highlights of Senator Sparkman's public life must have been his selection to run for Vice President on the Democratic ticket with Adlai Stevenson in 1952. Although the Stevenson-Sparkman ticket gained a larger popular vote than had ever been achieved, they lost to a ticket headed by Dwight Eisenhower. I think it tells a great deal about the character of John Sparkman to realize that, although he could have retired in 1952 after what must have been a great disappointment, already having led a fulfilling public life, his service to our Nation instead continued for more than another quarter century, leaving an indelible imprint on our national history.

Of course, the national campaign of that year also offered an opportunity for wider exposure of the many accomplishments of Senator Sparkman. In his nominating speech, Stevenson said that his selection as a running mate was a " * * * devoted champion of legislation providing or promoting farm ownership, better housing, Social Security, the TVA, rural electrification, soil conservation, crop insurance and many other progressive and forward-looking legislative programs." If anything, Mr. President, this was only a partial listing of the areas where John Sparkman had made a strong impact.

Governor Stevenson went on, in an eloquent conclusion, to say, "John Sparkman has enlisted for life in the struggle to improve the economic lot and the security of all of our people."

During this "enlistment for life," he witnessed some of the most difficult years of our Nation's history, but his work has softened hard times for all Americans. He saw the effects of the Great Depression, helped us enter the nuclear age, and come through the turbulent sixties. Throughout all of this, his compassion and feeling for humanity survived.

Clearly, the story of John Sparkman is more than merely a listing of his accomplishments. It is also a story of the nature of the man. His years in this body were during the "golden years" of the Senate—a time when it truly fulfilled its definition as the world's greatest deliberative body. Among the listing of the giants who dominated that era—Lyndon Johnson, Richard Russell, Sam Ervin, Henry Jackson, Robert Taft, Lister Hill, Everett Dirksen, JOHN STENNIS, and more—is clearly written the name of John J. Sparkman.

This was the man of whom his longtime Alabama colleague, Jim Allen, spoke when he said:

I know of no member of the Senate, past or present, who has served his country with greater ability, greater dedication, and greater determination.

This was the man who was honored by an almost endless stream of tributes upon his retirement, when STROM THURMOND described him as "the epitome of integrity and determination," and FRITZ HOLLINGS referred to him as "one of my idols."

This was the man of whom Howard Baker said, "No man has been more dedicated to the people he represents."

And this was the man of whom his grandson, Tazewell Shepard III, speaking at the funeral, said, "He preferred to do good rather than to seem good."

"To do good rather than to seem good." Those few words tell a great deal about Senator Sparkman, a man whose seat I have been privileged to hold since his retirement, a man whose life and work provide a daily inspiration to me, a man who showed a statesman's capacity to grow and change as new times demanded new answers to new problems, yet a man who never abandoned his basic principles.

Late in his career, in a meeting with a group of businessmen, John Sparkman was asked whether he felt cooperatives had outlived their usefulness. He could have answered noncommitally, since he knew his audience felt coops should go. That, however, was not in keeping with the basic principles which were so important to Senator Sparkman. Instead of giving a popular answer, his voice literally shook with indignation as he told the group how he remembered a time when people living in little shacks on the mountainsides of north Alabama and the farms of south Alabama didn't even have electricity or running water—until cooperatives like the TVA and the REA came along. Of course, it was little wonder that John Sparkman would remember such houses—he grew up in one of them, and the values he learned there stayed with him always.

In his retirement statement, Senator Sparkman said that he took satisfaction in knowing that he had always done all he could for his State and country. In reality, he did much more, for John Sparkman has left an imprint on this institution and this Nation that will long be remembered. We are poorer for having lost him, but much richer for having known him.

The Congress of the United States, in honoring Senator Sparkman, created the John J. Sparkman Center for International Public Health Education. I ask unanimous consent that a recent report of the accomplishments of this center, which is located at the University of Alabama in Birmingham, be printed in the RECORD. I further ask unanimous consent that an editorial from the Huntsville Times, following the death of Senator Sparkman, appear in the RECORD, as well as a very moving account of the funeral of Senator Sparkman written by Peter Cobun of the Huntsville Times appear in the RECORD.

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

THE JOHN J. SPARKMAN CENTER FOR INTERNATIONAL PUBLIC HEALTH EDUCATION

BACKGROUND

Begun at UAB in 1980, the John J. Sparkman Center for International Public Health Education (SCIPHE) has as its mission to develop, provide and promote programs and activities for training public health leaders in their own developing countries. SCIPHE collaborates with educational institutions, governmental agencies, international organizations and private foundations in the pursuit of these activities which are conducted primarily in technically deprived countries.

PROGRAM ACCOMPLISHMENTS

Major accomplishments of SCIPHE collaborative programs are as follows:

1. SCIPHE and the World Health Organization (WHO) have undertaken several projects to promote Primary Health Care (PHC):

a. The publication (in English, French and Spanish) of "Education for Health", a semi-annual newsletter for health educators/PHC workers.

b. The development of "Manual on Health Education in Primary Health Care," a training manual for PHC workers.

c. A workshop at UAB to evaluate health education-PHC training programs worldwide. This workshop is being followed by a number of regional workshops around the world to discuss the evaluation in relation to the training programs in various WHO regions. To date, workshops have been held in the Cameroons and Indonesia.

d. The teaching of a PHC course at the UAB School of Public Health by a WHO consultant.

e. The establishment of internships for UAB School of Public Health students.

f. The implementation of field demonstration projects for health education in PHC in Mexico and possibly Nepal.

2. SCIPHE and the Universidad Peruana Cayetano Heredia (UPCH) in Lima, Peru, are working together to develop an academic public health program for UPCH. Towards this goal, UAB faculty are teaching a Master of Public Health (MPH) degree program in Lima for 20 UPCH faculty who will form the nucleus of the public health program there. In the area of research, UPCH and UAB School of Public Health faculty are collaborating on an NIH-supported research project regarding nutrition and dental health.

3. SCIPHE and the Department of Social and Preventive Medicine at the University of the West Indies (UWI) in Kingston, Jamaica, have been collaborating on several activities in the area of public health manpower development and training in the Caribbean:

a. The development of an MPH program which began in the fall of 1985 at UWI.

b. Workshops and seminars in epidemiology and occupational/environmental health for District Medical Officers and other key public health personnel in Jamaica.

4. SCIPHE, the International Union of Health Education, and other international organizations sponsored an international conference on health education in Mexico City, Mexico, in 1985.

5. SCIPHE and the Department of Social Medicine at the Universidad del Valle (UV) in Cali, Colombia, are beginning to enhance and/or develop programs at UV in social sciences, biostatistics, and environmental/occupational health.

6. SCIPHE, WHO, the University of Chiang Mai (Thailand) Faculty of Dentistry, and the Intercountry Center for Oral health in Chiang Mai are planning to begin developing a training program for public health dentists. The program would include a series of short courses and an MPH degree program offered in Thailand by UAB faculty.

7. SCIPHE disseminates news of its activities through the "SCIPHE Newsletter", a quarterly publication which has a circulation of 450.

8. SCIPHE shares its experiences with colleagues at professional meetings and in health-related journals. Two papers describing the organization of SCIPHE and its programs were presented at a conference in Chapel Hill, N.C., on "Universities and International Health" in 1984. In addition, a number of articles describing SCIPHE activities have appeared in print from 1983 to the present.

CONCLUSION

With the anticipated finalization of plans to work with the institutions in Thailand, SCIPHE activities will indeed have spanned nearly all major areas of public health. Given the resources available, SCIPHE has developed a full and varied slate of projects it considers most feasible and worthwhile. The successes enjoyed to date are the result of hard work and dedication of SCIPHE-sponsored UAB faculty and their developing-country counterparts who have joined forces to train leaders who will work to improve the health of all people worldwide.

JOHN JACKSON SPARKMAN

The soft, cherubic face that lit into an endearing smile was not the mask but the real essence of John Jackson Sparkman, Hartselle native and Huntsville resident, whose bold hand helped shape mid-century America and the modern world of hopes and fears. Sen. Sparkman died yesterday at 85.

He was a sensitive and gracious man, a son of a previous, more placidera. But he brought to the arenas of national government and international diplomacy a tough persistence that laid the foundations for the prosperity and security now taken so much for granted in our time.

From humble origins, John Sparkman rose by innate determination to the stature of statesman in domestic and world affairs. He was elected to the U.S. House of Representatives in 1938 and aligned himself with President Franklin D. Roosevelt to meet the challenges of the Great Depression—then smothering the nation—and the death struggle of World War II. He was elected to the Senate in 1948 and promptly became influential in shaping the political design for the economic and social advances we enjoy today.

If it is currently fashionable to bemoan the intrusiveness of government in personal and public affairs, it is useful to recall that homeownership and adequate housing have not always been a benefit most Americans enjoy nor security in old age, nor modern health care, nor small business opportunity, nor farm-price stability, nor secure savings and sound credit. John Sparkman, in House and Senate, was an innovator or supporter of programs in all these fields.

If it is arch to ask where was he in the civil rights struggles of the 1960s, it is proper to say he was an advocate of social justice in a time and place that were out of joint.

His impact was of national, even worldwide scope. But his importance to the well-being of this city, this region, this state cannot be understated. His role is legend in fostering the space adventure, the technological revolution, the waterways, development so vital to this area and the strong defense so vital to the nation.

His congressional leadership earned him the nomination for the vice presidency on the Democratic ticket in 1952, a time when not even the exceptional talents of a Sparkman and an Adlai Stevenson could withstand the tide of political change. In subsequent years, however, his renown and acumen earned him a place in the counsels of the United Nations and in international affairs as chairman of the Senate Foreign Relations Committee.

Through all the years, through all the trials of depression, war, recovery, social turmoil, trembling peace and cold war Senator Sparkman worked to make better a harsh world.

The loss to his family and intimate friends is sad, and the condolences of the community and the nation pour out to them. But a sense of gratitude and satisfaction will be the more enduring sentiment for the benefits he brought.

JOHN SPARKMAN BURIED

(By Peter Cobun)

They buried a man who made a difference here Monday.

A man the famous came to mourn, but a man most remembered for helping the obscure.

Autumn's sun filtered through the defrocked branches of Maple Hill Cemetery, its 90 acres steeped in crisp, fallen leaves of red, orange and yellow.

It was dressed in its best fall hues to play host to those who said goodbye to John Jackson Sparkman.

Senators and Congressmen and state and local officeholders lined the pews of the pristine white First United Methodist Church to hear the retired senator eulogized by family and colleagues.

They heard a grandson recall his grandfather, the young lawyer who bolted the status quo during the Depression years to help the common man. They heard how John Sparkman took the case of a poor black being sued by a white merchant.

"He represented that man and won," said grandson Tazewell Shepard III, from the church's pulpit. "It was an early example of how he helped people."

John Sparkman, too, helped his grandson.

"I want to share with you two special gifts my grandfather left for me," Shepard told the hundreds of mourners who filled First United Methodist.

"His first gift was his time. He was never too busy to talk to me.

"The other thing he gave to me was his example. If I could pick one phrase to describe Papa," said Shepard, "it would be that he preferred to do good rather than to seem good."

Shepard's father, Admiral Tazewell Shepard Jr. of Washington, D.C., told the congregation, "Let us celebrate the life of one that meant so much for so many people."

"No man," said Sparkman's long-time administrative assistant, Lewis Odom, "has had a greater impact on the people and the communities of this state than John Sparkman.

"God bless you, Sen. Sparkman," said Odom, "Alabama is a better place because you served her, and the nation, and we are better people because of you".

The 25-minute afternoon church service concluded as the Sparkman family followed the casket, draped in white carnations and peach-colored roses, from the church.

Filing behind was a string of Alabama politicians, many who flew by special military aircraft to Huntsville for Monday's service: Sen. Howell Heflin of Tuscumbia, Sen. Jeremiah Denton of Mobile, retired Sen. Jennings Randolph of West Virginia, Rep. Ronnie Flippo of Florence, Rep. Tom Bevill of Jasper, Rep. Ben Erdreich of Birmingham, Rep. Bill Nichols of Sylacauga, Former Congressman Bob Jones of Scottsboro was there, as were Alabama Secretary of State Don Siegelman and State Democratic Committee director Al LaPierre.

But at Maple Hill, some of Alabama's other citizens came, too, to remember John Sparkman.

Young men in blue jeans, old women in tattered house dresses. They came over the stone cemetary walls to stand at the rim of dignitaries.

And they heard the Rev. Jerry Sisson as he stood at the senator's grave.

"We thank you, Lord," said Sisson, "for the man who made a difference."

Mr. HEFLIN. At this time, I see my distinguished colleague from Alabama on the floor, Senator DENTON, and I yield to him for his remarks.

The PRESIDING OFFICER. The distinguished Senator from Alabama.

Mr. DENTON. Mr. President, recently, Alabama and this Nation lost a dedicated public servant, one whose talent and ability stood for years as a "Towering Oak" for Alabama in the U.S. Senate.

Here was a man who understood the Biblical parable of the talent. He start-

ed with no advantage except his Godgiven talents of initiative and intelligence. He used these talents and received others. The fruits of his labors have been enjoyed by not only his fellow Alabamians but by all the citizens of this Nation.

He was the seventh of 11 children. John Jackson Sparkman was born near the Tennessee Valley town of Hartselle, AL, on December 20, 1899. It was here he attended the proverbial "one room" school, and it was here that he developed that "can do" attitude which characterized his life.

That attitude was evident when he enrolled at the University of Alabama with money secured by a bank loan on a cotton crop he raised in the summer of his high school senior year. It was evident again when, shortly after arriving in Tuscaloosa, he found a job for $4.20 a week and began what was to be an outstanding college career at Alabama, where he was Phi Beta Kappa, editor of the university newspaper, the "Crimson and White," the founder and first president of the Gamma Alpha Chapter of the Pi Kappa Alpha fraternity, and president of the student body.

John Sparkman's college career was one of service to his university constituency, the first step toward a life of public service to a constituency which ultimately encompassed this entire Nation.

After earning three degrees at the University of Alabama, John Sparkman practiced law and taught college for several years. He was elected to the U.S. House of Representatives in 1936 and began his House career as a member of the Military Affairs Committee which had jurisdiction over waterways. It was through this committee that he was instrumental in developing the Tennessee Valley Authority.

Upon the death of Senator John H. Bankhead, he became one of five candidates to compete for that unexpired term. On November 4, 1946, John Sparkman emerged with the distinction of being simultaneously elected to both the U.S. House and Senate. He quickly resigned the U.S. House seat and became a Member of the U.S. Senate in the 80th Congress.

He is often known as "Mr. Housing," and he became, within 3 years, chairman of the Senate Housing Subcommittee, where he developed and sponsored the first "omnibus" housing legislation to provide direct Government loans for the building and purchase of homes for lower-income families.

Such public housing as we have developed in America is largely a result of the efforts of John Sparkman. Recognizing this, the National Association of Home Builders elected him to the Housing Hall of Fame in 1977.

Senator Sparkman's public career also included such accomplishments as writing tax and credit assistance for small businesses and much of modern regulatory law.

His international expertise was recognized in his chairmanship of the Senate Foreign Relations Committee and his appointment as member of the U.S delegation to the United Nations. One of the high points in his career was surely his selection in 1952 as the Vice Presidential nominee, running on the Democratic ticket with Adlai Stevenson.

John Jackson Sparkman has been eulogized in many, many ways. Perhaps no truer words could characterize his life than the final words of the parable of the talents which I mentioned earlier: "Well done, good and faithful servant, you have been faithful with a few things; I will put you in charge of many things."

That was the story of the life of that "Towering Oak," a faithful and distinguished public servant, who was in charge of so many things that touched our lives, and touched them effectively.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, I am honored to join my colleagues today in paying tribute to a distinguished, able, and dedicated former Senator, John Sparkman of Alabama, who died November 16, 1985.

Mr. President, John Sparkman was a well-respected and highly regarded Member of this body for 32 years, and the fact that the Senate has today set aside time for remarks about his life and career is a firm indication of the high esteem in which his colleagues and friends held him.

I was deeply saddened to learn of his passing on November 16, 1985. His devoted wife, Ivo, and his charming daughter Mrs. Tazewell Shepard and fine grandson, Tazewell Shepard III, and other members of the Sparkman family have been much in my thoughts and prayers during these past months. And my wife, Nancy, joins me in expressing our heartfelt sympathy to them for their loss.

A dedicated public servant, John Sparkman served his State and Nation for over three decades. He proved himself to be an accomplished legislator of unswerving conviction and integrity. His leadership abilities gained my highest respect.

Mr. President, his many contributions during his chairmanship of the Senate Select Committee on Small Business included passage of the landmark bill which created the Small Business Administration. Later he also chaired the Senate Banking, Housing, and Urban Affairs Committee; and in January 1975, he was appointed chairman of the Senate Foreign Relations Committee, the committee which was considered his most important.

Throughout his career, John Sparkman was an intelligent and capable servant of the people. He truly served this Nation well and his legacy to America will be the long and productive years of legislative service which he gave to us here in Washington. I was privileged to have had the opportunity to watch him at work, and I enjoyed the benefit of the fine manner in which he approached each and every issue.

Mr. President, I felt a deep personal loss in his passing, and though we grieve the loss of our friend and colleague, I am honored to have the occasion today to praise this great American and his career as U.S. Senator, statesman, and patriot.

Mr. HEFLIN. Mr. President, I am pleased at this time to yield to the senior Senator from Massachusetts [Mr. KENNEDY], who served with Senator Sparkman.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, it is an honor for me to join my colleagues today in this tribute to Senator John Sparkman, who died last fall and who gave 42 outstanding years of public service to the Congress, the people of Alabama and countless Americans around the country. His brilliant career in Washington spanned 10 years in the House of Representatives, where he rose to the position of majority whip, and 32 years in the Senate.

I also want to pay tribute today to Ivo Sparkman, the Senator's remarkable and wonderful wife of 62 years, and to their daughter Jan. There are many close ties of friendship and affection between the Sparkmans and the Kennedys, but one of the closest is that Senator Sparkman's daughter Jan is married to Adm. Taz Shepard, who was one of my brother Jack's good friends, and who served as naval liaison at the White House during the years my brother was President. Later Admiral Shepard wrote a remarkable book, "John F. Kennedy and the Sea," one of the most moving memoirs and tributes to my brother.

Here in the Senate, John Sparkman was truly "Mr. Chairman." In the final years of his remarkable service, he was chairman of the Senate Foreign Relations Committee. At various other times in his long career, he also served as chairman of the Senate Housing Subcommittee, chairman of the Senate Banking Committee, and chairman of the Senate Small Business Committee. Together, these are four of the most important chairmanships in the Senate, and Senator Sparkman filled each of them with great distinction.

As a Representative and Senator, he was especially influential in the development of his State and region. His far-reaching ideas and his extraordinary vision helped to lay the founda-

tion in the postwar years for the great industrial revolution in Alabama and throughout the Sun Belt.

Senator Sparkman's dedication to his State and country was evident in the high quality of the broad range of legislation which he authored to promote prosperity. To help small businesses compete fairly with big business, he authored the Small Business Act of 1953 and the Small Business Investment Act of 1958; under the latter legislation, tens of thousands of enterprises became the beneficiaries of the capital and credit generated by this historic legislation.

Other measures which he sponsored were designed to improve the economy of Alabama. As a result of his efforts, a number of industries such as paper, chemical, and shipbuilding located and prospered in Alabama. In addition, his emphasis on the construction of Alabama highways facilitated local and interstate transportation of his State's agricultural and industrial products. In turn, these new industries and facilities brought new capital, new job markets, new skills, and new prosperity to the residents of Alabama. And much of that success was traced directly to the leadership of Senator John Sparkman.

He was also a strong supporter of the Commodity Credit Corporation, which provided urgently needed crop insurance and other safeguards against financial loss, from crop damage and crop failure. With that sort of protection from the fears of financial ruin, a generation of American farmers were encouraged to remain in agriculture. How we miss John Sparkman today, as we seek to rescue family farmers and the CCC from the hard times on which rural America has now fallen.

Most of all, perhaps, Senator Sparkman was respected by all of us as "Mr. Housing" in the Senate. For a quarter of a century, he was a pioneer in the development and implementation of an effective housing policy for the Nation, providing opportunities for decent homes and a better life for millions of Americans.

Finally, Senator Sparkman also earned the admiration and respect of the Nation for his role in the 1952 Presidential campaign as the Vice-Presidential nominee of the Democratic Party. He was not successful in that campaign, but few, if any Vice-Presidential candidates have been more respected or more affectionately remembered by voters of both parties.

And few if any of our colleagues left this Chamber with a more distinguished reputation or a more outstanding record of dedicated service to the Nation. John Sparkman will rank as one of the greatest Senators of our time, and I am proud to have served here with him.

Mr. HEFLIN. Mr. President, the distinguished senior Senator from Oregon [Mr. HATFIELD] is present, and I yield to him at this time.

Mr. HATFIELD. Mr. President, I thank the Senator from Alabama for yielding to me at this time in order that I may make a few remarks concerning our friend, the late Senator John Sparkman.

Today we are sensing in a deeper way the loss of our friend and colleague, John Sparkman. We missed him when he retired from this institution but we mourn our loss at his passing away from us. Those of us who were privileged to serve with Senator Sparkman share the special grief of his family and of all who knew him well.

For we knew John Sparkman as a man whose work in public office was founded on a profound personal faith in the God he so deeply loved, in the Constitution he had pledged to uphold, and in the people of Alabama he faithfully served. We knew him as a man not inclined to test the political winds before casting a vote. His guidance came from an unwavering commitment to the best interests of his State and the Nation. In this he has been an example to many of us for whom the pressures of public life and public opinion often conflict with our best judgment of what is right.

John Sparkman was a man who did not compromise on what was right. He was a man of honor, who considered the boundaries of political disputes to be the walls of this Chamber. Outside of them a political foe was often his personal friend. This was not a quality used simply for political advantage, but a true measure of the man's character—one that was displayed in all his relationships. A remarkable testimony to this fact came during a recent conversation that I had with my friend, Taz Shepard, Senator Sparkman's son-in-law. He noted that in 45 years he had never heard his father-in-law speak ill of anyone. The ability to overlook a dozen faults in a person and take note of one virtue is a sign of greatness.

We can never predict from whence such greatness of character will spring. In the case of Senator Sparkman it was from the soil of the experience of a southern tenant farm family with 11 children. In it were planted the strong roots of a life of service to others:

> Like a tree planted by streams of water, that yields its fruit in its season, and its leaf does not wither. In all that he does, he prospers. (Psalm 1)

I am grateful for having been nourished personally and politically by the fruit borne in the life of Senator John Sparkman. His influence will not wither, but rather continue to bear fruit in many lives, and the work that he performed will continue to prosper. By virtue of his example, so, too, may our Nation and this institution which he loved.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. HEFLIN. Mr. President, I see the distinguished senior Senator from Alaska [Mr. STEVENS] in the Chamber and it is time to call on him if he wishes.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. I thank my good friend.

Mr. President, all of us in this body were saddened when we learned in November that our former colleague and friend, John J. Sparkman passed away.

I was on the floor as acting minority leader the last day Senator Sparkman presided in the Chair in October 1978. He listened patiently as several of us thanked him for his counsel and friendship during his 42 years in the U.S. Congress. Finally, as if to say, "OK, fellas, that's enough," he interrupted and spoke very briefly.

The gentleman from Alabama, and Senator Sparkman was indeed one of the Senate's finest gentleman lawmakers, recalled that the most pleasing piece of legislation he authored was the Soldiers and Sailors Civil Relief Act of 1942. He helped write this law as a Member of the House of Representatives, where he served for 10 years before coming to the Senate.

The 1942 law prohibited banks from foreclosing on homes or farms owned by men in military service. The former Senator from Alabama knew that the last thing our boys overseas needed to worry about was whether they were going to have a home to come back to once the war ended. Senator Sparkman deserves credit for protecting the American dream for those who risked their lives to protect this great country.

Senator Sparkman will always be remembered as a public servant who never forgot his fellow man. He was never too far away when the debate came to improving life in this country, particularly the rural areas of the United States. He was always extremely proud of the work he did to bring about the Rural Electrification Act.

Those of us from the very remote portions of our country are still grateful to him for that great foresight.

Throughout his career, our former colleague was known for his knowledge and expertise in housing, banking, and small business. Senator Sparkman chaired the Senate Select Committee on Small Business when it was created in 1950. He sponsored the landmark legislation that created the Small Business Administration.

Several years later, Senator Sparkman became chairman of the Senate

Banking, Housing, and Urban Affairs Committee. But his keen intellect was not limited to the development of this Nation's housing and business programs. Our friend from Alabama saw the importance of encouraging space travel and exploration and was at the forefront of Federal Government involvement with this new frontier. Much of the credit for the initial NASA research goes to Senator Sparkman.

Dr. Ernest Stuhlinger, a member of the Wernher von Braun rocket team that built our Nation's first space rockets, said of our former colleague:

He was intrigued by the things we (scientists) wanted to do. He was one of the first ones who saw the handwriting on the wall for the new space age.

Dr. Stuhlinger and the Von Braun team worked at the Marshall Space Flight Center in Huntsville, AL. Locating the flight center in Huntsville was just one of the many things John Sparkman did to help boost economic development in his native State. He aggressively supported the Tennessee Valley Authority and worked tirelessly for the Tennessee-Tombigbee Waterway project.

Mr. President, he worked equally well to help me as one of the new Senators in a new State admitted to the Union under very adverse circumstances, and we will never forget his assistance to us.

Mr. President, it is an understatement to say that John Jackson Sparkman served his State and his country well. He was truly a servant of all the people, a man of great dignity and solid character with whom it was a privilege to have served in the Senate. We all now mourn the loss of a man I am certain will always be a legacy in his home State of Alabama.

I thank my friend, the Senator from Alabama, for informing me of the time for this statement.

Mr. HEFLIN. I thank Senator STEVENS.

Mr. HATCH. Mr. President, I take the opportunity today to commemorate one of our past colleagues who has truly been an inspiration to many of us. Senator John Sparkman of Alabama died on November 16, 1985. His death is a sore loss and deeply felt.

John Sparkman's achievements touched every issue. His fundamental beliefs were based on the ideals, interests, and inspirations central to our Nation. He advocated peace, democracy, liberty, and international cooperation both within this country and throughout the world. His devotion to the office, through 42 years of service, brought continuity to the U.S. Senate. Much of what we now take for granted in the international and domestic spheres came into existence with the help of his efforts. Some of Senator Sparkman's greatest accomplishments were in the realm of foreign policy, where his bipartisan politics helped to bridge the gap between the parties and brought about the accord necessary to pass difficult and sensitive legislation.

The passing of John Sparkman has brought sorrow to those who knew him, but his life will bring wisdom to those who follow him.

Mr. WEICKER. Mr. President, on November 16, 1985, this country lost one of its most notable public servants with the death of former Senator John Sparkman of Alabama. Senator Sparkman served in both the House and the Senate with equal distinction. He spent some 40 years representing his home State of Alabama, dedicating his entire adult life to public service.

After Senator Sparkman's death, it was said that Alabama has lost a great treasure. In many ways, so has the Nation. I hope that other Americans will look at Senator Sparkman's distinguished career as a public servant and realize, as he did, that there is no greater honor than to serve one's country. John Sparkman served his country well.

Mr. FORD. Mr. President, I rise to join in a tribute to a great American whose 42 years in Congress serve as a model of dedication, skill, and compassion.

Senator Sparkman, who died November 16, was already a legend when I came to the Senate in 1974. His work in foreign affairs was known worldwide as he pressed for a military balance of power as a means of peace. However, to Kentuckians and others in our region, it was his commitment to rural development which made an extraordinary difference in our lives.

John Sparkman, the son of a tenant farmer, raised on an Alabama cotton farm, understood the needs, and the potential, of rural America. He was an original sponsor of the act which created the Tennessee Valley Authority, an agency which escorted a seven State region into the 20th century. The Rural Electrification Administration also had his steady and heartfelt support.

Of course, the work of which John Sparkman was probably most proud was that which earned him the revered title, Mr. Housing. He understood the great feeling pride and independence that homeownership provided. That understanding led the Senator, through legislation, to help millions achieve their own American dream through purchase of a home.

Upon his retirement in 1979, Senator Sparkman was quoted as saying, "I take satisfaction in knowing that I have always done all that I could for Alabama and for my country." Those are words to which ever Member of this body can relate, as we strive to be able to make them our own upon retirement.

Our Nation owes a tribute to Alabama for giving us the likes of both John Sparkman and Senator Lister Hill, a statesman who hailed from the same rural area in that State. I am certain that John Sparkman took great comfort, upon his retirement, in the fact that his office was being assumed by HOWELL HEFLIN, a Senator much in the honorable mold of his predecessors.

Senator Sparkman set an example in his service for all of us to follow. I am honored to have known him.

Mr. MATSUNAGA. Mr. President, I rise to join my colleagues in paying tribute to our late colleague, the former Senator from Alabama, John Jackson Sparkman. Senator Sparkman was a model lawmaker in many ways: A gentleman in the finest sense of the word, and one who avoided personal confrontation and offensive language even in times of great stress and heated argument.

His forbearance and negotiating skill identified him as one of the outstanding legislators of his era, as it was particularly evident in the field of housing. The post-World War II surge in house building and home ownership was accomplished within the innovative legal framework he had constructed. He also championed the cause of small business and the preservation of the family farm, while with great foresight he legislated to make us a space-faring Nation.

Mr. President, Senator Sparkman was a man with whom I could personally identify, for he was born to a poor farming family with many mouths to feed, and he had to struggle to gain an education. He brought to Washington a background in schoolteaching and the practice of law, and served for years in the House of Representatives before being elected to the Senate.

Having emerged from similar humble background, I saw in John Sparkman a model for emulation, especially with regard to the respect he accorded to all of his congressional colleagues and everyone else he met. He came from a tradition of southern progressivism which has given our country some of its finest institutions and accomplishments, and he represented the "best and the brightest" of that tradition. Our great Nation is greater today because John Sparkman served to make it so. As a beneficiary of his services, I extend my heartfelt condolences and deepest sympathy to his surviving family members.

Mr. PROXMIRE. Mr. President, John Sparkman deserves the praise he is receiving in today's memorial to him.

The Senator from Alabama was that rare combination of a gentle man and a good politician. His southern courtliness ingratiated him to all. His keen

political sense seldom erred in counting the votes that were needed to win.

I knew him best as chairman of the Senate Committee on Banking, Housing, and Urban Affairs, a post he held for 7 years. He was a diligent chairman. Under his leadership, the Banking and Housing Committee regularly held hearings, developed its legislative record, completed markups of the bills before it, and got them approved by the Senate and the House. He was a chairman who had the confidence of his colleagues.

He was, in the best sense, a "laid back" chairman. He believed in letting everyone have his say—and then, he would somehow manage to get his way. He had a knack for making even the most divisive issues appear to be nonpartisan. After hearing everyone out, John would lean forward and say, "Now, why don't we try this * * * ?" And, most of the time, everyone would.

Senator Sparkman was not given to making long speeches on the floor of the Senate. Nor was he a practitioner of the quotable quote to gain media coverage. He was not a man who enjoyed either direct confrontation or extended debate. His mode was to listen, and to meld different points of view into an acceptable compromise. He was a chairman who took pride in achieving a consensus within his committee, and gaining broad support for his committee's recommendations in the full Senate.

There is no better testimony to John Sparkman's success as chairman, Senator, and gentleman than the typical response his Senate colleagues made when a banking-housing bill was brought up for vote: "If it's all right, with John, I'm for it * * *"

Mr. STAFFORD. Mr. President, I am privileged to join in this tribute to the late Senator John J. Sparkman of Alabama.

Like his colleague of so many years from my own State of Vermont—the late Senator George D. Aiken—John Sparkman served his State and Nation long, but with quiet dignity. I, indeed, consider it a great honor to have served with both of them if even for a brief part of their distinguished careers.

Senator Sparkman, who died last November 16 at the age of 85, spent nearly half of that lifetime in the U.S. Congress, 12 years in the House of Representatives and 30 years here in the Senate. Since I am myself now in only my 26th year of congressional service, I can say that to have served 42 years required a considerable amount of patience, understanding, and humor. John Sparkman had those qualities and was indeed a real gentleman.

My closest personal relationship with Senator Sparkman came about through serving several times with him on the U.S. delegation to the Inter-Parliamentary Union. As head of our delegation, he gained wide respect from legislators throughout the world.

Of course, here in this country he became known throughout the land in his capacity as chairman of the Senate Foreign Relations Committee, as a U.S. delegate to the United Nations and, most notably, as his party's nominee for the Vice Presidency in 1952.

I find it most fitting, however, that—despite these worldwide and national recognitions of achievement—the accomplishments John Sparkman was most proud of as he pondered his long years of public service came in the field of housing. For in his 12 years as chairman of the Senate Banking, Housing, and Urban Affairs Committee, landmark legislation was approved which assisted thousands of Americans to secure the first home of their dreams. He took particular pride in helping people in rural America to share in this American dream.

Yes, John Sparkman's advice and friendship were actively sought by several Presidents. He had been courted by kings and queens, and looked up to by parliamentary leaders throughout the world. And his party had nominated him for the second highest position in our land.

But John Sparkman was most proud of the fact that he had helped make life a whole lot better for just a lot of average, poorer, Americans. For all these reasons, I am honored to pay tribute to him here today.

Mr. ANDREWS. Mr. President, when I think of John Sparkman, I am reminded of the old Chinese proverb, "a journey of 1,000 miles begins with the first step." For John's journey from Morgan County, AL, to the Vice Presidential nomination of the Democratic Party in 1952 underscored his step-by-step advancement up the ladder of public service and exemplified his philosophy that if you work hard, use sound judgment, never forget where you came from, and use your God-given abilities, one's success can be unlimited.

This philosophy served him, his State, and his Nation well throughout his 42 years of service in Congress. It helped him become one of the forefathers of postwar American foreign policy and to serve as legislative craftsman of a bipartisan Federal housing policy for a nation at last at peace. There are not many people who can lay claim to such laurels—but John could.

Whether the Senator was in his church, with his family, chairing a hearing, or spending a Saturday with constituents, he was always taking one more step on that 1,000-mile journey—one step at a time—and I believe he is still on that path.

Mr. LEAHY. Mr. President, it is the hope of every Senator who enters this Chamber that he or she will have a positive and enduring effect on the lives of the people of this Nation. Few have succeeded as did the late Senator John Jackson Sparkman in his 42 years of service in the Congress of the United States.

John Sparkman served five terms in the House of Representatives, and held the leadership position of majority whip in the last, before his election to the Senate. His fine record in the House prepared the way for a distinguished career in the Senate. I was fortunate to begin my career in this Chamber before the close of John Sparkman's in 1976.

Not just Alabamans, but all Americans owe a great deal of thanks to Senator Sparkman. He pioneered legislation in the areas of housing, small business and banking. Many families across the Nation own homes today because of Senator Sparkman's initiative. As chairman of the Select Committee on Small Business, he fought for the survival of the family-owned farm. With his help, Federal aid to education and veterans benefits brought hope and opportunity to many. In his role as chairman of the Foreign Relations Committee, John Sparkman recognized the absurdity of a costly and unnecessary arms buildup, calling it a ruinous rivalry.

I feel a deep sense of appreciation to Senator Sparkman for the legacy he left this Chamber. As much as John Sparkman accomplished, it is how he achieved his goals that is significant. Senator Sparkman knew the value of cooperation and the importance of compromise in the Senate. In his concern for fair and responsible legislation, he worked to understand and appreciate all points of view. In his own words, "You have to sit down with one another, talk things over, reason together."

Above all, Senator Sparkman's decisions were guided not by special interests, but by his conscience.

The greatest tribute we can pay Senator Sparkman in the Senate is to remember his political philosophy as we confront the difficult and critical agenda of the 2d session of the 99th Congress.

Mr. HEFLIN. Mr. President, I ask unanimous consent that the remarks in this tribute ceremony this morning be published in the manner that is usually done as to these types of tributes and that sufficient copies of that publication be made available to members of the family and to the Members of the Senate in such adequate numbers as to be able to meet the needs of those who desire them.

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

Mr. HEFLIN. Mr. President, with the right for any Senator to deliver any remarks that he would wish to

make concerning Senator Sparkman during the day and with the right for any Senator to submit any statement he wishes, all of which we ask to be included in the publication of tributes to Senator Sparkman, I ask unanimous consent that any such remarks either delivered orally or in writing delivered during the day be included in that publication.

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

Mr. BYRD. Mr. President, on November 16, 1985, Senator John J. Sparkman of Alabama died of a heart attack.

I extend my condolences to his family; his wife, Ivo Hall, and his daughter, Julia Ann.

While we are saddened by his passing, we will long remember his life and career and accomplishments. And we will long remember how he showed us that in 20th century America, the American dream is indeed alive and well. This son of an Alabama tenant farmer, who entered the University of Alabama on money he obtained from a cotton crop he had raised, eventually became his political party's nominee for the Vice Presidency of the United States, and served a total of 41 years and 10 months first in the U.S. House of Representatives and then in the U.S. Senate.

Born near Hartselle, AL, in 1899, Mr. Sparkman was elected to the House of Representatives in 1936. During the decade that he served in the House, 1939-46, Mr. Sparkman fought for Social Security, the Tennessee Valley Authority, and farm loans, and served on the House Military Affairs Committee during World War II. In November 1945, he became the Democratic whip of the House of Representatives.

The next year, 1946, Mr. Sparkman became the only person in the history of the United States to be elected to both Houses of Congress at the same time. Subsequently, he resigned his seat in the House, and as a Senator, served the people of his State and the United States for nearly a third of a century.

Senator Sparkman supported the Marshall plan and Federal aid to education. Committed to the improvement of housing for all Americans, Senator Sparkman led the fight for housing legislation, including the landmark Housing Act of 1949. Millions of our fellow citizens now have decent housing because of his legislative efforts.

As chairman of the Senate Select Committee on Small Business, Senator Sparkman became a champion of small business. He authored the Small Business Act of 1953, the Small Business Investment Act, the Small Business Tax Act of 1958, and the Small Business Amendments of 1966-67, and sponsored the landmark bill that created the Small Business Administration. Said Senator Sparkman:

> When the little businessman gets hurt, this hurt is felt throughout the entire economy.

From 1967 to 1975, he served as chairman of the Senate Committee on Banking, Housing, and Urban Affairs. From 1975 to his retirement in 1979, he served as chairman of the Senate Foreign Relations Committee.

Largely because of his effectiveness on Capitol Hill and the esteem in which he was held here, in 1952 Senator Sparkman was selected to be the Democratic nominee for Vice President.

Upon the announcement of the retirement of Senator Sparkman, in January 1978, I remarked:

> His retirement will bring to a close one of the most distinguished careers in the Senate. * * * We shall miss our colleague.

And, indeed, we did miss his wisdom and leadership. Now we miss him personally.

But we will always have the memories of this good Senator from Alabama. More importantly, the people of his State, and all the people of this Nation, will continue to benefit from his very significant and substantial accomplishments.

Mr. MOYNIHAN. Mr. President, much will be said today about Senator John J. Sparkman's life and his many accomplishments. His long career in the Senate—and in the House of Representatives—was, as many of us in this Chamber can attest, marked by tremendous distinction.

It is of course true that few men have served their Nation in the Congress for as long as did John Sparkman. His 42 years here—all but 10 in the Senate—made for at least one record: he was a Senator longer than any other person from his home State of Alabama. Those were years, Mr. President, that saw Senator Sparkman chair the Senate Select Committee on Small Business, the Senate Committee on Banking, Housing, and Urban Affairs, and, succeeding Senator J. William Fulbright, the Senate Committee on Foreign Relations.

Senator Sparkman was a recognized authority on public housing, and was for years the Senate's great voice on housing issues. He also was a strong believer in the value of bipartisan cooperation, especially in matters of foreing affairs. John Sparkman was possessing of an extraordinarily keen mind, and it was his intelligence and powerful bearing that made him such an effective and respected leader. But even more, it was his sense of dignity and his exceptional character that endeared him to his colleagues at the Capitol, his constituents at home, and indeed to all of the Nation.

Mr. President, John Jackson Sparkman was a Member of this body whom we shall not soon forget. I hope my few imperfect words will convey to those members of his family here today the importance of his legacy to us all.

Mr. STENNIS, Mr. President, I was privileged to serve for 32 years with our late colleague, John Sparkman.

He was an able and much admired colleague on whom we counted for guidance, particularly in the areas of banking and housing. He developed a wealth of knowledge in these areas from which all Senators drew sage advice and assistance. We knew we could trust his good judgment.

While we did not serve on the same committees, we were from neighboring States. He knew and understood the people of Alabama and, thereby, a great deal about the people of Mississippi. We worked closely and often on matters of common interest to Mississippi and Alabama.

He was a friend, a colleague, a neighbor, and most of all a Senator to whom all looked with respect. We miss his guidance but remember what he meant and still means to the Senate.

On such matters as the Tennessee Valley Authority, the Appalachian Regional Commission, and the Tennessee Tombigbee Waterway, the people of both Mississippi and Alabama profited by his hard work and interest in the people of the region.

Mr. GLENN. Mr. President, I am pleased to have this opportunity to say a few words in remembrance of my distinguished colleague, Senator John Sparkman.

John Sparkman's life was one of strong commitment to this Nation, to public service, and to the less fortunate in this world. There was a unique strength in John Sparkman, who began life as one of 11 children of a tenant farmer in rural Alabama. He attended a one-room, one-teacher school, entered college from a loan on a cotton crop he had raised, and worked his way through the University of Alabama.

After completing his law degree, John Sparkman practiced law in Huntsville until 1936 when he was elected to the U.S. House of Representatives. During his 10 years in the House, he worked to ease the plight of tenant farmers and was a strong supporter of the establishment of the Tennessee Valley Authority.

In 1946, due to an unusual set of circumstances, John Sparkman became the only person in the history of this Nation to be elected to the House and the Senate simultaneously. He resigned from the House to serve in the Senate.

John Sparkman's 32-year career in the Senate was impressive. In 1950 he became the first chairman of the Senate Select Committee on Small Business. During the 15 years that he served on that committee he was an

important supporter of independent businessmen and was instrumental in the creation of the Small Business Administration.

In 1952, he was chosen as the Democratic Vice Presidential nominee. Although defeated, John Sparkman returned to the Senate and continued his work.

After his election to a third full term in the Senate, John Sparkman became chairman of the Committee on Banking, Housing, and Urban Affairs and worked to pass housing bills so that all Americans could have the opportunity to obtain decent housing at an affordable cost.

In 1975, Senator Sparkman assumed the chairmanship of the Foreign Relations Committee. I had the privilege to serve under his leadership on that committee. He made numerous contributions to the committee until his retirement from the Senate in 1978. I am proud to have had the opportunity to work with Senator John Sparkman, and am pleased to have the opportunity to pay this tribute to him.

Mr. PELL. Mr. President, it is extremely difficult for any speaker to find words of tribute adequate to describe the late Senator John Sparkman. Those of us who have known and loved him, fear our words will pay scant justice to his memory.

John Jackson Sparkman came from the southland of this great Nation, from the low plateau region of northern Alabama that he loved so much. One of eleven children born to a poor tenant farmer, he strove to the utmost of his immense capacity to overcome his modest roots. He worked hard and steadfastly to help his family, and then drew further on his own abilities to support himself at the University of Alabama as he earned bachelor's, master's, and law degrees. After 10 years of practicing law in Huntsville, he was elected to the House of Representatives. A decade later, in 1946, he entered the Senate and in 1952 was chosen to be his party's Vice Presidential candidate—a remarkable achievement by an extraordinary man.

In his famous funeral oration for the fallen warriors of Athens, Pericles once stated:

> Fix your eyes on the greatness of Athens as you have it before you day by day, fall in love with her, and when you feel her great, remember that this greatness was won by men with courage, with knowledge of their duty, and with a sense of honor in action, who, if they failed in any ordeal, disdained to deprive the city of their services, but sacrificed their lives as the best offerings on her behalf.

That ideal describes John Sparkman, who dedicated 42 years of his life to dauntless public service to this Nation and to his countrymen. He never forgot his modest beginnings, which enabled him to bring to Washington an acute sensitivity to the needs of the ordinary man and a firm belief that government should help people do what they cannot do for themselves. As I listen to my colleagues catalog his myriad achievements in promoting small businesses, in aiding public education, in providing crop insurance for small farmers, in supporting veteran's benefits, rural electrification, and public housing projects, I cannot help but admire the compassion and understanding he had for the problems of everyday man. His public life was devoted to ensuring a better standard of living for all Americans.

It was during his tenure on the Foreign Relations Committee that I came to know and appreciate this kindly, soft-spoken man. He served on the committee for 27 years and was its chairman for the 94th and 95th Congresses. I, for one, can attest to the fact that, under his guidance, the committee and the Senate shaped foreign policy in many important ways. During his chairmanship, the committee reported to the Senate, 46 treaties, originated 58 public laws, and considered over 5,000 nominations. During this period, the work of the committee reflected his concerns about the world food shortage, the proliferation of nuclear weapons, and the need for closer cooperation in an interdependent world to solve our global problems.

I remember that Chairman Sparkman often stated that although the Senate does not make foreign policy it plays a crucial role in shaping it. He considered this role to be a critical responsibility. In a major foreign policy address delivered in 1975, he stated the following:

> . . . I have always believed—and continue to believe—that the primary foreign policy responsibility of the Senate is in its advice and consent function—the rendering of advice whether it is solicited or not, the granting or withholding of consent according to our own individual judgment. The essential requirement is independence. A Senator is constrained by no principle either of dissent or acquiescence. In rare instances of national emergency we may find it necessary to suspend judgment or delay scrutiny, but in all except these most extraordinary circumstances our duty toward the executive is one of fair but rigorous scrutiny. We have neither the authority nor the resources to participate in the day-to-day conduct of foreign policy, but we are entrusted with both authority and responsibility to define the objectives and determine the direction of foreign policy, according to our own best judgment of the national interest.

In exercising this responsibility, John Sparkman, did not take the easy road of political expediency. The Panama Canal Treaty is a clear case on point. A politically unpopular issue in the conservative South, under his leadership it passed through the committee to the floor of the Senate, where, after 38 days of intensive debate, it was approved by a substantial majority. That was an example of John Sparkman, the statesman, knowing the importance of that treaty to our long-term relationships in Latin America resisting the powerful pressures of local politics.

As a member of the Foreign Relations Committee, John Sparkman was particularly thoughtful and helpful to me. He was always scrupulously fair and encouraged all members to develop initiatives for committee action. He was assiduous in his efforts to promote the closest cooperation and understanding between the committee and the administration, whether Democratic or Republican.

These qualities are sorely missed. As Wordsworth so eloquently expressed in his "Intimations of Immortality":

> Though nothing can bring back the hour
> Of splendour in the grass, of glory in the flower;
> We will grieve not, rather find
> Strength in what remains behind;

John Sparkman has left behind a rich life and legacy for us to treasure as consolation for his passing from this life. We shall all miss his gentle and kindly manner, and his deep and abiding concern for the American people. We must never forget what he stood for and loved: honesty, compassion and freedom.

Mr. McCLURE. Mr. President, it is with both honor and sorrow that I stand here today to pay tribute to Senator John Sparkman. The honor comes in being afforded the chance to speak on the floor of the U.S. Senate about one of the most distinguished men ever to serve in this body; the sorrow comes in the fact the tribute is a eulogy.

We remember Senator Sparkman, who passed away last November, as a statesman, family man, friend, and devoted public servant.

But there was something else—an intangible, if you will—that made John more than a venerable Senator from the South. His manner, his speech, and his actions reflected his humble beginnings in Hartselle, AL. Though he rose to the heights of his country's Government, he never forgot his roots. He always looked out for the common man.

His political career spanned parts of five decades and the administrations of eight Presidents. In the U.S. House of Representatives, where he served from 1936 to 1946, he sat on the Military Affairs Committee and was majority whip in his last term.

In the Senate, where he served six terms before retiring in 1979, he was chairman of four committees and earned the moniker "Mr. Housing" because of efforts in shaping the Nation's urban renewal and housing policies.

Beginning with his work as the floor leader of the landmark Housing Act of 1949—which established the Federal Urban Renewal Program—he was re-

sponsible for virtually every piece of Senate-originated legislation on housing in the 1950's, 1960's, and 1970's.

But housing was not the only arena where Senator Sparkman left his mark. He fought for tax relief for small business and helped usher into law the Small Business Act of 1953, the Small Business Investment Act of 1958, and the Small Business Amendments of 1966-67, among others.

In 1959 he introduced a bill to streamline enforcement of Federal Trade Commission orders against unlawful trade practices.

In his last term in the Senate he became a powerful voice in foreign affairs as well, and relinquished chairmanship of the Banking Committee to become chairman of the Foreign Relations Committee.

John Sparkman manifested the American dream. He was born to an Alabama tenant farmer, worked his way through the University of Alabama, practiced law, and then forged a storied career in Washington—which saw his party nominate him as its Vice-Presidential candidate in 1952.

His accomplishments will be long remembered in this body, and most certainly, in Alabama. I commend Senator HEFLIN for organizing today's tribute, and I join with my colleagues in mourning Senator Sparkman's passing.

IN MEMORY OF JOHN J. SPARKMAN

Mr. HOLLINGS. Mr. President, it would be impossible for me to sum up the outstanding career of our friend and colleague Senator John J. Sparkman in this short statement. However, I would like to make a few comments on the considerable talents and wisdom that John Sparkman brought to this body during his 32 years in the Senate.

John Sparkman earned a reputation as one of the brightest and articulate Members this body has ever seen. He also earned a reputation for his ability to mediate, to compromise—to rise above the political fray and lead bipartisan efforts. His political philosophy, as many have often heard him say, was "You have to sit down with one another, talk things over, reason together." It was for this ability to compromise—as well as his conviviality—that he was chosen as Adlai Stevenson's running mate in the 1952 Presidential election.

John Sparkman was one of the early populist Southern liberals and, as such, left what was perhaps his greatest legislative mark as an advocate of public housing while serving as chairman of the Senate Committee on Banking, Housing and Urban Affairs from 1967 to 1974. As head of the Banking Committee, Senator Sparkman pioneered a host of legislation: The Housing Act of 1949, which established the Federal Urban Renewal Program intended to revitalize America's cities; the Fair Credit Billing Act, which provides protection for both consumers and merchants; and the Small Business Act of 1953, which created Government loans and assistance for small businessmen.

Senator Sparkman will also be remembered for his role as chairman of the Foreign Relations Committee. He led this committee honorably and as he thought it should be led, refusing to succumb to any criticism that might have come his way. He believed that the President, not Congress, should be the one to shape foreign policy, and supported a strong bipartisan foreign policy, voting for NATO and the Marshall plan aid program.

During the 10 years he served in the House of Representatives, John Sparkman fought for the Tennessee Valley Authority, farm loans, and Social Security. During World War II, he was a leader on the old House Military Affairs Committee and was also elected the House democratic whip.

Perhaps John Sparkman's arrival in his career—as a long-esteemed public servant—is less important than his starting point in life. In many ways he epitomizes the American dream. As the seventh of a tenement farmer's 11 children, he spent his early childhood in a 4-room log house in rural Alabama. He studied by kerosene light, walked 4 miles each way to high school and worked his way through the University of Alabama, where he eventually got his B.A., his master's, and a law degree. He worked his whole way through school—tending furnaces and the like—but still managed to serve as student body president, edit the school newspaper and be elected Phi Beta Kappa. And somewhere between school and entering Congress, he managed to teach at Huntsville College, served his country honorably in World War II, and practice law.

It goes without saying that I could keep going for hours about the solid character, inscrutable values, and diligent hard work of John Sparkman. But suffice it to say that I and my esteemed colleagues will miss John Sparkman, but we will never forget his fine example.

Mr. DOLE. Mr. President, I want to pay my respects, as my colleagues have, to the memory of John J. Sparkman.

John Sparkman's more than 20 years in the Senate spanned one of the greatest periods of change in this Nation's history. And John Sparkman kept pace with this changing world, whether it was in the area of public housing, small business, foreign affairs, or campaign reform.

Under his leadership in the Senate Banking and Housing Committee, Congress adopted landmark legislation establishing the Federal Urban Renewal Program. Sparkman was also instrumental in gaining passage of truth-in-lending legislation, which required lenders to provide full information about the cost of credit.

Sparkman became most prominent on the national scene in 1952 when her ran as Adlai Stevenson's Vice Presidential running mate.

During his final years in the Senate, John Sparkman was best known as chairman of the Foreign Relations Committee. Sparkman was a consistent voice against Communist aggression. He believed that the way to better relations between the Communist and free world was through trade.

Whatever the subject, John Sparkman brought his intelligence, his common sense, and his love of country to bear. John Sparkman was a true gentleman, and a fine U.S. Senator. Those of us who served in the Senate with him know what a dedicated public servant and fine American he was.

Mr. HEFLIN. Mr. President, we yield back the time allotted to us.

ROUTINE MORNING BUSINESS

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

GRAPHICSTUDIO U.S.F. COMMENDED

Mr. KENNEDY. Mr. President, last November, the Board of Trustees of the National Gallery of Art voted to create a special archive for works of art created at Graphicstudio U.S.F., the University of South Florida's artist's workshop and production facility. I believe that the National's decision is recognition of the important contribution Graphicstudio has made to the contemporary art world. In addition, as the collection grows, our National Gallery will have a complete and documented collection of all works produced at this graphics/sculpture workshop.

Artists of international acclaim, students, and faculty of the University of South Florida, and the local community, have all benefited tremendously from the work of the studio. Now, with the establishment of this outstanding and growing teaching collection at the National Gallery, all Americans will be able to share in the appreciation of the continuing accomplishments of Graphicstudio.

Mr. President, Graphicstudio U.S.F. has produced a body of work exemplary of the imagination, innovation, and sensitivity to the human spirit that has given rise to America's leadership in the international world of art. I want to express my personal appreciation

tion to Don Saff, the 1968 founder of Graphicstudio and distinguished professor of art at U.S.F., for his artistic and organizational vision in the development of this workshop, and to the National Gallery for its recognition of the quality of work produced at Graphicstudio U.S.F. An exhibition of the works created in the workshop is tentatively scheduled for late 1989. I am sure that the exhibit will be an interesting one and join my colleagues in anticipating its opening.

ANN R. KLEIN, NEW JERSEY ADVOCATE FOR THOSE IN NEED

Mr. BRADLEY. Mr. President, I would like to take this moment to pay special tribute to Ann R. Klein, a remarkable resident of New Jersey, who recently succumbed after a long battle with cancer.

Ann Klein was a women who had no difficulty breaking new territory. She was the first Democrat to represent Morris County in the assembly in 60 years. She was the first woman in modern times to be a serious candidate for Governor of New Jersey. She was the first woman commissioner of the State department of institutions and agencies, with responsibility for the State prisons and mental institutions.

Mr. President, Ann epitomized civic involvement. Trained as a professional social worker, she came to politics from years of active involvement in the League of Women Voters. She was eventually elected president of the league, a post she held for 4 years until she was elected to the New Jersey State Assembly in 1972. To win that election she had to defeat a two-term incumbent in a county where few could remember ever voting for a Democrat.

In 1973 she ran for Governor in the Democratic primary. In a field of five candidates, she came in second, losing to Brendan Byrne who went on to become Governor. Ann said at the time, "We have carved a doorway through the wall of blind prejudice.* * * Some day another woman will walk through that door." Upon his election, Governor Byrne named Ann Klein to a major cabinet post, commissioner of institutions and agencies, later to become the commissioner of the newly created department of human services. She was known as the conscience of the cabinet. She was a passionate advocate for the rights of the poor, the mentally disturbed, and the elderly.

Some of Commissioner Klein's most notable contributions include a major effort to combat child abuse, a dramatic increase in day care services, the conversion of a State tuberculosis hospital into a geriatric nursing home for individuals who had been inappropriately cared for in State mental institutions, and a major modernization of the State prisons. Ann Klein directed the State's human services programs until 1981, when she resigned to seek the Democratic nomination for Governor for a second time. Again the nomination eluded her.

In 1982 she was appointed an administrative law judge, a post she held until ill health forced her to retire in 1984. Just 1 week ago Ann Klein lost her fight with cancer. But she will be long remembered in New Jersey for her tireless efforts to improve the lives of others. She took seriously her responsibility to leave the world—and our State—a little bit better than she found it. That was clearly a quest that did not elude her.

TOBACCO ADVERTISING

Mr. BRADLEY. Mr. President, on December 16, 1985, I introduced S. 1950, a bill to amend the Internal Revenue Code to disallow deductions for tobacco advertising expenses. On that same day, Congressman STARK introduced similar legislation in the House of Representatives.

Mr. President, recently Congressman STARK and I, joined by Senators CHAFEE and BINGAMAN, held a press conference to report that over 30 health groups have come out in strong support of our legislation. Today, I want to share with my colleagues the remarks of the health professionals who spoke at that press conference.

I ask unanimous consent that the remarks made at the press conference by the representatives from these organizations, along with a letter from the Coalition on Smoking or Health, be included in the RECORD.

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

COALITION ON SMOKING OR HEALTH

DEAR SENATOR BRADLEY AND REPRESENTATIVE STARK: We are pleased to endorse and support your bills to eliminate the business tax deduction for cigarette advertising and promotion. We agree that there is no logical reason why the marketing of a product that kills more than 350,000 people a year should merit a tax deduction.

Despite numerous past efforts to obtain a voluntary agreement among cigarette advertisers to limit their messages associating cigarette smoking with activities and role models likely to be admired by children and teenagers, a review of current cigarette advertising and the sports events sponsored by cigarette manufacturers reveals the failure of these efforts. It is no coincidence that 60% of current smokers started by the age of thirteen. These young smokers will grow into adults suffering from smoking-related diseases and disability which, according to the Office of Technology Assessment, cost the U.S. economy $65 billion annually. Surely the American taxpayer should not be asked to bear the burden of costs resulting from smoking, and to pay for the advertising and promotion efforts that produce more smokers.

We applaud your initiative to make cigarette manufacturers pay the full costs of marketing their deadly product. We hope your example will pave the way for other measures to reduce the two billion dollars spent annually on cigarette advertising and promotion.

Sincerely,

American Heart Association; American Lung Association; American Cancer Society; American Medical Association; American Public Health Association; American Academy of Pediatrics; American Association of Retired Persons; American Academy of Family Physicians; National Association of Elementary School Principals; American College of Preventive Medicine; American College of Chest Physicians; National Board, Young Women's Christian Association; American College of Cardiology; American Licensed Practical Nurses' Association; Americans for Non-Smokers' Rights; American Association of Dental Schools; American Medical Student Association; American Academy of Otolaryngology; American Association for Respiratory Therapy; The Joint Council of Allergy and Immunology; American Diabetes Association; National Perinatal Association; American Association of Preferred Provider Organizations; Terry Gotthelf Lupus Research Institute; Association of Schools of Public Health; American Nurses Association; Public Citizen; Association of Teachers of Preventive Medicine; American Society of Internal Medicine; Association of State and Territorial Health Officials; American Dental Association; Center for Science in the Public Interest; National Association of Children's Hospitals and Related Institutions (NACHRI); and American College of Obstetricians and Gynecologists.

STATEMENT OF JOHN J. MCGRATH, M.D.

February 19, 1986.

My name is John J. McGrath, M.D. and I am a member of the American Medical Association's Council on Legislation. I am pleased to be here today, along with others from concerned organizations. The AMA supports legislation to eliminate federal tax deductions for advertising and promotion of tobacco products. We commend Senator Bradley and Representative Stark for their latest efforts to protect the public health by eliminating inconsistencies in our nation's federal policy toward tobacco.

The use of tobacco is the single most preventable cause of death and disease in this country. And yet, the federal government allows tax deductions for the expense of advertising and promoting this harmful substance. It has been estimated that the federal government's share of the expense for treating tobacco-related illness may have reached $6.6 billion in 1985. Total expenses to our health care system for treating tobacco-related illness may have been as high as $35 billion last year.

Since we are faced with a serious federal deficit and pressures to contain the cost of health care, it only seems reasonable that federal tax policy recognizes the health consequences of cigarettes and other tobacco products. We believe that eliminating the federal tax deduction for tobacco advertising and promotion expenses and raising the cigarette excise tax are only fair. These actions will have the long-term effects of discouraging tobacco advertising and tobacco

consumption. The future incidence of tobacco-related disease would thereby be lowered.

The true cost of tobacco use includes incalculable human suffering that accompanies the cancers, cardiovascular diseases and chronic lung diseases that are caused by tobacco use. Physicians see the human cost of tobacco day in and day out. This is why the AMA has joined with government and other groups assembled here to work for a tobacco-free society by the year 2000. To achieve this ultimate goal we believe that we must go beyond supporting the beneficial legislation of Senator Bradley and Representative Stark. The AMA seeks an end to all forms of advertising and promotion of tobacco products.

Billions of dollars are being spent to portray tobacco as a healthy, refreshing, socially acceptable product. This tremendous promotional outlay obscures the true health consequences of tobacco use. It is no coincidence that those most familiar with the health consequences of tobacco use, physicians, are less likely to smoke than the general population.

Cigarette smoking alone is responsible for 346,000 deaths each year in the United States; more than one-sixth of all deaths in the U.S. Each day approximately 1,000 of our citizens die of tobacco-related causes.

The 345,000 deaths due to cigarette smoking are broken down as follows: lung cancer—80,000, cardiovascular disease—225,000, chronic obstructive lung disease—19,000, and other cancers such as oral, esophagus, larynx, urinary bladder, pancreas, Kidney—22,000.

Lung cancer is the number one cancer killer in males in the U.S., and by the end of 1985 is expected to have surpassed breast as the number one cause of cancer deaths in women.

Until our citizens stop suffering and dying from this preventable cause, the American Medical Association will continue to discourage tobacco use. Once again, we support the legislation of Senator Bradley and Representative Stark. This legislation is a big step in achieving the goal of a tobacco-free society by 2000.

AMERICAN HEART ASSOCIATION STATEMENT ENDORSING LEGISLATION INTRODUCED TO DISALLOW CIGARETTE ADVERTISING AS A BUSINESS EXPENSE

The American Heart Association, (AHA) today endorses legislation introduced by Senator Bill Bradley, (D-NJ), and Congressman Pete Stark, (D-CA), aimed at prohibiting tobacco companies from deducting the cost of cigarette advertising and promotion as a business expense for tax purposes.

Over thirty other health associations and professional medical societies have also endorsed the proposed legislation.

The American Heart Association has urged for a total ban on cigarette advertising and the Bradley-Stark legislation is a strong first step in that direction.

Allowing cigarette companies to take advertising expenses as a tax deduction is clearly a financial incentive for them to promote the sale of the "single most preventable cause of death and disability in this country." The deduction amounts to a rebate for ignoring more than 30 years of scientific evidence against cigarette smoking.

Cigarettes continue to be the most heavily advertised and promoted product in the United States. Each year cigarette companies spend over $2 billion to advertise and promote their product making cigarettes the most heavily advertised and promoted product in the United States. Yet smoking continues to cost the nation more than $13 billion in health care.

Smokers have more than twice the risk of heart attack of non-smokers. In fact, cigarette smoking is the biggest risk factor for sudden cardiac death: smokers have two to four times the risk of non-smokers. Besides, a smoker who has a heart attack is more likely to die from it and is more likely to die suddenly (within an hour) than a non-smoker.

When people stop smoking, regardless of how long or how much they've smoked, their risk of heart disease is rapidly reduced. Ten years after a person has quit smoking, the risk of death from heart disease for a person who has smoked a pack a day or less is almost the same as for an individual who has never smoked.

In its official statement, "Public Policy on Smoking and Health," the AHA notes that a cigarette is the only significant consumer product that is harmful when used as intended, and the harm associated with this product has no parallels today.

Congress has already mandated that the harm associated with the use of cigarettes be specifically identified on all forms of cigarette advertising and promotion. But the industry continues to get a tax benefit while misleading the public through its promotion of smoking as a "pleasurable and healthy" activity.

The AHA believes that the massive misleading advertising and promotional campaigns of the tobacco industry clearly warrant the concern and attention of public policy makers.

ELIMINATION OF BUSINESS TAX DEDUCTION FOR TOBACCO ADVERTISING

The human health consequences of cigarette smoking have been more thoroughly studied than those of any other environmental exposure. Specific mortality ratios are directly proportional to the years of cigarette smoking, and they are higher for those who initiated smoking at younger ages. Smoking contributes to mortality from lung cancer, cardiovascular disease, and non-neoplasitic broncho-pulmonary disease; it also increases the risk of cancer from exposure to other carcinogens, such as asbestos. Birth weight and fetal growth may be adversely affected by smoking during pregnancy. Despite the efforts of pediatricians to educate young patients about the dangers of smoking, the incidence of daily smoking among high school seniors is still 20 percent. It is alarming that sales of snuff have increased by 52 percent since 1978 and sales of chewing tobacco have increased slightly. A significant portion of smokeless tobacco sales is to children and adolescents. Recent surveys in three states indicate a reported frequency of smokeless tobacco use by high school boys to be in the range of 23-28.2 percent.

Tobacco is a proven human carcinogen. The American Academy of Pediatrics considers tobacco smoking and the use of smokeless tobacco to be a significant threat to the health of children. The Academy strongly recommends that all direct and indirect support by local, state or federal governments of the production, distribution, or consumption of tobacco and tobacco products be phased out as rapidly as possible. The Academy also recommends a total ban on all advertising of tobacco and tobacco products. As an interim step, we support S. 1950 and H.R. 3950, to amend the Internal Revenue Code of 1954 to disallow deductions for advertising expenses for tobacco products, introduced by Senator Bradley and Representative Stark on December 16, 1985.

For the protection of the present and future health of the children of this nation, the selling and advertising of all forms of tobacco, including smokeless tobacco, must be controlled without delay. We applaud the efforts of Senator Bradley and Representative Stark to enact legislation which will facilitate meeting this goal.

THE AMERICAN ACADEMY OF OTOLARYNGOLOGY—HEAD AND NECK SURGERY, INC.

I am Jerome C. Goldstein, M.D., Executive Vice President of the American Academy of Otolaryngology—Head and Neck Surgery, Inc., which wholeheartedly endorses the Bradley/Stark measures to eliminate the business tax deduction for cigarette advertising and promotion. The American Academy of Otolaryngology—Head and Neck Surgery is the largest organization of otolaryngologists—head and neck surgeons in the world with 8,000 active members, including 96% of the Board-certified otolaryngologists in the United States. We practice both medicine and surgery of the ear, nose, throat and other structures and areas within the head and neck region, and manage the care of a significant number of patients with cancer of the head and neck regions.

Each year we conduct 45 million patient office visits and perform more than 7 million operative procedures in this country.

The Academy believes S. 1950 and H.R. 3950 are steps in the right direction toward reducing the incidence of America's number one killer. These bills would return much needed tax dollars to Uncle Sam's pocket, and more importantly, they would save lives.

This year, tobacco-related illnesses will kill 350,000 people or nearly 1,000 people a day. It is only fitting that the perpetrator of this crime, the tobacco industry, and not the taxpayer should bear full financial responsibility for its role in the destruction of human health.

Because otolaryngologists plan and carry out the surgery and treatment of benign as well as cancerous tumors of the head and neck, we are impressed that the use of tobacco is a significant risk factor in head and neck cancer. Indeed the medical evidence proving the health hazards of smoking is now beyond question.

Did you know that:

Smoking is the cause of about 30% of all cancers and 75% of lung cancer?

Lung cancer is already the leading cause of death for men and has just surpassed breast cancer as the leading cause of death for women?

Smoking is the major cause of cancer of the larynx or "voice box"—the cancer that killed Humphrey Bogart, Nat "King" Cole and many others?

Pipe and cigar smokers are 5 times more likely than non-smokers to develop cancer of the mouth and throat?

These statistics and many others are enough to ruin one's appetite for smoking.

For much too long, cigarette smoking and other tobacco habits have been deceitfully promoted as fashionable. These habits, however, are not chic or glamorous; they have been proven addictive and deadly. Although it is apparent that our nation's thriving tobacco industry will not easily vanish in the near future, the Academy applauds all ef-

forts to discourage Americans, particularly young people, from adopting unhealthy habits, such as smoking, which will inevitably lead to disease and often death.

Two pamphlets developed by the Academy, "Head and Neck Cancer: Know what the danger signs are . . ." and "Smoking: the hows and whys of quitting," provide additional information on the dangers of tobacco use. A complimentary copy of these pamphlets may be obtained by contacting the Academy office at the address below.

American Academy of Otolaryngology—Head and Neck Surgery, Inc., 1101 Vermont Avenue, N.W., Suite 302, Washington, DC 20005.

COMMENTS BY GERALD ROGELL, MD, AMERICAN DIABETES ASSOCIATION

The American Diabetes Association supports wholeheartedly the efforts of Senator Bradley and Representative Stark and the Coalition for Smoking or Health to eliminate the business tax deduction for cigarette advertising and promotion.

As our March 1985 statement points out, smoking is especially harmful to people with diabetes because of their already increased risk of cardiovascular disease.

The American Diabetes Association is pleased to be a part of this important effort and pledges its visible support in a variety of ways: First, we will communicate the gravity of this issue to all 58 of our affiliate associations and urge them to publicize it in their membership newsletters. Our intent would be to obtain grassroots involvement of our 220,000 members across the country.

Second, we will include the elimination of the business tax deduction for cigarette advertising and promotion in our legislative position, which is distributed to all members of Congress. The legislative position is also the focus of the discussion between our volunteer leaders and their federal legislators when the former come to Washington, DC each March to make Congressional calls.

Following up on these two immediate actions will be a continuing level of activity to support the work of the Coalition and to help ensure passage of Senator Bradley's and Representative Stark's bill.

And, as my final note, I'd like to point out that the office of the ADA's National Service Center in Alexandria follows a No Smoking policy throughout its premises.

AMERICAN PUBLIC HEALTH ASSOCIATION

The American Public Health Association today urges Congress to adopt H.R. 3950, introduced by Congressman Pete Stark, and S. 1950, introduced by Senator Bill Bradley. These bills would remove tax deductions for tobacco advertising and promotion.

The dangers of smoking are scientifically documented. Over 300,000 people in the United States die each year due to illnesses associated with smoking. Lung cancer is the health problem most clearly associated with tobacco smoking. Smoking accounted for over 75,000 lung cancer deaths in 1984 and is implicated in 30% of all cancers. As a result of increased smoking among women, for the first time in history, lung cancer will surpass breast cancer this year as the leading cancer killer of women. Smoking is also associated with death and disability from heart disease, chronic obstructive lung disease, and burns. In addition, pregnant women who smoke are more likely to have low birthweight babies.

Cigarettes are not the only problem. Smokeless tobacco (chewing tobacco and snuff) causes serious health problems, including cancer, periodiontal bone destruction, tooth abrasion, and gingival rescission. Over 10 percent of the 10,000 oral cancer deaths in this country every year are attributable to smokeless tobacco. Its use has been linked to oral and pharyngeal cancer, with the risk of developing such cancers being four times higher among snuff users. Among long-term chronic chewing tobacco users the risk factor for these cancers approached 50. Without a doubt, tobacco products are indeed a killer.

Tobacco companies continue to perpetuate the myth that advertisements are used strictly to promote brand loyalty or convince smokers to switch brands. This is not the message that comes across the print and electronic media in tobacco ads. Cigarette and smokeless tobacco advertising have definite themes and imagery which have a capacity or tendency to deceive. The dramatic increases in children and even adolescents using tobacco products are a by-product of these themes. A tragic example includes a recent survey in the Arkansas elementary schools. The survey found that 5% of boys in kindergarten chew tobacco or use snuff.

This bill is an important first step in ridding the American taxpayers of paying for the costs of smoking and chewing.

Currently, the tax code allows tobacco companies to deduct advertising and promotion costs as a business expense. These deductions amount to over $2.7 billion a year for advertising and promotional activities such as distributing free samples and coupons, and sponsoring sweepstakes and sporting events. Not only do taxpayers subsidize the promotion of tobacco products, but an unwilling citizenry also pays the enormous health costs and the costs of lost productivity due to tobacco usage.

In light of the overwhelming evidence of the harmful effects of tobacco products, we see no justification to continue the federal tax deduction for advertising and promoting tobacco products. A federal policy which supports tobacco products while other government agencies must establish programs to deal with the adverse health effects of smoking is not only inconsistent but also difficult to justify in a time when most federal programs are being cut and many others eliminated. We wholeheartedly endorse H.R. 3950 and S. 1950 as a beginning step to make cigarette manufacturers pay the full costs of marketing their deadly product.

Mr. BRADLEY. Tobacco is the single biggest health hazard facing this country. Virtually all scientific evidence recognizes the dangers of tobacco. According to the Congressional Research Service, more than 300,000 people die from smoking every year. Smoking contributes to 30 percent of deaths due to cancer and to 25 percent of coronary heart disease in this country.

And, Mr. President, cigarettes are not the only problem. Smokeless tobacco causes serious health problems, including cancer, periodontal bone destruction, tooth abrasion and gingival recission. The American Cancer Society estimates that 10 percent of the 9,500 oral cancer deaths in this country are attributable to smokeless tobacco. The World Health Organization last year concluded that there is a direct link between the use of snuff and cancer.

The health costs of tobacco are also large. According to studies of the National Center for Health Statistics and the Office of Technology Assessment, $12 to $35 billion a year is spent on medical care for people whose illnesses result from smoking.

Mr. President, some argue that, because tobacco use is declining, we should not be so worried about the health effects of this product. This just doesn't hold up. The decline in tobacco use has not been dramatic—the deaths from smoking have been. There has been only a modest reduction in per capita cigarette consumption—a 10 percent decline since the 1950's—and there has not been a sizeable reduction in the number of people who smoke, relative to 30 years ago. In the 1950's roughly half of men and a quarter of women were smokers. Now, about a third of both men and women smoke.

While cigarette consumption has declined somewhat in recent years, the use of smokeless tobacco has increased. The American Cancer Society estimates that 22 million Americans in 1980 used smokeless tobacco. According to the Library of Congress, per capita consumption of snuff among males 18 and over has increased 60 percent since 1978. Surveys show that in Colorado, 25 percent of the male high school students use smokeless tobacco daily; in Oklahoma, 22 percent; in Texas, 20 percent. The Texas study shows that 55 percent of the chewers started before their twelfth birthday. Incredibly, in Oklahoma, even 7 percent of the third graders use smokeless tobacco. We are talking about small children using a life-threatening product. The thought is appalling.

Thirty years ago, the debate was over whether tobacco consumption represented a serious health hazard. Today, everyone agrees—everyone, that is, except the tobacco manufacturers—that tobacco is a killer. The debate has turned to defining the proper Federal role in discouraging the use of tobacco.

Currently, the Federal Government has conflicting policies:

We spend billions on health research in an effort to help the millions afflicted by tobacco-related diseases, and at the same time we provide subsidies to farmers to grow tobacco.

We place labels on tobacco products warning people of the direct link between use and illness, and at the same time we allow the excise tax on cigarettes to drop in real terms by nearly 50 percent over the decades, reducing the disincentive to smoke.

Lastly, we spend millions on public health campaigns to warn people of the dangers of tobacco, and at the same time we allow tobacco manufac-

turers to write off billions of dollars in advertising expenses that are aimed at encouraging people to smoke or use smokeless tobacco.

Mr. President, the Government should speak with one voice on this problem. I believe that voice should unequivocally say, "Smoking will harm you." We need tougher labelling requirements and more public information on the health effects of smoking or chewing tobacco. We need to increase the excise taxes on these products as a greater disincentive to smoke and chew. And the Government should eliminate the incentives that are in the current tax code that help tobacco companies promote their product.

The industry argues that tobacco ads are not intended to recruit new smokers but simply to get people who already smoke to switch brands. I think that is hogwash, Mr. President! What is the message behind a television ad on smokeless tobacco portraying an athlete enjoying a "pinch between his cheek and gum?" What is the message behind billboards and magazine ads that portray young, successful, athletic, and attractive models?

Americans—particularly young Americans—are bombarded with tobacco ads. Tobacco is this Nation's most heavily advertised consumer product, costing over $2 billion a year. Cigarette ads represent 10 to 15 percent of all newspaper and magazine ads and almost half of all outdoor advertising.

Mr. President, smoking is not glamorous. It does not make you attractive. It will not help you live a long or athletic life. Ads imply that this is the case, and it simply is not. It is doubtful that we can stop tobacco manufacturers from advertising, but we can eliminate the taxpayer subsidy to the industry, which amounts to almost $1 billion a year, for this purpose.

That is why I introduced legislation to disallow as a business expense the advertising expenses associated with tobacco products, including smokeless tobacco. The tax subsidy to tobacco manufacturers dwarfs the Federal outlays that are expended on deterring tobacco use. The Federal Government should be speaking with one voice. I see no reason why the Government should continue to subsidize this product.

WE MUST NOT FORGET SOVIET JEWS

Mr. HATCH. Mr. President, concerned people throughout the world watched their television sets with profound joy as Soviet dissident Anatoly Shcharansky walked across an East German bridge to freedom. Shcharansky—who now prefers to use his Hebrew name, Natan—had been unjustly persecuted and then imprisoned by the Soviet authorities for 13 years. His sole so-called crime was his refusal to be silent on matters of human rights, including the right of Jews to practice their religion without fear of persecution. Natan's courageous struggle inside the Soviet Union was mirrored by the efforts of his wife, Avital, who spread the message of her husband's plight throughout the world. Finally, after years of suffering, the Shcharanskys' dual ordeal has ended. They have finally been reunited and are living safely in Israel.

As encouraging as this news is, Mr. President, we in Congress and all who support human rights cannot be lulled into thinking that the fight is over. The fight for Soviet Jews and, in fact, for religious freedom for every Soviet citizen, is far from over. According to the National Conference on Soviet Jewry, today there are some 15,000 Soviet Jewish "refuseniks." A refusenik is a Soviet Jew who has applied to emigrate but has been turned down on some spurious grounds. There is firm evidence that at least 400,000 Jews have initiated the emigration process by requesting a letter of invitation from Israel. Although these individuals have not yet been officially refused permission to emigrate, for one reason or another their applications are in a state of limbo. The official Soviet statistic for the number of Jews in the U.S.S.R. is 1.8 million while United States sources estimate there are some 2 million Soviet Jews. There is no telling how many of these individuals would like to emigrate if they could.

My point, Mr. President, is that anyway you look at it, a vast number of Soviet Jews are in essence being held prisoners inside the Soviet Union. It is incumbent upon those of us who are fortunate enough to live in an open society to speak out on their behalf.

Elie Weisel, author of a firsthand report on Soviet Jewry called "The Jews of Silence," recently wrote an excellent op-ed piece entitled "What Shcharansky Means to the World." In his article Dr. Weisel reminds us that what hurts victims most is not the cruelty of the oppressor but the silence of the bystander.

Mr. President, that is a truth that we would do well to remember as we go about our hectic day-to-day schedules here in the Senate. I ask unanimous consent that Elie Weisel's op-ed piece be printed in the RECORD.

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

[From the New York Times, Feb. 19, 1986]

WHAT SHCHARANSKY MEANS TO THE WORLD—OTHERS NEED HELP

(By Elie Wiesel)

Decent people everywhere are elated, celebrating the release of Anatoly B. Shcharansky—let us call him by his new Hebrew name, Natan—from Soviet prisons. This is understandable: It is their victory as much as his. But in our exultation we forget Vladimir Slepak—and that is both ethically regrettable and politically dangerous.

Shcharansky is a heroic Jew whose false arrest and condemnation mobilized millions of citizens and their leaders. The efforts on his behalf were unprecedented in scope and intensity. They covered scores of countries on five continents. With his wife, Avital, we knocked on every door, moved every stone, invoked every argument. Rallies were held, high officials approached, protests made, petitions signed, vigils encouraged: If ever we felt that we had done everything in our power for an imprisioned man, it was for Shcharansky.

Jews and non-Jews alike, rabbis and priests, politicians and scholars, statesmen and schoolchildren all did their duty. The reward? When President Reagan added his voice to ours at the summit meeting in Geneva, the Kremlin finally yielded to the accumulated pressure. Shcharansky is free, and the pictures of his arrival in Jerusalem bring tears of joy to our eyes.

But what about Vladimir Slepak? What about Yuri Orlov and Alexander Lerner? Ida Nudel and Iosif Begun, what about them? All those brave "refuseniks" and dissidents—people condemned to live as official pariahs in fear and trembling, condemned to undergo endless ordeals while they wait for signs that are always obscure and for visas that never come—should they not be remembered, too? Many have spent years in jail, others in labor camps, still others are subjected to daily harassment, humiliation and threats: Without our support, without our solidarity, they could not carry on.

Let us remember: What hurts the victim most is not the cruelty of the oppressor but the silence of the bystander. Russian Jews, refuseniks and dissidents, Andrei D. Sakharov as well as Leonid Volvovsky—they all count on us. Do they count for us?

I choose to evoke Vladimir Slepak's case, because, like Shcharansky, he is someone special. He was singled out already in the early 1960's because he was the first, or one of the first, to teach Hebrew and Jewish history, the first to organize courses for young jews in search of their identity and culture, the first whose erudition and determination presented a powerful challenge to Soviet dictatorship and its policy of fear and isolation.

Many refuseniks see in him an older brother, a spiritual guide. Whenever fortunate ones, exit visa in hand, left for Israel, he accompanied them to the airport to bid them farewell; he watched them leave, then returned home. That happened again and again, month after month, year after year. Slepak always remained behind. Why? Who knows. Perhaps because he was the first to proclaim himself free, the Soviet authorities wish him to be the last to go.

Hence this appeal: Now that Shcharansky is out, let it be Slepak's turn. Let us mobilize our energies, our contracts, our professional connections, our academic links, our economic resources. Let us mobilize our passion and our anger on his behalf. And on behalf of all the others who implore us to use our freedom for the sake of theirs. Let us be bold and imaginative. Why not organize a mass rally in Washington? Would it not be right to follow the civil rights march of the 1960's with a human rights march in the 1980's?

What's at stake is not only the freedom and the hope of the refuseniks and other dissidents. Our honor is also at stake.

INVESTIGATION OF SOVIET DEFECTOR

Mr. SIMPSON. Mr. President, on February 24, 1986, my good friend and colleague, Senator HUMPHREY, placed a statement in the RECORD which recounted five questions which the New York State Bar Association claimed as "remaining to be answered" in the incident involving the potential Soviet defector, Miroslav Medvid. Senator HUMPHREY emphasized that the existence of these "unanswered" questions reinforced the need for a special panel on asylum. I would wish to respond to the "unanswered" questions, and demonstrate that there are indeed specific answers for each and every one.

Most of the following answers to the questions were extracted from the two hearings that the Immigration Subcommittee has already held on the Medvid incident: one on November 5, 1985, and the other on February 5, 1986. In addition, the chief counsel of the Immigration Subcommittee recently traveled to New Orleans and interviewed nearly every person—whether private citizen or Government official—who had had some contact with Mr. Medvid, either during the initial Border Patrol interview of Medvid or the subsequent reinterview process led by the State Department.

I am pleased to share this information with any of my colleagues who may be interested, and I would anticipate their suggestions concerning any future witnesses that they might wish to question. Interested Members need only advise me, and I will respond promptly. This is my duty as chairman of the Immigration and Refugee Policy Subcommittee, and I am perfectly willing to carry it out. However, I fail to see what possible need there could be to create an additional "panel" and expend $300,000 or more from the Senate budget in these times of Gramm-Rudman-Hollings and general budget austerity. Perhaps my colleagues might share that view.

The questions of the New York State Bar Association follow, along with the answers:

First. Why was Mr. Medvid twice returned to his ship against his will and despite a request for asylum?

Answer. Medvid was returned once to his ship by the U.S. Government against his will. According to the border patrolmen involved, Medvid was returned because the border patrolmen did not understand his answers to their questions as being a request for political asylum. The INS agents were told by the interpreter that he did not want to return to his ship, but they were also told that Medvid had said "No" to their inquiry about whether or not he was requesting political asylum. The interpreter later explained that Medvid had understood "asylum" to mean "mental asylum," and stated that she reiterated to the border patrolmen that he did not want to return to his ship. While the report of deportable alien, filled out by the border patrolmen, noted that Medvid did not wish to return because of "political and moral reasons," the border patrolmen still felt this was not an explicit request for asylum and that, therefore, Medvid had no further rights to remain in the country. As the border patrolmen expressed, no "ship jumper" desires to return to his ship, and the Border Patrol return many dozens each year "against their will." They did not expect Medvid to be pleased about being sent back, although the border patrolmen had no way of knowing that he jumped into the Mississippi a second time—since on that occasion a "shipping agent" was solely responsible for the return of Medvid to the *Marshal Konev*. The border patrolmen also asked the shipping agent to notify them if there was a problem in returning Medvid to his vessel.

Second. Why did an American shipping agent assist in Medvid's return to the *Marshal Konev*? Moreover, when Medvid leaped a second time from the launch which was bringing him back to the *Marshal Konev*, why did the agent return to the *Marshal Konev* and obtain the aid and assistance of Soviet seamen, who allegedly beat Medvid, shackled him, and dragged him back on the ship kicking and screaming?

Answer. It is customary for foreign ships in American ports to employ an American shipping agent in order to assist them in all of their business matters. This is encouraged because it insures there is someone in the local area who will have some responsibility for seeing that the bills incurred by the foreign ship ashore are paid. It is standard procedure for a border patrolmen to call the shipping agent when a ship-jumping crewman needs to be returned. When Medvid jumped from the launch as he was being returned by the shipping agent, the shipping agent had in his hands an order from the Border Patrol requiring the shipping agent and the master of the ship to take control of Medvid and see to it that he was deported. Technically, it was improper for the Soviet first mate to bring additional Soviet crewmen ashore, but interviews with the shipping agent's employees present at the scene indicate that Medvid was not "beaten" by these people, and that they "shackled him" with a strip of plastic that was supplied to them.

Third. Despite knowledge of drugs used upon Medvid, why did the American physician who subsequently examined him not order blood and urine tests to see if drugs were currently in his system?

Answer. As noted in testimony before the Immigration Subcommittee on February 5, 1986, blood and urine tests merely disclose whether there is a residue of drugs in the system. Both doctors understood there were drugs in Medvid's system. However, they were interested not in the presence of drugs, but whether or not the person about to be interviewed was intoxicated by these drugs, or under the influence of them in such a manner that he would not be able to make a rational decision concerning political asylum. The doctors noted that to determine whether or not a person is under the influence of drugs, observations must be made of the heart rate, breathing, movement of the eyes, and any indications of a "blunted effect" in personality—an apparent dulling of the senses, and slow or irrational responses to questions. Both doctors testified that there were no symptoms indicating intoxication from the drugs earlier administered to Medvid by the Soviet doctor.

Fourth. Why did the American physician not conduct a physical examination of Medvid's left arm, which was bandaged from the base of the fingers up to the armpit? Why did the physician not include an analysis of the slash marks on Medvid's finger tips, and the gradations of eechymosis on Medvid's right and left arm?

Answer. Medvid's left arm was not "bandaged from the base of the fingers up to the armpit," but rather bandaged from the base of the fingers to the middle of the forearm. In addition, the Navy doctor did examine Medvid's left arm and described both the cut and the stitches in it. He specifically removed the dressing on the wound during his second examination of Mr. Medvid to make these observations. He also mentioned the superficial cuts on Medvid's fingertips and the bruises on his upper forearm, and told the subcommittee that the cut on the arm and the cuts on the fingertips were compatible with both the Soviet captain's statement that he broke a light fixture and used the glass to cut his arm, and Medvid's statement during his interview that he accidentally cut himself when he broke the light fixture. The doctor also felt that the bruises on the arm were compatible with the force that was used when he was restrained on the banks of the river and carried back by his fellow crewmen.

Fifth. How did the Air Force psychiatrist reach the conclusion that Medvid jumped for the "glitter and gusto," and that he had no real desire for political asylum in this country?

Answer. The Air Force psychiatrist reached this conclusion because the evidence showed that Medvid had

done little, if any, planning for his defection attempt, and that he apparently had given no serious thought as to the consequences—including the consequences to his family in the Soviet Union, or the very real possibility that he might never be able to see them again. One of the persons to see Medvid on the first night he was ashore was a harbor police captain named Patricia Majors, who said her background was in psychology. Without knowing what the Air Force psychiatrist would later report, she advised the chief counsel of the Immigration Subcommittee that, after spending 20 minutes with Medvid, she wondered if he was really seeking political asylum. She stated that those who do so at least contemplate in advance how to ask for it in a way that can be understood. Instead, she said that he went from acting silly to becoming angry, and she even speculated that he thought it was all a joke when he made some "juvenile sexual gestures" in the harbor police headquarters. The Air Force psychiatrist later noted a derisive mood in Mr. Medvid's actions when he made sexual gestures during the psychiatric examination that took place in the U.S. naval facility.

This question, in addition, misconstrues the role of the Air Force psychiatrist at the reinterview of Mr. Medvid. The intent of the psychiatric interview was not to establish the motivation for Mr. Medvid's earlier defection attempt, but to determine whether or not he was mentally and physically competent to make a decision at the present time on whether he desired to claim asylum.

I invite all of my colleagues who are interested in this matter to study the prepared testimony of the witnesses that have appeared at the subcommittee hearings, and I will publish the complete hearing records compiled at these hearings in as swift a manner as is possible. If further questions arise, I shall be pleased to try to answer them or have the subcommittee staff investigate further into it. However, I surely feel that this matter can be resolved within the existing Senate structures and does not require a "special panel on asylum" to expend an additional $300,000 of the Senate's scarce resources in order to reach a conclusion that we are already quite capable of making.

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

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

FUNDS FOR OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION

Mr. SPECTER. Mr. President, I take the floor to call to the attention of my colleagues a hearing which has just been concluded of the Subcommittee on Juvenile Justice of the Committee on the Judiciary. This hearing, I believe, raises fundamental questions of great importance under the Constitution of the United States because of the conclusive evidence, as disclosed at this hearing, of a pattern of illegal impoundment by the executive branch in disregarding the law on expenditures for the Office of Juvenile Justice and Delinquency Prevention.

Mr. President, we are now more than 5 months in fiscal year 1986, and vital programs for juvenile justice and delinquency prevention are not being funded as Congress has mandated and as the President has concurred in signing into law on December 13, 1985, fiscal year 1986 appropriations providing for funding of $70.282 million for the Office of Juvenile Justice and Delinquency Prevention.

What has happened, Mr. President, is that there was an informal freeze put into effect on Juvenile Justice in mid-December, and the Senate passed a resolution on December 19, 1985, by unanimous consent disapproving that informal freeze. What has followed since is a submission of a rescission request on February 5, 1986, but in the interim there has been a cut-off on funding of the Office of Juvenile Justice and Delinquency Prevention, preventing these vital programs from going forward.

Mr. President, the Impoundment Control Act is plain in that the executive branch lacks the authority to cut off funding on its own initiative where funding has been mandated by Congress. There are provisions under the Impoundment Control Act for a rescission request to be submitted to Congress and if not approved by Congress within 45 days, then that rescission request does not take effect.

But absent such a rescission request, the executive branch of the U.S. Government, stated simply, does not have the authority to stop the funding which has been mandated by law. This principle has been eloquently expressed in a short statement of legislative history and I shall quote from a very brief part of that, under the Impoundment Control Act, Congressional Budget Act, Public Law 93-344, as appears on page 3471, as follows:

> A final but most important trouble spot has been the unprecedented impoundment of funds by the President. Although he claims that such impoundments are necessary because of defects in the congressional budget process, no such power is accorded the President by Constitution or law.
>
> In earlier hearings on anti-impoundment measures, distinguished and knowledgable witnesses charged that the President has overstepped his authority. The executive branch has unilaterally set aside congressionally approved programs it deems less worthy than others and nullified national policies established by Congress. Critics assert that by these acts the executive branch has encroached upon the legitimate role of Congress in establishing spending priorities, eroded Congress' constitutional and vital power of the purse, upset the delicate constitutional balance of powers between the legislative and executive branches, aggrandized executive power, exercised an item veto never authorized by Congress, and created chaos in the operations of State and local governments.

Mr. President, that is precisely what has occurred with respect to the funding in the Office of Juvenile Justice and Delinquency Prevention.

Witnesses testified today that the cutoff or freeze of funds was put into effect in mid-December of 1985, although the request for rescission was not filed until February 5, 1986, and no action was taken by the Office of Management and Budget until January 7. The Administrator of the Office of Juvenile Justice and Delinquency Prevention, Administrator Alfred S. Regnery, conceded that there may have been a rescission or freeze for 2 or 3 days in December.

The evidence, Mr. President, as developed at the hearing today, was conclusive that the freeze was for a much longer period of time, and that in fact the freeze has been in effect for 3 months on the backbone of the programs amounting to approximately $43 million of funds for State Juvenile Justice and Delinquency Prevention programs.

This Senator questioned Administrator Regnery on the legality of a freeze for even 2 or 3 days. Mr. President, there is no legality in an illegal freeze simply because it is for 2 or 3 days or any period of time which some may consider to be relatively brief. There is no justification for a violation of law for 2 or 3 days or for 2 or 3 minutes or for 2 or 3 seconds. There are disastrous acts which can be accomplished in the course of 2 or 3 seconds let alone 2 or 3 days, and to say that an illegal freeze is not illegal because it lasts only for 2 or 3 days is to say in this context that you can be a little bit pregnant. But the admission of Administrator Regnery is plain on the record that there has been illegal action in cutting off these funds and it goes far beyond, as I say, the 2 or 3 days. It really goes to a period of 3 months.

A very distinguished list of witnesses testified at today's hearing, Mr. President. Ms. A.L. Carlisle, chairman of the National Coalition of State Juvenile Justice Advisory Groups, elaborated upon very vital juvenile justice programs which are being curtailed, such as drug therapy programs, alternatives to jail, and treatment for sexually abused children. Ms. Carlisle testified

about complaints received from many State administrators regarding these vital and important programs.

Prof. Marvin Wolfgang, from the University of Pennsylvania's Department of Criminology and Law, testified about the consequences of the freeze and rescission on his program.

Mr. Don Mathis, project coordinator of Centinela Valley Juvenile Diversion Project in Inglewood, Los Angeles County, California gave testimony to similar effect as did Mr. Dean Dixon, executive director of Mid-Atlantic Association of Youth Services in Doylestown, PA.

Mr. President, so that the full impact of these important statements may be before our colleagues, I ask unanimous consent that their statements be printed in the RECORD.

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

TESTIMONY OF A.L. CARLISLE, CHAIRMAN OF THE NATIONAL COALITION OF STATE JUVENILE JUSTICE ADVISORY GROUPS

Mr. Chairman and Members of the Subcommittee: Thank you for inviting me to appear before you today. I appreciate the opportunity to thank all of you, in person, for all of your efforts to ensure the continuation of the Juvenile Justice and Delinquency Prevention Act. The leadership and support of this Subcommittee has been crucial to the effectiveness of the Act. As Chairman of the National Coalition of State Juvenile Justice Advisory Groups, I am pleased to have the opportunity to share, with you, some of the accomplishments of the states under the Act and the impact on the states of the freeze on FY 1986 Juvenile Justice funds and the President's request to rescind those funds.

The JJDPA provides for a partnership between the Federal, state and local governments. The Federal Government provides leadership, direction, assistance and some resources to assist states in meeting the mandates of the Act and in improving their juvenile justice systems. States, in turn, contribute their own resources to continue effective projects begun with JJDP funds and to implement needed changes in their systems. States also provide leadership and direction, often through their State Advisory Groups, which are responsible for developing and implementing comprehensive statewide plans, coordinating state juvenile justice efforts, distributing JJDP funds and advocating for new and expanded services for juveniles and improvements in the juvenile justice system. Decisions on the use of these funds are based on priorities established by the State Advisory Groups in their plans. Over one-half of the members of the State Advisory Group, including the Chair, must be private citizens, i.e., not employees of Federal, state or local governments. SAG members must have experience in the field of juvenile justice or fields related to juvenile justice. Because of their experience and location in different areas of their states, they bring with them the concerns, problems and issues of their local areas, as well as their broader experience within their own areas of expertise—state youth-serving agencies, private non-profit agencies, schools, courts, corrections, businesses, etc. Decisions, in regard to planning and funding priorities, are based on each SAG's assessment of the needs within its own state. This flexibility enables each state to fulfill the intent of the Act in the way most suitable for it.

This partnership, which has worked effectively for 11 years, is now in jeopardy. With the Administration's request to rescind the FY 1986 funds, states find themselves in a difficult, if not impossible, position. With no warning at all, the FY 1986 funds were put "on hold" or "frozen" the day the President signed the appropriations bill. States were unofficially informed, in turn, that there was a freeze, that there was not a freeze, that partial awards would be made, that no awards would be made. This conflicting information came from both the Office of Juvenile Justice and Delinquency Prevention and from the Department of Justice. States were not officially informed, in writing, until February 12, when the Administrator of the Office sent states a letter saying that "FY 1986 Juvenile Justice Act funds are currently being withheld, at the direction of the Office of Management and Budget, pending a decision on a formal rescission request contained in President's Reagan's FY 87 Budget".

Formula Grant funds, which are those funds awarded to the states, were frozen in December, and none of those funds has been awarded. Some OJJDP funds, however, were excluded from the freeze. Excluded funds were funds for about six discretionary projects, funded with special emphasis funds; funds for the nonparticipating states; and some "emergency funds". It is not clear why funds for nonparticipating states were not frozen, while funds for participating states were. It is also not clear how much money was left unfrozen for "emergencies" nor for what purpose those funds will be used. A decision was evidently made to honor some commitments to some projects but not to honor commitments to the states. Many states had submitted their plans to the Office for approval in the Fall, before the appropriations bill had even passed. The Office could have recognized its commitment to the states by awarding at least partial allocations to those states whose plans had been submitted and approved.

The freeze is causing extreme disruption to the states. Five months of the fiscal year have already passed. By the time states find out whether or not they will receive their FY 86 funds, another month or two will have passed. When states actually receive their funds, assuming the rescission request is not approved, it will be too late for many projects, which are already cutting back or eliminating programs. The freeze has also affected the planning and funding processes by delaying planned activities and the start of planned projects. This freeze and rescission request happened so suddenly and so unexpectedly, there was no opportunity for state and local governments or private funding sources to assist in or assume funding for these projects. In light of Gramm-Rudman, states will not have the capability to assume the costs of these programs.

In Alabama, most of the projects funded by JJDP funds are laying people off, cutting back services and borrowing money to continue operation at a reduced level. If Alabama does not receive its funds, or assurance that it will receive its funds, by the middle of this month, all of its JJDP programs, which serve over 6000 youth, will end. Among those programs are 27 residential facilities, serving 368 juveniles. If these facilities close, the juveniles will either be "turned loose" or placed in detention facilities or adult jails. There are no other facilities available. To think that the state will be able to assume the additional costs of these programs is ludicrous. Alabama estimates it will lose $56 million in Federal funds with the first round of Gramm-Rudman. Without the alternatives to institutions, status offenders could, once again, be placed in jails because there is no other place for them. Removing juveniles from jails will become impossible.

Virginia will lose 15 programs June 30th if its FY 86 money is not received. All its programs will end by September if no more JJDP funds are received. Virginia has passed enabling legislation to require the removal of juveniles from jails but has not appropriated the money to implement the legislation. Instead, the state was relying on the FY 86 and FY 87 JJDP funds to demonstrate that community-based alternatives to jails will work. The state would then begin to assume the costs of these programs on a phased-in basis. If the alternatives cannot be provided, the legislation may be rescinded. In order to begin these programs as planned, Virginia needs to know now, if the money will be available. The development of community-based programs takes a great deal of time, effort, cooperation and coordination by many people and agencies. The groundwork can take years. If, when all the pieces are finally in place, the funds which were promised are no longer available, the entire process will collapse. Without the FY 86 funds, states will be unable to fulfill their commitments.

In Massachusetts, four projects ran out of funds at the end of December. Of these four projects, two are no longer operating, one has received a loan from Community Chest to carry it for a few months, and one is operating at a greatly-reduced level by borrowing funds from other programs. Four projects ended February 28, and four will end March 31st. These projects include family-network projects, school projects and substance abuse prevention projects, and they serve thousands of young people. One of these projects alone affects 4000 youth. All but one of Massachusetts' 21 projects will end by June 30. There is no state money available to continue these projects. Massachusetts also needs its administrative money no later than May 3, in order to continue the juvenile justice staff necessary to manage the JJDP funds. If the staff were to take the vacation time owed them, their funds would be depleted now.

In the State of Washington, all 12 JJDP-funded projects reached the end of their current contracts February 28. These projects, which include substance abuse prevention, prevention and treatment of sexual abuse, foster care services and training and high-risk offenders, serve about 5,900 youth and provide training to 250 professionals and volunteers. By using every available source of funds, it is possible to continue these projects until April 30th. After April 30th, there will be no money. Washington needs its money, in hand, not on paper, by April 30th, if these projects are to be continued. One of these projects, begun last year, treats sexually-abused boys. If the money is not received by April 30th, staff will be terminated and services discontinued. Parents and children will be notified that treatment will cease. It will not be possible to refer the children and families to another program. There isn't one. This project has been unable to obtain an emergency loan, and it is too new to have had any opportunity to acquire funding from other sources. New

projects, approved for funding to begin operations March 1, will obviously not begin.

Kentucky is in a similar situation. Funds were found to continue 11 projects, which would have ended March 31, for a few more months. However, on June 30, 26 projects will end; on August 31, one project will end; on September 30, 27 projects will end; on December 31, six projects will end; on January 31, 1987, one project will end. There are no funds available to continue these projects.

If Maine does not receive its FY 86 funds, all of its projects, including its pilot jail removal projects, will end. Two of the three staff positions, which support the State Advisory Group, would be eliminated. There are no other funds available to continue these projects at this time. Arkansas has ten jail removal projects ready to begin, as do a number of other states. Many states have flatly stated that the freeze on funds has made it impossible for them to meet the deadline for removal of juveniles from jails. Other states have said that, without the FY 86 funds, the jail removal initiative in their states will slow down or completely end. Most of the projects in all the states will end if the FY 86 money is not received.

In order to receive JJDP funds, states must develop a three-year comprehensive plan. These plans include goals, priorities and implementation strategies. Programs are funded on the basis of these state plans, and grants are often awarded for 18-month to three-year periods, since it usually takes at least that long for a program to prove its effectiveness and find other sources of funding. Even grants awarded for one year are often awarded with the understanding that continuation funding will be necessary and will be available. Without such assurances, programs would never be developed, because it is impossible to prove their worth and obtain continuation funding within a year. JJDP-funded programs have a high percentage of being continued by state, local and/or private sources of funds. Obtaining other sources of funding takes time. With this freeze and rescission request, there has been no time.

State Advisory Groups often make agreements with other State agencies or private providers of services to share the costs of beginning new programs, with state and local agencies gradually assuming complete costs. These agreements are not quickly negotiated nor are they quickly fulfilled. Most states are currently implementing the second year of their plans and are, therefore, in the middle of many activities. Agreements were made in good faith. If they are not fulfilled, the likelihood of future agreements is slim.

Implementation of the Act requires systems changes on many levels. Such change, if it occurs, come slowly, and it can take a number of years. For example, Pennsylvania has been trying for a number of years to establish a statewide management information system. The State Advisory Group funded a demonstration project in one county, which has proved to be very effective. Other counties, under pressure to automate, are interested in using the same system so that all computers and software are compatible. Even the city of Philadelphia, which had previously been reluctant to become involved, has evidenced an interest in being part of a statewide information system. The FY 86 funds were to be used to assist in the effort to make all information systems compatible. Without some resources and a coordinated effort, possible through the use of JJDP funds, each county may develop its own system, which might not be compatible with the systems of other counties. Pennsylvania has other regional and statewide programs ready to begin, which will not be funded without JJDP funds.

In order to ensure the most effective use of Federal funds, states have developed careful grants award and review procedures. Many states request proposals to provide specific services. Several states, among them Tennessee, Vermont, Georgia and New Jersey, have delayed requesting proposals because of the uncertainty of FY 86 funds. These delays will result in comparable delays in actually awarding funds and beginning planned programs. Deadlines, including those mandated by the Act, will be difficult, if not impossible, to meet.

Some people in the Administration have stated that the states will continue their effort in regard to the Act and the funding of programs and that no further contribution from the Federal Government is needed. This statement is not true. The examples above from a sampling of states make it clear that states simply do not have the resources to continue these programs at this time. Chances are that existing state-funded programs will be reduced or eliminated because of Gramm-Rudman. Without the resources of the Federal Government, small though they may be, the entire JJDP effort is jeopardized.

Some people in the Administration say that the goals and the mandates of the Act have been achieved, and, therefore, the Act is no longer necessary. This statement is also not true. While progress has most definitely been made, the goals and mandates of the Act have not been met.

Participation in the Act is voluntary, and the 52 states and territories, which currently participate in the Act, have made a commitment to meet the mandates of the Act. There are 43 states and territories in compliance with the deinstitutionalization mandate of the Act. More information is needed from five states to determine if they are in compliance. Two states have been found not in full compliance, and one state is not in substantial compliance. One state must demonstrate progress, which it has done. There are 33 states in compliance with the mandate to separate juveniles from adults. Ten states are making progress, and more information is required to make a determination on six other states. One state is making progress but must demonstrate compliance, and two states are making no progress. Data on the jail removal mandate are not yet available, since states will not begin to report this information until their 1986 monitoring reports.

It is important to point out that these figures are based on the monitoring reports from the states, which, under OJJDP regulations, allow for certain exceptions. The allowable exceptions—juveniles held in jails under six hours, status offenders held under 24 hours, juveniles held outside a Standard Metropolitan Statistical Area—are not counted for purposes of monitoring reports. Even if all states were found to be in compliance with all the mandates, it does not necessarily mean the intent of the Act would be fully met. The above information indicates that we still have much to accomplish. There are still status offenders being held in jails and institutions. There are still some 240,000 juveniles detained in our jails every year, and many of those are not separated from adults. We cannot stop our efforts now.

The Act is broader than its mandates. It also includes prevention, specific activities and programs, coordination of juvenile justice efforts at all levels of government, improvements in the juvenile justice system itself. These efforts are ongoing. Change does not come easily or quickly to bureaucracies or systems. It takes a long time to establish credibility with the number of entities involved in and with the juvenile justice system and to institutionalize new approaches. Until such time as juvenile delinquency is no longer a problem, the Act will be needed. Only with the concerted efforts of Federal, state and local governments and only by working with juveniles to prevent them from entering the adult criminal justice system or, even better, the juvenile justice system, will we ever make an impact on crime in this country. The Juvenile Justice and Delinquency Prevention Act remains our most effective mechanism for reducing juvenile delinquency and improving the quality of justice for juveniles.

TESTIMONY OF MARVIN E. WOLFGANG

Widespread agreement exists that the only method appropriate for the determination of delinquent and criminal career parameters such as: age at onset of criminal behavior, behavioral antecedents of criminal behavior, the seriousness of a developing criminal career, the effects of various interventions on subsequent criminal and delinquent behavior, early behavior and delinquency as they relate to adult criminality, the timing of intervention especially as related to the aging process and its effects on criminality, early childhood and youthful experiences and their relationships to delinquency and criminality, the prediction of subsequent criminal activity from prior behavior and so on, is to pursue these criminal policies and intellectually relevant concerns by means of long-term longitudinal studies.

Regardless of the method, attempts to supply this kind of knowledge from less expensive and time-consuming techniques (simple cross-sectional analyses of synthesized cohorts generated by cross-sectional designs) have been inadequate. Authentic longitudinal birth cohort studies have been shown to produce the only truly valid behavioral links over time that permit causal statements relevant to policy decision-makers to be made for the development of strategies for the prevention and control of delinquent and criminal behavior.

This work has been primarily and first undertaken in the United States at the Sellin Center. In addition, and just as important, this work has been supported exclusively by OJJDP. Owing to the foresight and sustained interest of OJJDP this valid criminal justice resource has been and continues to be developed. However, the work is far from completed, specifically with regard to the 1958 Birth Cohort Study and, in general, with regard to the causes and prevention of juvenile delinquency. Crime continues to be a major problem for our society. In fact, in a recent survey of corporate executives undertaken in Philadelphia, over 60 percent cited crime as the major factor in determining the location of their corporate headquarters and work places.

The 1958 Birth Cohort Study, with its yet to be accomplished field work interview survey, is the only study of its type and magnitude now underway in the United States. Funding loss for this project would bring to an end not only this crucial field work on crime causation, intervention effec-

tiveness, childhood experience and delinquency and self-report criminal violations; it would also bring to a halt the extensive analyses yet to be performed on the existing data base gathered on the 30,000 members of the 1958 cohort.

In short, just as we are approaching the completion of the largest and potentially most useful attempt ever undertaken to resolve many of the issues mentioned above, the last and smallest proportion of the funding now under debate would, if withheld, result in the complete shutdown of the project and the loss of its most valuable products.

The effect of this funding loss, even for a short period of time, would be devastating. Trained personnel would have to leave the project, the contract with the interviewing agency would be violated and start-up, if attempted at a later date, would be difficult because of the loss in data continuity which would occur—police files are routinely destroyed, addresses change and qualified personnel have to be located and trained. Essentially, the long-term cost would far outstrip the short-term gain realized by eliminating this project.

In conclusion, the loss of OJJDP funds would have a far-reaching effect for this project in all of the areas we have discussed above: crime causation, crime prevention and control, both in the scholarly and policy-relevant areas. This research at the Sellin Center would end, as well as one of the country's major attempts to address the major social and economic problems, those of the prevention and control of criminal violence and property loss.

TESTIMONY BEFORE THE UNITED STATES SENATE SUBMITTED BY DONALD W. MATHIS

Good morning, Mr. Chairman, and I thank you for this opportunity to testify before the Subcommittee on Juvenile Justice on the need to maintain and strengthen the federal role in services to our nation's troubled youth and families. I especially want to commend you, Senator Specter, for your exemplary leadership in chairing this Subcommittee and for your diligence in protecting America's youth, families, and communities. Indeed, all of the distinguished Members of this Subcommittee have provided many years of outstanding work with juvenile justice and delinquency prevention legislation, policy, and oversight.

I am Donald W. Mathis, acting project coordinator of the Centinela Valley Juvenile Diversion Project in Los Angeles County, California. This project is administered by the City of Inglewood Police Department. Prior to my current position, I was the associate director of the National Network of Runaway and Youth Services in Washington, D.C. From 1984 through this past January, I served as co-chair of the Ad Hoc Coalition for Juvenile Justice and Delinquency Prevention. My testimony in support of the success and continuation of the Juvenile Justice and Delinquency Prevention Act (JJDPA), Mr. Chairman, reflects my 15 years experience as a community volunteer, project administrator, and program advocate for services to children, youth, and their families.

Mr. Chairman, my testimony in support of the JJDPA focuses on the following three major facts:

JJDPA funds and legislative priorities *directly* help troubled youth and their families, law enforcement systems, and units of government in California and in states and communities across America.

The federal investment of Office of Juvenile Justice and Delinquency Prevention (OJJDP) formula grant funds to states is cost-effective in both the short and long term. The modest investment of $70.2 million for the overall JJDPA leverages many millions of other public and private funds and resources to address the problems of juvenile delinquency and youth crime.

The Reagan Administration's arguments for defunding and dismantling OJJDP are specious and dissolve under careful scrutiny. In fact, most state and local OJJDP funded projects embrace and adhere to many of the public policy themes offered by this Administration.

JJDA FUNDS WORK WELL IN HELPING YOUTH, FAMILIES, AND COMMUNITIES

Everyday, Mr. Chairman, I see the positive effects of OJJDP funds in the community where I work, the heavily-populated Centinela Valley area of Los Angeles County. Parenthetically, in previous jobs I have had, I also have seen firsthand the value of these funds with the Alabama Department of Corrections facility in Mt. Miegs (AL), the Lexington Fayette Division of Children's Services (KY), Cincinnati's New Life Youth Services program, and the Youth Resources Center in Hyattsville (MD).

The Centinela Valley Juvenile Diversion Project (CVJDP) receives $22,559 of OJJDP formula grant money which is administered by the California Office of Criminal Justice Planning. Last year these funds provided psychological counseling, parent training, truancy abatement, remedial education, and other much-needed services to more than 100 troubled youth and their families who had been referred to the project by juvenile court, probation, police departments, the schools, and other social service agencies.

CVJDP's goal is to prevent delinquency by providing youth with skills and opportunities to make positive contributions to their community, and by providing our communities with alternatives to processing early offenders through the criminal justice system. Last year, we provided services to 358 youth and were able to obtain service for another 713 youth and families at no cost to the project.

Juvenile delinquency and crime are severe problems in the Centinela Valley, which includes the cities of Inglewood, Lawndale, Hawthorne, Gardena, and Lennox. Of the 358 youth served by CVJDP last year, 224 (62 percent) had arrest records for 187 felonies and 126 misdemeanors. The police departments in the respective cities have identified at least 38 youth gangs that engage in crime.

A substantial number of these youth come from poor and/or single parent families. 30 percent have no working parent. A majority of the youth (57 percent) come from homes where there is a single parent or no parent. Only 15 (4.1 percent) of the youth we served came from families having any applicable insurance to pay for the kinds of mental health/counseling services needed either by the youth or their family. Few of these covered the full cost of service.

Mr. Chairman, this past summer I had the privilege of doing a workshop before the California Peace Officers Association. At that time, I learned that the cost of constructing and maintaining one secure detention cell for one year in California was $90,000. For $90,000, CVJDP could serve well over 300 youth.

Although OJJDP funds constitute only 16% of CVJDP's annual budget, these funds are absolutely essential to the continuation of my program, and indeed, to more than 90 municipal and community-based agencies throughout California. Historically and at present, OJJDP formula grant funds continue to leverage other public and private funds for juvenile justice and delinquency prevention services. For example, under California's "County Justice Subvention Program" (Assembly Bill 90), CVJDP receives $92,448 in state funds. This state progam was specifically established to augment funds and support the mandates of the federal Juvenile Justice and Delinquency Prevention Act.

OJJDP funds also help leverage private dollars for CVJDP, ranging from the United Way to the Hollywood Park Racing Charities to the local Kiwanis and Optomists Clubs respectively. My experience has proven to me that the private sector will contribute to juvenile justice and delinquency prevention programs if and only if the private sector knows that they are partners and not the sole support of programs.

For this reason, Mr. Chairman, I continue to be dismayed at the Administration's repeated attempts to defund, freeze funds, rescind, zero budget, and generally do everything that it can to undermine the effectiveness of the JJDPA. Your leadership, Mr. Chairman, along with the strong and consistent bipartisan support in both the Senate and House, have resulted in the preservation of the JJDPA and its funds. This Administration should immediately give up its vendetta against the juvenile justice program and support the efforts of states, cities, municipalities, and families to help their troubled youth.

OJJDP-FUNDED PROGRAMS ARE SHORT TERM AND LONG TERM COST-EFFECTIVE

While I have offered some implicit arguments earlier in my testimony to support the above statement, additional measurable evidence is available. With regard to the CVJDP, 157 (70%) of the youth served last year were not rearrested. Moreover, Mr. Chairman, I would be pleased to provide this Subcommittee with many pounds of client (youth and parent) satisfaction reports which show how our progam has reduced school violence, promoted family stability, and given these high-risk youth some personal skills that they can use to promote their own self-sufficiency and lead law-abiding lives.

Other California OJJDP grantees have achieved noteworthy and measurable successes. Specifically,

The Youthful Offender Treatment Project in Sacramento has helped alleviate the serious overcrowding in a California juvenile hall (secure detention facility) and through its residential and employment services, the program has found jobs for 65 percent of its paroled youth. Other state programs average only 20 percent employment for such youth.

The Dispositional Alternative Project in San Diego provides an alternative to costly probation and juvenile court services and also saves federal, state, and county government funds by reducing secure detention and out-of-home placement costs. The recidivism rate of youth served by this project is well below the state average.

The recently started Industry Network Project, conducted by the California Youth Authority, is working cooperatively with the Industry Education Council of California and an advisory committee of leading business representatives to capture training and

job slots for delinquent and adjudicated youth.

Mr. Chairman, the 93 California projects that receive OJJDP funds demonstrate one of the major strengths of this federal assistance. Namely, OJJDP funds support the innovative and state-of-the-art service, treatment, and research projects, which in turn, states, municipalities, and the private sector can then adapt to improve the overall juvenile justice services systems in their respective locales. For example, in his 1986-1987 budget, Governor Deukmejian announced a $750,000 gang suppression initiative to be carried out by community-based organizations. It was prior and current year OJJDP funding that lead the Governor to include this line item.

In summarizing these arguments, Mr. Chairman, let me refer to two recent national reports, "Reconnecting Youth" by the Education Commission of the States and "All One System" by the Institute for Educational Leadership. The following quotation from "Reconnecting Youth" captures the dramatic impact of a problem that is most familiar to the police, courts, and youth service providers.

In 1978, young adults constituted 23 percent of the U.S. population. By 1995, they will constitute only 16 percent, shrinking by one quarter the size of the entry-level labor pool. Within that shrinking labor pool is a growing pool of "at-risk" young men and women: people in their teens and early twenties who could become productive citizens but most likely will not unless something out of the ordinary happens. They have the intelligence to succeed, but they lack important skills, family support, discipline and the motivation to make it. An unconscionably number of them are poor, Black and Hispanic youth.

The economic impact of the above is examined in "All One System", for example, back in 1950, when Americans retired on Social Security, there were 17 people in the work force contributing to each person's pension. But in 1992, there will be only 3 working-age people to pay for each retiree's benefits, and one of those will be Black or Hispanic. And unless we do a better job preparing our children to be productive members of society, the chances are that 1 of the 3 will be receiving some form of public assistance.

Mr. Chairman, I am not naive enough to suggest that the $70.2 million of OJJDP funding is going to magically reverse these most serious trends. But as you well know from your outstanding work as District Attorney for the City of Philadelphia, these two reports are referring to many of the same (but not all) of the youth who enter the juvenile justice system. The simple fact is that economically, our nation cannot afford to waste or turn our backs on any single young person in this country, be those youth delinquent or not. Continued, "unfrozen" funding for the JJDPA is one proven way of rectifying this disaster which may well undermine our entire nation.

THE ADMINISTRATION'S ARGUMENTS FOR DEFUNDING OJJDP REFLECT POOR LEADERSHIP AND POOR PUBLIC POLICY

Mr. Chairman, I must commend the creativity of this Administration in its construction of arguments as to why OJJDP should be defunded, and thereby in fact, dissolved. Early during the JJDPA reauthorization efforts in 1984, the Administration trotted out the line that the program should be killed because it didn't work, i.e. the Act's goals of deinstitutionalization of status offenders and separating juveniles from adults in jails were "soft" notions. The concept of "delinquency prevention" was challenged by the Administration to the point of ridicule.

More recent pronouncements by the Administration show a complete 180 degree shift. Now the program should be abolished because it has succeeded and met its goals. The problems, furthermore, which the JJDPA addresses, are state and local problems and therefore the funds to resolve those problems should be state and local and any other non-federal funds.

Mr. Chairman, let me begin my closing defense of the OJJDP program by readily acknowledging that I am aware that the program is not perfect. Nor do I disagree with every program priority that the Administrator Al Regnery has begun and implemented. But it seems patently clear that this program should be maintained and, if anything, the funding level should be substantially increased, especially the formula grants provisions.

It simply is not enough for President Reagan to commend public/private partnerships and challenge the youth of America to fully participate in our society without providing the necessary funds to implement these visions. OJJDP projects help youth meet these challenges and promote exactly the kind, of public/private partnerships which the President supports. For this, OJJDP should be maintained and strengthened, not dismantled and undermined.

I thank you for this opportunity to testify and respectfully ask that you and the Members of the Subcommittee maintain your strong oversight of OJJDP. The youth served by the Centinela Valley Juvenile Diversion Project are the immediate winners, and in the end, our whole nation benefits.

TESTIMONY OF DEAN DIXON, EXECUTIVE DIRECTOR OF MID-ATLANTIC ASSOCIATION OF YOUTH SERVICES BEFORE THE U.S. SENATE JUDICIARY SUBCOMMITTEE ON JUVENILE JUSTICE

As Executive Director of the Mid-Atlantic Association of Youth Services, I believe the proposed rescission of all FY 86 Office of Juvenile Justice and Delinquency Prevention funds (OJJDP) would impose a hardship on existing and proposed juvenile justice programs across five Mid-Atlantic states and the District of Columbia. MAAYS is funded through a coordinated networking grant by the Department of Health and Human Services to aid runaway and homeless youth and their families in Pennsylvania, Virginia, West Virginia, Delaware, Maryland, and the District of Columbia. Allocations for the Region based on formula grants is as follows:

Delaware	$225,000
Maryland	704,000
Pennsylvania	1,888,000
Virginia	926,000
West Virginia	344,000
District of Columbia	225,000
Total	4,312,000

Ruth Williams, Program Manager of the Pennsylvania Commission on Crime and Delinquency states that Pennsylvania has spent OJJDP funding on post-adjudication programs mostly dealing with the serious and violent offender. "If this funding capability is eliminated," she said, "the PCCD cannot maintain credible technical assistance to juvenile court programs throughout the Commonwealth."

In Philadelphia, she noted, the Juvenile Court Judges Commission, the PCCD and groups representing the Philadelphia Juvenile Courts were asking funding for improvement in the Philadelphia Juvenile Court MIS. Because the hardware and software used by the city was not compatible with that used by the state, incomplete data was being received by both parties. Philadelphia was planning to reautomate, purchase new hardware, and hire a programmer. Ms. Williams states that this plan is now in jeopardy due to the proposed rescission of FY 86 OJJDP funding. In past years, the Commonwealth had funded a system improvement in the Dauphin County Juvenile Court MIS through OJJDP funds. FY 86 funds were to be used to replace this in 10-15 other counties in the state. Similarly, plans to replicate a comprehensive MIS effort in Northumberland County dealing with Children and Youth are in jeopardy because OJJDP funds were earmarked for this in FY 86.

The National Center for State Courts funded a two-year study of the Philadelphia Juvenile Justice System with the Commonwealth following up with a report that included 70 recommendations. FY 86 funds were to be used to implement a number of changes recommended by the center.

In the area of prevention, the Commonwealth's emphasis has been on family prevention. Once a youth is in the system, the prevention program involves family counseling and an innovative truancy reduction program. In Philadelphia, CORA Services has initiated such a program. All residential community-based programs must have an aftercare component, and family-based programs; and OJJDP FY 86 funds were to be used to continue and replicate such programs. The North Central Secure Treatment Program in Danville deals with the serious, violent, habitual offender. Youth are placed in treatment phases outside of the secure treatment unit into a neighboring building. Their families are on site and this component, as a forerunner to after care, places a heavy emphasis on family counseling and family acting-out. Continuation and replication is jeopardized by discontinued/rescinded FY 86 funds.

Philadelphia Juvenile Court Judges have sought 20 after care and probation workers for FY 86 to be funded through a continuation of FY 84 and 85 OJJDP Funds. This reflects the Commonwealth's emphasis on aftercare and intensive probation. In all likelihood, such positions would not be created were funds to be discontinued.

In Virginia, James Roberts of the Commonwealth's Bureau of Corrections Services, states that Virginia intended to fund 28 projects serving a variety of youth with FY 86 funds. Without these funds being reintroduced, projects scheduled to begin July 1st would be funded until September 30th with existing funds, then all would close down October 1st.

Ron Collier, a Criminal Justice Analyst with the Bureau, states that twice his office requested OJJDP respond on the status of FY 86 plans and "received no answer." This has "devastated our planning process," he said, "without knowing how much we have to allocate, it has completely destroyed our process." He went on to explain that their review process begins in February, with the advisory board reviewing proposals in March, and the Governing Board reaching final decision in early May. There is then only one month to administer the award process.

There are 13 continuation programs affected, he said, and the missing link is the time calendar.

Maryland is an outstanding example of how the intent of the program has NOT been met through deinstitutionalization. In Maryland, OJJDP funds are allocated to the Juvenile Justice Advisory Council, who in turn allocates them to community-based programs that exist to deinstitutionalize youth. According to Kris Mayne, Executive Director of Youth Resources Center in Hyattsville and Secretary of the Maryland Association of Facilities for Youth, the state mandated a managerial study conducted by an independent consultant. Reporting to the Department of Health and Mental Hygiene, it expressed a strong disapproval of two facilities: the Charles Hickey School, an institution for serious offenders 16 years and older; and the Montrose School for boys and girls. The study said these schools, located in Baltimore County, were seriously overcrowded, that Montrose should be closed, and Hickey reduced in size from 400 to 200. The study strongly recommended more money be placed into community programs that exist to help these offenders outside an institution. Ms. Mayne notes that if the OJJDP funding allocated to Youth Resources through JJAC is rescinded, her program would "close or be seriously affected." Obviously, not only has deinstitutionalization failed to take place, but the agencies empowered to deinstitutionalize WILL be seriously affected.

As Ms. Williams pointed out, elimination of funding capability means the states cannot maintain credibility. This is even more important at the local level. Federal funding through OJJDP shows that others care, and enables programs to solicit matching funds, and develop grants and gifts from the United Way and foundations both corporate and private. So the situation that could exist is one of double-jeopardy, where the elimination of Federal Dollars means you lose the other funding as well.

This continued freeze of FY 86 OJJDP funds will mean the closing down of some programs, and elimination of essential and expanded services in others that were planned. The Office of Management and Budget is wrong when they state that termination will have negligible impact on the criminal justice program. There HAS been program disruption and numerous programs WILL cease to exist. Extremely important studies on juvenile delinquency and pilot programs such as those in Pennsylvania, will be halted.

As Executive Director of the Mid Atlantic Association of Youth services, I join you in your deep concern that Congress' express intent be carried out and that all remaining funding appropriated for Juvenile Justice and Delinquency Prevention be made available for obligation in FY 86.

Mr. SPECTER. Mr. President, I ask unanimous consent also that the full statement of Administrator Regnery be printed in the RECORD so that his position may be before our colleagues as well.

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

STATEMENT OF ALFRED S. REGNERY, ADMINISTRATOR, OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION

Thank you, Mr. Chairman, for inviting me to testify this morning on the activities of the Office of Juvenile Justice and Delinquency Prevention.

I know that uppermost in the minds of the Subcommittee Members is the situation involving the future of my Office. As you are aware, Mr. Chairman, the President, as he has done each year since taking office, has requested no funding for OJJDP for the next Fiscal Year. In addition, the President's budget request for FY 1987 also contains a request for a rescission of almost all of the FY 1986 funds appropriated for OJJDP.

While you, Mr. Chairman, and other Members of Congress have expressed your dismay to the President, to the Attorney General, and to me over this seeming lack of concern for the welfare of those served by OJJDP, I would like to take this opportunity to point out that the President must be concerned with the welfare of all Americans.

Over and over again, in opinion poll after opinion poll, the American people have cited the Federal deficit as the biggest problem faced by the Nation. They know that the Federal government cannot keep spending money it does not have. Congress, in passing the Balanced Budget and Emergency Deficit Control Act last year, recognized that severe measures must be undertaken to control runaway spending before the dramatic improvement in the Nation's economy experienced under this Administration is irreparably reversed.

The program of spending cuts and other reforms contained in the President's FY 87 budget would lead to a balanced budget at the end of five years and would thus remove a serious impediment to the continuation of the country's economic expansion.

In crafting his budget, the President had the responsibility of ensuring that those programs that can only be carried out by the Federal government—those for the Nation's defense, for the protection of the poor and the elderly, or for the enforcement of Federal laws, for example—were adequately funded. Other programs, particularly those that have accomplished their original purpose, that could be better operated by state and local governments, or that could be supported by the private sector, can no longer be supported with Federal funds.

This Administration believes that the programs of the Office of Juvenile Justice and Delinquency Prevention fall into this latter category.

In 1984, when the Federal deficit was $185 billion, the country's state and local governments enjoyed a combined surplus of approximately $50 billion. Why should the Federal government, which is operating under a huge deficit, pay for programs that benefit state governments, when those same government are oprating under budget surpluses? Why should the Federal government continue borrowing money to pay for programs the states could support with their own funds?

As you know, Mr. Chairman, through the Juvenile Justice and Delinquency Prevention Act of 1974, as amended, Congress gave OJJDP a mandate to assist the states in three specific areas: deinstitutionalizing status offenders (those juveniles whose offenses would not be offenses were they adults), diverting them from the judicial system and out of secure detention facilities and into community-based, non-judicial settings; separating delinquent juveniles from institutions in which they have regular contact with adults; and removing juveniles from adult jails or lockups.

A survey by my office, however, found that the states use only a small portion of OJJDP funds in support of the jail removal and deinstitutionalization mandates. In FY 85, states spent only 23 percent—roughly $9.3 million—for preadjudicatory alternatives in support of jail removal and the deinstitutionalization of status offenders. The largest percentage of funds—27 percent or $10.8 million—is spent on treatment and rehabilitation programs. Another 23 percent ($9.1 million) is spent on prevention programs, 20 percent ($7.8 million) is spent on system improvement programs, training, for example; and 2.5 percent ($960,000) is spent on advocacy programs. Thus, states are using Federal funds to finance programs they would support, and do, in fact, support, regardless of Federal assistance.

Although many of these are worthwhile programs, that does not mean that the Federal government should continue to provide funds for them. As President Reagan has so aptly pointed out, we can no longer afford every good program.

Meanwhile, states continue to move toward compliance with the mandates of the Act. As of the end of 1985, 43 states and territories have met the requirements of the Act by demonstrating substantial or full compliance with the deinstitutionalization mandate. As a result, juvenile status offenders are now only rarely held in secure detention facilities. Thirty-three states have complied with the requirements for the separation of adults and juveniles in adult jails and lockups, and 20 states have enacted legislation in support of the jail removal mandate. I have attached to my testimony the latest summary of states' compliance with the mandates of the Act. The summary contains data from the states' 1984 monitoring reports.

I am convinced that the states that now participate in the OJJDP program will continue their commitment to the deinstitutionalization, separation, and removal mandates even without the relatively small amount of Federal funding provided for these purposes. In fact, since the funds OJJDP provides to states are insufficient to cover the full cost of deinstitutionalization, separation, and removal, states participating in the program already have shown their commitment to the goals of the Act and to a large extent have supported compliance with state and local funds.

And inasmuch as it is the states who are paying most of the cost of the Act's mandates, it should be the states that decide how best to comply with them. Thomas Jefferson once warned, "Were we directed from Washington when to sow and when to reap, we should soon want for bread." And President Reagan has said time and again that we must recognize the constitutional principles of Federalism so that we can limit Federal intrusion and cumbersome Federal regulation regarding states and local matters.

There is no reason to believe that, in the absence of Federal support, states will now retreat from a commitment in which they themselves already have so heavy an investment, both financially and philosphically. Rather, following 11 years of Federal assistance, states and localities would now take over full support of what clearly is solely a state and local responsibility.

In the same way, other programs proven successful that have been supported using OJJDP funds would continue with state, local, or private funds. Federal grant money never was intended to be the continued sole support of new programs. For this reason, most projects are supported only for a period of three years. After that time, projects that have proven successful or worthwhile to a community are expected to

become self-supporting or to be supported through state, local, or private funds.

OJJDP also has supported, through its National Institute for Juvenile Justice and Delinquency Prevention, a relatively small number of research projects. While this Administration supports the role of the Federal government in research, a separate unit subsidizing research on juvenile justice is not needed. Research in juvenile justice comprises only a small part of research on crime and justice. The National Institute of Justice serves as the research arm of the Department of Justice, and the Administration has pledged to continue support for this agency, which already conducts a number of research projects relating to juveniles.

MISSING CHILDREN

During the more than three years of my administration of the Office, we have supported many worthwhile programs. Perhaps the most gratifying to me is the success of our Missing Children's Program.

I would like to clarify some of the confusion about funding for this program. The Missing Children's Program was authorized by the Missing Children's Assistance Act of 1984 and has an appropriation separate from that of OJJDP. The Administration requested and Congress has appropriated $4 million for the program in FY 86. No rescission of these funds has been requested.

In addition, the President has expressed his continuing support for efforts to recover missing children and prevent the abduction and exploitation of children by requesting $4 million for the program for FY 87. I think you will agree, Mr. Chairman, that this is evidence of the Administration's continuing concern for the welfare of these endangered children in appropriating these funds in what otherwise is a very lean domestic budget.

By passing the Missing Children's Assistance Act, Congress recognized the need to coordinate resources, develop, standardize, and disseminate effective policies and procedures regarding missing children across all jurisdictions, and provide a central focus for research, data collection, policy development, and information about missing children.

As required by the Act, a Missing Children's Advisory Board was appointed in January 1985 and met four times during the year. The Advisory Board advises the Attorney General and OJJDP on coordinating missing children's programs and activities and also provides advice in establishing funding priorities under the Missing Children's Program.

The Board also has prepared a comprehensive report on missing children that it plans to submit to the President, the Attorney General, and the Congress the day after tomorrow.

The report makes recommendations on the steps that should be taken to reduce the problem of abducted, abandoned, and runaway children and discusses the unintended consequences of deinstitutionalization on the problem. In addition, it addresses the question of the number of children actually missing, and clarified some of the issues that continue to surround that question.

In accordance with the Act and with the advice of the Advisory Board, OJJDP has established seven funding priorities for the Missing and Exploited Children's Program.

First, a National Incidence Study to Determine the Actual Numbers of Missing Children will provide a comprehensive, reliable assessment of the missing children problem. To plan for this study, OJJDP solicited the expertise of researchers from various fields who had designed, funded, or conducted studies with similarly complex problems. A panel of these researchers met last August to advise OJJDP on issues that should be considered in designing the study. Based on the advice of this panel, OJJDP is undertaking a number of initial pilot tests to determine the best approaches for a later series of larger studies that will provide reliable estimates of the incidence of missing children, information on the context of the events, and data on the characteristics of the victims.

The second priority is a National Study of Law Enforcement Agencies' Policies and Practices for Handling Missing Children and Homeless Youth. Applications for this study have been reviewed, and we plan to make an award within the near future. The study is designed to describe current law enforcement policies and practices and to identify the most effective law enforcement methods for handling reports and investigating, identifying, and recovering children who may be missing or homeless and at risk of exploitation. The study also will provide better estimates of the number of cases of missing children reported to law enforcement agencies annually.

Under the third priority, funding has been provided to the Federal Law Enforcement Training Center at Glynco, Georgia, for a training program on handling missing and exploited children. The program is intended to help Federal, state, and local law enforcement personnel gain a better understanding of the problem of missing and exploited children and improve their skills in handling related cases.

The fourth priority is research on the relationship between missing and abducted children and sexual exploitation; the psychological consequences of abduction and sexual exploitation; and the child victim as witness. Research strategies for these issues are being developed by OJJDP.

The fifth funding priority is a training and public awareness program for practitioners involved with missing and exploited children.

OJJDP and the National Center for Missing and Exploited Children are developing, under the sixth program priority, an assistance program that will make up to 20 small, one-time awards to states that have legislatively established, state operated clearinghouses that serve as central repositories of information on children believed to be missing in the state. These two-year awards are intended to encourage states to develop clearinghouses and operate uniform data collection systems. States selected to receive OJJDP funding will be responsible for compiling accurate and relevant statistics and collaborating with the National Center for Missing and Exploited Children and OJJDP-sponsored research initiatives.

The final priority is assistance to private voluntary organizations. A cooperative agreement has been made to provide training and technical assistance in organization and administrative management for private voluntary organizations involved with missing and exploited children.

Through this program, there will be training sessions at 16 sites around the country during the next two years, a national conference of missing children's agencies, the identification and selection of five exemplary programs as host sites for training and technical assistance, and development of guidelines for successful missing children agency operation. Through a subcontractural agreement, the Adam Walsh Child Resource Center in Fort Lauderdale, Florida, will provide approximately 25 percent of the training.

Organizations participating in the program will be invited to submit applications for modest assistance and funds to further enhance their capabilities. These grants will focus on unique or especially effective programs run by private organizations.

The OJJDP Missing and Exploited Children's Program also supports the National Center for Missing and Exploited Children, which was established with OJJDP funds. The National Center serves as a national resource center to assist parents, citizens groups, communities, law enforcement agencies, and government institutions in a coordinated national effort to ensure the safety and protection of children. The Center operates a national toll-free telephone hotline through which individuals can report information relating to the location of missing children or to request information about procedures for reuniting children with their legal guardians. Since beginning, the hotline has received more than 100,000 calls and the Center has assisted in the recovery of some 3,600 children.

NEW PROGRAMS

While the budget situation has necessitated holding in abeyance funds for most programs planned for support in FY 86, several important new programs were begun early in the fiscal year which I would like to discuss.

In November, a cooperative agreement was made with the National District Attorneys' Association's American Prosecutors Research Institute to establish a National Center for the Prosecution of Child Abuse. The Center will provide technical assistance, training, and clearinghouse services to improve local prosecutors' handling and treatment of child victims. The Center also will develop model legislation and conduct training for others involved in the prosecution and treatment of child physical and sexual abuse cases.

Another new project, the Private Sector Probation Program, is designed to demonstrate the feasibility of private sector involvement in the delivery of probation services currently being provided by the public sector. During my tenure as OJJDP Administrator, Mr. Chairman, I have been encouraged by the considerable interest of the private sector in providing services in many areas of the justice system. Private sector spending already far outweighs government expenditures for criminal justice services, and I believe that the private sector will relieve more and more of the burden from overwhelmed government agencies.

Faced with fiscal constraints, local policy makers have begun looking for new approaches and techniques to operate probation departments more cost-effectively.

Research studies indicate that referral to probation is the most common juvenile court sanction used. More than 80 percent of adjudicated offenders are placed on some form of probation. The provision of probation services consumes the largest share of state and county correctional dollars, and generally employs the greatest number of correctional professionals.

The Private Sector Probation Initiative would target local and state jurisdictions that are interested in contracting out either selected parts of their probation functions or the entire probation function to a private

sector agency and provide assistance in developing such contracts with the private sector.

CONCLUSION

Although other programs were planned for implementation in FY 86, no further awards will be made until Congress makes a decision concerning the President's request for a rescisson of OJJDP funds. Of the $67.6 million appropriated for OJJDP in FY 1986 (not including the Missing Children's appropriation), $60,797,000 is proposed for rescission. An additional $2.9 million will be sequestered under the March deadline of the Balanced Budget Act.

While I believe the Office of Juvenile Justice and Delinquency Prevention could provide some valuable information to the criminal justice community about juvenile crime and delinquency through the programs I have outlined here today, the simple fact is that the Federal government cannot afford them.

Thank you, Mr. Chairman, I will be pleased to respond to any questions you or Members of the Subcommittee may have.

Mr. SPECTER. Mr. President, during the course of these hearings, I was joined by the distinguished Senator from Alabama, Senator DENTON, who stated his own view that the action taken by the Office of Juvenile Justice and Delinquency Prevention was wrongful, that these funds ought to be expended. Senator DENTON left Administrator Regnery with the question what was going to happen with the programs in the State of Alabama, after Senator DENTON enumerated a series of complaints and requests which he had received from people in his State on these very important programs.

Senator SIMON of Illinois raised similar questions. Senator MCCONNELL of Kentucky raised similar questions.

Mr. President, a resolution which this Senator has offered to disapprove this rescission request now has a total of 51 sponsors and cosponsors.

Mr. President, I consider it to be a matter of the utmost importance and shall confer later today with the majority leader to bring to the floor the resolution of disapproval of the action taken by the executive branch in requesting the rescission.

Mr. President, it is vital that the juvenile justice funding move forward, and that is especially true in the context of the history of the plain congressional mandate on this important subject.

In the fiscal year 1981 budget, the Office of Juvenile Justice and Delinquency Prevention was funded at $100 million. The administration proposed elimination of funding and this Senator, in his capacity as chairman of the Juvenile Justice Subcommittee, proposed restoration of $70 million for OJJDP on the proposition that there should be a moderate program carried forward to care for the juveniles and children of America. Each year the Congress has spoken in unequivocal terms directing that the program be maintained in the face of repeated efforts by the administration to eliminate the program totally.

That statement was made again as recently as December 18, 1985, when Senate Resolution 278 was introduced and passed by unanimous consent the following day. I do not have to elaborate, Mr. President, upon the difficulty of getting something through the Senate on December 19, 1985. If any Senator had objected, the matter would have been resolved at that point in the crowded calendar which confronts this body that late in the year. But the resolution disapproving the informal freeze was passed by unanimous consent, reflecting the conviction of this body that the programs for juvenile justice should be carried forward.

Mr. President, the juveniles and children of America do not have any political action committees. They do not have lobbyists to come to Washington.

They are unable to speak about their vital interests. But there is a panoply of problems among juveniles which range from missing children, to children who have run away from their homes, to children who have been victims of pornography, to children who have taken on the fad of suicide, to children who are using drugs, and to children who are in the twilight zone between lives of crime and lives as constructive citizens.

When I was district attorney of Philadelphia, Mr. President, I saw a recurrent pattern where a child would be a truant at 7 or 8, a delinquent at 9 or 10, petit larceny at 11 or 12, burglary of vacant buildings at 13 or 14, robbery at 16 or 17, and robbery-murder at 19 or 20. And that is a pattern which this very modest program for juvenile justice seeks to prevent.

In the context where the Congress of the United States has spoken so frequently and so unequivocally, it is imperative that the executive branch follow the mandate and release the funds so that these programs for juvenile justice can go forward.

When this Senator questioned Mr. Regnery as to his understanding as to congressional intent on this subject and received from Mr. Regnery the statement that he did not know what Congress' intent was, that is an assertion which this body and this Congress simply cannot accept.

Therefore, I ask my colleagues to consider this issue, and I will ask the leadership to bring this resolution of disapproval forward at the earliest possible moment.

I thank the Chair and I yield the floor.

FARM LEGISLATION

Mr. DOLE. Mr. President, it had been our hope to bring up the farm package at 11:30. The distinguished chairman of the committee, Senator HELMS, is on the House side until about 12:15 or 12:30. In the meantime, we have just concluded a meeting—myself, Senator MELCHER, Senator HARKIN, and incoming Secretary Richard Lyng—to see if we could address some concerns that Senator HARKIN had. There are other USDA people on their way up here to look at how we might be able to work out one of the problems. But as far as the proposal to advance up to 50 percent of the loan is concerned, I understand the administration is strongly opposed, and there is no way to work it out.

Until Senator HELMS arrives, we will not be able to move to the farm package. That is the one including the dairy provision sponsored by the Presiding Officer, Senator KASTEN, Senator LEAHY, and others. It also includes the yield provision, the underplanting provision, the change in the status of the White House agricultural trade representative, and the targeted export assistance program changes. I still hope we can complete action on this package and on the CCC appropriations this afternoon, and hopefully get to the armor-piercing bullet legislation later today. Then tomorrow at noon we should start on the constitutional amendment for a balanced budget.

As I indicated, tonight could be a late night if we are not able to resolve the debate on the farm bill. We are advised that, with signup starting tomorrow and with no CCC supplemental appropriation, it is going to be very difficult for the ASCS office to operate. They will not be able to write checks and farmers going in to sign up for the program will not know what the program is. Therefore, I hope those who still want more done will let us move ahead on this legislation and perhaps address their concerns later this spring when we get into farm credit legislation.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. DENTON). Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, we have a negotiation going on in my office with reference to this little farm package. I think it is in the best interests of those involved and others that we stand in recess. In addition, Senator HELMS cannot be available until about

1:30 p.m. So let us stand in recess until 1:45 p.m.

RECESS UNTIL 1:45 P.M.

Mr. DOLE. Mr. President, I ask unanimous consent that the Senate stand in recess until 1:45 p.m. today.

There being no objection, the Senate, at 1 p.m., recessed until 1:45 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. HECHT].

Mr. HEFLIN. 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. 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.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, what is the pending order?

The PRESIDING OFFICER. The Senate is in morning business.

FARM LEGISLATION

Mr. METZENBAUM. Mr. President, I rise not because I have any particular subject on my mind but because it is my understanding that we had recessed until 1:45 and that it was intended we would take up the farm bill at that point. I have an interest in the farm bill, and I may have an amendment in connection therewith, but I am concerned that the matter be called up when some of us are not on the floor. There is an important Budget Committee meeting at 2 o'clock which I expect to attend, but I do hope that all of us who have a concern about this subject will have our rights protected. I do not think it is appropriate that we be expected to remain on the floor constantly. I certainly respect the leadership role in calling up matters when and if they deem it appropriate, but I just think we all ought to be given adequate notice in advance since we had been told it would be at 1:45.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DOLE. Mr. President, we are going to try again in a few minutes to bring up the food security improvements amendments. Senator HELMS, chairman of the committee, will be here momentarily. We have just had a meeting of the Agriculture Committee to approve two nominations.

I hope we will be able to get this finished. It has been literally a wasted day and a half trying to get something done. In my view, we have addressed the concerns of nearly every Senator. I hope those Senators who want this bill passed on both sides of the aisle will come to the Senate floor so that we can hear some expression, a bipartisan expression, that this is important to their farmers because we are sort of at the point where, if we do not do it, it is not going to be worth doing.

I am also advised that unless we can pass the little legislative changes we are not going to be able to pass the $5 billion appropriations matter which is certainly urgent because, as I understand it, they will be locking up some of the windows as far as borrowing and mailing out checks to farmers. So I see the chairman is now on the floor. Perhaps we should allow a few moments for Members on each side who have an interest in this matter to come to the floor.

Again, I indicate that there were a couple of meetings this morning, one that I attended with Secretary-designate Richard Lyng, Senator MELCHER, and Senator HARKIN. There was a later meeting that I did not attend involving Acting Secretary Naylor, Senator HARKIN, Senator LEAHY, Senator MELCHER, and Mr. Amstutz. I understand one of the two concerns was at least resolved to the satisfaction of some Senators.

As I understand, we are down to the question of whether we are going to include in this package advanced payments for Commodity Credit Corporation loans, crop loans. That is a matter that the administration opposes, and a matter they suggested that we might more appropriately deal with when we get into farm credit.

So in any event, it would be my hope that maybe after a brief quorum call of, say, 5 minutes all Senators who have an interest in this matter—hopefully some Senators who are for it, because I think most of us are—would be here to express their views, as well as those who may have problems with it.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. DOLE. I am happy to yield.

Mr. HELMS. Has notification been put on the hotline in the Democratic cloakroom and the Republican cloakroom?

Mr. BYRD. I suggest we have a live quorum and have them all here. How about that? That is one way to do it.

Mr. DOLE. I do not like to punish people who may not be here. I think those who have an interest will be here, I think, in 5 minutes. It is not of interest to every Member of the Senate.

Mr. BYRD. It should be. Every Member has to vote on it, I guess.

Mr. DOLE. Every Member eats. They ought to worry about farmers. Let us try it the other way: If no one shows up, we may go live.

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 PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 4:30 P.M.

Mr. DOLE. Mr. President, I understand there will be a meeting in the distinguished minority leader's office concerning this Food Security Improvement Act and amendments, and that that meeting will probably last until about 4:30. I think it probably best that we stand in recess.

Mr. President, I ask unanimous consent that the Senate stand in recess until 4:30.

There being no objection, the Senate, at 3:58 p.m., recessed until 4:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer, Mr. EVANS.

Mr. HELMS. Mr. President, consultation continues with respect to the farm legislation that we have been attempting to bring up as the distinguished occupant of the chair knows. We hope that we will be able to call it up and act upon it yet this evening.

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

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

VERMONT ROYSTER

Mr. HELMS. Mr. President, while we await the return to the floor of the players in this great game of political eyeballing on the farm legislation, as in morning hour, let me comment on a friend of mine, a native of Raleigh, NC, who in my judgment reached the pinnacle of journalistic excellence in the United States. His name is Vermont Royster. Those of us who know him well use his nickname "Bunny" Royster. By whatever name, he is a man of civility.

Fifty years ago today Vermont Royster went to work for the Wall Street Journal and, as he says in a column published in today's edition of that newspaper, he was the low man on the totem pole. In this column, headed

"End of a Chapter," he relates some of his experiences, many of his impressions of people and events of the half century during which he served in one capacity or another on one of the Nation's great newspapers.

Mr. President, Vermont Royster is now retired in Chapel Hill. During the past 2 years he suffered a stroke from which he has largely recovered but when he "retired" from the Wall Street Journal, and I put that word in quotes because he did not retire; he continued to write three times a week a splendid column entitled "Thinking Things Over."

Mr. President, Vermont Royster has been very much on my mind today because I consider his last column, published in today's edition of the Wall Street Journal, not merely the end of a chapter but the end of an era because here is a man who understands the meaning and importance of objectivity. Moreover, as much as any man I have ever known, Vermont Royster understands the miracle of America. That has been always evident throughout his remarkable career.

Since he relinquished his day-to-day duties at the Wall Street Journal, he has been living in Chapel Hill, the home of the University of North Carolina, an institution from which Mrs. Helms was graduated some years ago. I will not say how many years. It is an institution noted for excellent basketball teams and for many other things, but it is also noted for a very fine school of journalism, once headed by a delightful man named O.J. Coffin. We called him "Skipper" Coffin, because there was never any question about who was in charge. And Skipper Coffin was a man of journalistic excellence.

Mr. President, "Bunny" Royster came home frequently to visit with various clubs and organizations. He was honored by just about every group in our State and by many outside of our borders. And lest I appear to be delivering a eulogy, let it be emphasized that Vermont Royster is going to be around a while enjoying life and perhaps deciding that he will again sit down at his typewriter and knock out future columns, entitled "Thinking Things Over." I certainly hope he will, because the profession of journalism needs Vermont Royster and his wisdom, his integrity, his honesty, his ability.

Vermont, as I said earlier, recapped in his final column today many of his memories as he experienced them over a half century. And, as he put it at one point in the column:

As it is, I can leave with a treasure house rich in memories, and not alone of presidents and politics. When I began in 1936 The Wall Street Journal was a small paper with a circulation of barely 35,000. By 1971 when I retired as the paper's Editor it exceeded a million. Since I left it has doubled, to more than two million in the U.S.; It's also published in Europe and Asia.

Then, he added:

How that growth came about is also a part of my memory.

And he concluded in a very touching way, certainly to this friend of his. He wrote:

After 50 years watching that dream being fulfilled I cannot just stop without regret. So I hope this is not the end of the story. I intend now and then to submit some offerings to the editors on various subjects which, perhaps, they will think worth printing. There will be no longer, though, the regular weekly conversations with the readers. I have grown too weary of mind for that.

Not too weary to remember, of course, and memory is a pleasure that grows richer with age. These 50 years have seen much turbulence for the country. But for a journalist, let me confesss, they have all been fun. So if this is not, as I hope the end of the story, I am content that it be the end of a chapter.

Mr. President, I am very proud of Vermont Royster and I shall always be grateful that he is my friend, as I have been his. He is a fine American.

Mr. President, I ask unanimous consent that the column by Mr. Royster be printed in the RECORD.

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

[From the Wall Street Journal, Mar. 5, 1986]

END OF A CHAPTER

(By Vermont Royster)

It was March 1936 and as a 22-year-old I had just joined The Wall Street Journal's Washington bureau. Low man on the totem pole, of course, but the late Bernard Kilgore, then the bureau chief, let me write a few brief and inconsequential items now and then which the newspaper published.

So that means I have been writing for the Journal in one capacity or another for 50 years. A half-century is a span to spur nostalgia and give one to think.

They have been a fascinating 50 years for a journalist. They began with the years of the Great Depression and the coming of World War II. After a brief hiatus while I did some world travels courtesy of the U.S. Navy, they resumed in the Truman era when I myself served as Washington bureau chief. They have continued to this day.

My journalistic years thus embrace nine presidents from Franklin Roosevelt to Ronald Reagan. In that period there have been other wars—Korea and Vietnam—and other troubled times for the country. Several periods of inflation as well as other recessions, although fortunately none like the 1930s. All manner of public disturbances from the labor riots of the thirties to the race riots of the sixties.

Political upheavals, too, as the Democratic Party dominance was interrupted by Eisenhower, returned with Kennedy and Johnson. Thereafter came Nixon, Watergate, our first-ever presidential resignation and our first ever non-elected president in Gerald Ford. Later our first truly Southern president since the Civil War in the person of Jimmy Carter. Then with Ronald Reagan, our first openly avowed conservative to occupy the White House (for two terms) since Herbert Hoover.

It all began for me, amid the excitement of youth, with the on-going efforts of FDR and his New Deal to solve the Depression. All those efforts failed but my memory is clogged with remembrance of the colorful characters of that time now vanished into the history books. Of Henry Wallace and Henry Morgenthau, of Harold Ickes and his arch rival Harry Hopkins. With a bottle at hand I once "struck a blow for freedom" with John Nance Garner, FDR's crusty vice president. I remember standing in awe of courtly Speaker William Bankhead and in fascination before Joseph P. Kennedy, founding father of that enduring political clan. I knew among others Sen. Tom Connally of Texas, he with the flowing locks, Sen. Walter George of Georgia, whom FDR tried unsuccessfully to purge from the Democratic Party.

Although I know time may romance years past, it seems to me their counterparts today are, by comparison, a dull and somber group. Able men no doubt but wanting the verve to make politics fun-filled for the spectators. Except perhaps for Tip O'Neill and Jesse Helms we watch only dancers in a stately quadrille.

Among the presidents of my time Harry Truman was the most likeable as a person despite all his troubles, Jack Kennedy the most exciting, Eisenhower the most underrated. Richard Nixon was a character right out of a Greek tragedy, a potentially great man with a fatal flaw. Lyndon Johnson the most tormented. Jimmy Carter and Gerald Ford are the nicest men you would ever want to know but neither strong enough to wear the presidential mantle without stumbling.

Ronald Reagan, whose time is not yet done, is the most self-possessed of them all, unruffled by any slings or arrows. No one has ever called him a brilliant man. He is, rather, a man of deep instincts strengthened by long life and many years in the political wilderness. Those instincts, no different now than when he was governor of California, are for a nation less burdened by government and the taxes it lays on its citizens. It is an irony that he has come to preside over the government's greatest deficits and the greatest burden of debt. How President Reagan will ultimately be measured must await history.

Having been privileged to follow so much history-in-the-making I am tempted to keep a journalistic eye on what unfolds hereafter. But 50 years is a long time and there comes a time when time should have a stop.

So with today's column I will call a stop. This will be my last appearance in The Wall Street Journal under this familiar rubric.

This column itself is a quarter-century old under this byline. I inherited it from two distinguished predecessors, the late Thomas Woodlock and William Henry Grimes, both of whom were Editors of the Journal before me. For each of us in turn it was a way to keep a journalistic role without the daily pressures in a newspaper office. I am grateful to the present managers and editors of the paper for allowing me this little space to put forward such thoughts as I might have and to leave me unrestrained as to my peculiarities of style or substance.

I admit to some sheepishness at this decision. After all, Woodlock was older than I when he wrote his last column from his hospital bed to be published posthumously. James Reston, older than I, still fills his place on The New York Times. And I am mindful of others who kept on in their journalistic endeavors long past my three score

and twelve. David Lawrence, columnist when I began, was still writing in his eighties. So was Arthur Krock. Walter Lippmann outlasted the New York Herald-Tribune where he began.

But I offer no apologies. I fear the day when readers—or those present Journal editors—come to think I've outrun my time. Besides, I already find myself repeating myself. How many times can I deplore the government's deficit or inveigh against other recurring political idiocies without using shopworn words? Better to leave all that to younger minds which come afresh to age-old problems.

As it is, I can leave with a treasure house rich in memories, and not alone of presidents and politics. When I began in 1936 The Wall Street Journal was a small paper with a circulation of barely 35,000. By 1971 when I retired as the paper's Editor it exceeded a million. Since I left it has doubled, to more than two million in the U.S.; it's also published in Europe and Asia. How that growth came about is also part of my memory.

The chief architect of the transformation was Bernard Kilgore, the one who was my bureau chief so long ago. While many others contributed to this growth—able editors, executives and pioneers in the printing trade—his was the vision of a newspaper that could span this huge country delivering the same news on the same day to readers in Portland, Maine, and Portland, Ore. Doubters said it could not be done but the newspaper you hold today, better edited and more complete, is his monument. Other publishers of national newspapers came thereafter. Kilgore had the dream first and saw it fulfilled.

After 50 years watching that dream being fulfilled I cannot just stop without regret. So I hope this is not the end of the story. I intend now and then to submit some offerings to the editors on various subjects which, perhaps, they will think worth printing. There will be no longer, though, the regular weekly conversations with the readers. I have grown too weary of mind for that.

Not too weary to remember, of course, and memory is a pleasure that grows richer with age. These 50 years have seen much turbulence for the country. But for a journalist, let me confess, they have all been fun. So if this is not, as I hope, the end of the story, I am content that it be the end of a chapter.

Mr. HELMS. I thank the Chair and 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 (Mr. PRESSLER). Without objection, it is so ordered.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. DOLE. Mr. President, I understand from my colleagues that my Democratic colleagues who have had an interest in this legislation have had a meeting and have certain suggestions that might permit us to move on this legislation—not only on the 10-point package, but also on the CCC supplemental and might even move into getting clearance on another piece of legislation not related to agriculture, the armor-piercing bullet legislation. I am not certain what transpired in the meeting, but the chairman of the Committee on Agriculture [Mr. HELMS] is here, the ranking Democratic member [Mr. ZORINSKY] is on the floor. It is my hope that we could have permission to get unanimous consent if we send a proposal to the desk and ask for its immediate consideration and that that not be objected to. Then Members who have amendments could offer their amendments.

There is one thing that I understand, that the Senator from Iowa would like to offer his amendment on advance payments provided it not be subject to a point of order. I have not checked that with the Parliamentarian, but I do not know of any other conditions or any other amendments that might be forthcoming from the other side—or this side. There may be amendments on this side that I am not aware of.

Mr. BYRD. Mr. President, will the distinguished majority leader yield?

Mr. DOLE. I shall be happy to yield.

Mr. BYRD. Mr. President, I do not think there is any objection on this side, nor has there been, as far as I am aware, to proceeding with the supplemental appropriations bill. We can do that, I think. I know of no objection to that. I had expected to do that yesterday. If that will help the distinguished majority leader in his planning.

Mr. DOLE. I understand there is objection on this side to proceeding with the appropriations bill.

Mr. SYMMS. Yes, Mr. President, there is objection to the appropriations bill. The appropriations bill provides payments to the farmers to compete against nonprogram-crop farmers. We would be getting the cart before the horse if we pass the CCC appropriations bill now. I think the two are directly related.

Mr. BYRD. Mr. President, if the majority leader will allow me, it may be the cart before the horse; I do not know. It may be the horse before the cart. I shall not venture a guess.

Mr. DOLE. There may not be a horse or a cart if we do not do something.

Mr. BYRD. I think both the horse and the cart are there if the distinguished majority leader wants to call up the appropriations bill.

Mr. DOLE. What about the other bill?

Mr. BYRD. Mr. President, where is the other bill?

Mr. DOLE. We have already gone through that. It was printed in the RECORD the other day.

Mr. BYRD. It does not have a number.

Mr. DOLE. No, but we have done that with a couple of Philippines resolutions from the other side a couple of times.

Mr. BYRD. But it has not been introduced as a bill or resolution.

Mr. DOLE. Mr. President, it is in the proposal.

Mr. BYRD. As far as I am concerned, I am saying, tear it out of the RECORD and introduce it.

Mr. DOLE. The distinguished chairman of the Agriculture Committee has it.

Mr. HELMS addressed the Chair.

Mr. BYRD. I would say we could probably do the appropriation bill in 5 minutes.

Mr. DOLE. Pardon?

Mr. BYRD. We could probably do the appropriation bill in 5 minutes as far as I can see on this side.

Mr. HELMS. Will the Senator yield?

Mr. BYRD. Yes.

Mr. DOLE. I yield the floor,

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I send a bill that has been under such discussion the past several days to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. I did not hear what was said.

The PRESIDING OFFICER. Is there objection?

Mr. METZENBAUM. Reserving the right to object——

Mr. DOLE. He just sent it up and asked for its immediate consideration.

Mr. HARKIN. Mr. President, reserving the right to object, is there a unanimous-consent request before the Senate now?

The PRESIDING OFFICER. There is a unanimous-consent request for the immediate consideration of the bill from the Senator from North Carolina which has been sent to the desk.

Mr. HARKIN. Mr. President, further reserving the right to object, a parliamentary inquiry. Do we have a number on the bill?

The PRESIDING OFFICER. The bill has no number.

Mr. HARKIN. Further parliamentary inquiry, Mr. President. Is there a bill at the desk?

The PRESIDING OFFICER. There is a bill at the desk. The bill has not been introduced.

Mr. HARKIN. But the bill has not been introduced yet?

The PRESIDING OFFICER. There is a unanimous-consent request for immediate consideration.

Mr. HARKIN. Mr. President, further reserving the right to object, my inquiry again is exactly what it is we are being asked to move to right now. I assume that it is some part or all of some so-called technical corrections

that were offered last Friday. There was several points that were changed.

Mr. President, I would like to inquire, is this the exact same proposed bill that was printed in the RECORD yesterday? Is it the exact same bill or has there been a change made?

The PRESIDING OFFICER. The Chair is in no position to answer that question.

Mr. DOLE. Mr. President, will the Senator yield?

Mr. HARKIN. Yes.

Mr. DOLE. There was one change we made at the request of the Senator from Iowa and the Senator from Montana.

Mr. HARKIN. Is that one on the Targeted Export Assistance Program?

Mr. DOLE. Target assistance.

Mr. HARKIN. Is there anything else?

Mr. DOLE. I do not know of any others.

Mr. HELMS. This is the only one. There is a change as the majority leader indicated made at line 21 on page 13 of yesterday's draft. The Senator will recall that there were three changes made from the Friday draft incorporated in the draft yesterday. Now, this change and the only change in the text printed in the RECORD yesterday provides that for fiscal years 1986 through 1988 the Secretary of Agriculture must use not less than $110 million for CCC funds or commodites for targeted export assistance. The figures for targeted export assistance listed in the previous draft were $50 million in CCC funds or commodities and that was done to break it out at the zero level.

Mr. HARKIN. Mr. President, further reserving the right to object, as the distinguished majority leader has just said, we had a meeting on this side of the aisle to discuss some possible compromises that might be made to move this legislation along, along with the dairy provision that I believe the distinguished Senator from Wisconsin and others wanted. I am not certain that all avenues have been pursued to see whether or not there might be a compromise which might remove objections that some of us might have on this side to bringing this up.

I do not wish to unduly delay the proceedings. But I think that this request by the distinguished chairman of the Agriculture Committee is a bit premature at this time in that there might be the possibility—I hope in a short period of time that we might have some compromise agreement that would move this along and that would satisfy both sides on this. I can only speak for myself. I think the distinguished Senator from Montana also has some problems, but he can speak for himself. So, Mr. President, therefore, because I do believe that it is premature at this time——

Mr. MELCHER. If the Senator from Iowa, Mr. President, is going to object, would he mind withholding that objection for a moment?

Mr. HARKIN. I am reserving the right to object.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Parliamentary inquiry. Does the package at the desk contain anything that would be subject to a point of order concerning Gramm-Rudman?

The PRESIDING OFFICER. The Chair is not in a position to know.

Mr. MELCHER. Would the chairman care to let us try to make a unanimous-consent request?

Mr. HELMS. I am sorry.

Mr. MELCHER. If the Senator will withdraw his unanimous-consent request for a moment, would the chairman agree to letting us try a unanimous-consent request from this side?

Mr. HELMS. Well, let us just go with this one——

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. And see if there is an objection.

Mr. BYRD. Mr. President, may I make a suggestion? Whatever the request is the Senator from Iowa wants to have added, if he wants to call up an amendment or whatever, why not see if this would be agreeable to the chairman and the distinguished majority leader. Perhaps it can be called up in a way that would accomplish whatever the Senator has in mind without an objection.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Further reserving the right to object, I might inquire of the distinguished Senator from North Carolina, will the Senator so modify his unanimous-consent request to include that an amendment be offered by this Senator which would mandate that the Secretary of Agriculture provide up to 50 percent of the Commodity Credit Corporation loan for which a farmer would be eligible at the time he has signed up in the program, and that such amendment would not be subject to any points of order under the Budget Act?

Again, let me repeat that, Mr. President. Would the distinguished Senator from North Carolina modify his unanimous-consent request to include in the unanimous-consent request that this Senator be allowed to offer an amendment providing that at least 50 percent of the Commodity Credit Corporation loan would be made available to the farmer at time of signup and that such amendment would not be subject to any points of order under the Budget Act?

Mr. HELMS. Will the Senator yield?

Mr. HARKIN. I would be delighted to yield to the Senator from North Carolina.

Mr. HELMS. Mr. President, there is no way on Earth I can agree to that.

Mr. SYMMS. Will the Senator yield?

Mr. HARKIN. Mr. President, I still have the floor.

Mr. HELMS. We are involving the Budget Committee and all. I am not interested in being lynched by the Budget Committee so I could not agree to that, I say to the Senator.

Mr. HARKIN. Mr. President, again it would be a unanimous-consent request. Of course, we would have to see if there were any objections that would lie against that. I do not know, there may not be any objections to it. There may not be any objections.

Mr. SYMMS. Will the Senator yield?

Mr. HARKIN. Mr. President, reserving my right to object——

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. SYMMS. Will the Senator from North Carolina yield for an observation?

Mr. HELMS. I am delighted to yield.

Mr. SYMMS. If the Senator on the other side of the aisle will allow the Senator from North Carolina to bring up the bill that he has at the desk, he is certainly in order to offer any amendment he chooses, if that is his position.

Mr. HARKIN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. The Senator from Iowa reserves the right to object.

Mr. HARKIN. Again, we are asking for unanimous consent to move ahead on something that is not a bill, that has never been introduced as a bill. It was printed in the RECORD and obviously changed.

Then, again, I still think we should have a broader unanimous-consent request that would incorporate what many of us feel is something that the farmers need and need very drastically right now, and that is the low-interest-rate loans.

I hope we could modify the unanimous-consent request. I hope that the Senator from North Carolina would modify it to include that. As I understand it, the answer is that he will not do it.

Therefore, Mr. President, I am reserving the right to object; and I am constrained, I guess, to say that I will object, and then offer a unanimous-consent request that would incorporate everything that is in the unanimous-consent request of the distinguished Senator from North Carolina, plus asking that an amendment I would offer on the CCC loans not be subject to any points of order under the Budget Act.

So I do, therefore, object.

The PRESIDING OFFICER. Objection is heard.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, let us be clear about what the distinguished Senator from Iowa has proposed. He has proposed—and I have declined—that by unanimous consent, we abrogate the Gramm-Rudman-Hollings effect on this legislation. I cannot do that. As a matter of fact, there was much scurrying around between the time the Senator mentioned it and it was heard on the squawkbox in the office, and I have heard from the Budget Committee, and they say, "No." So, obviously, there will be an objection to that by the Budget Committee and perhaps other Senators.

I hope the Senator will be willing to let us proceed with this legislation, and then he can offer whatever motion or amendment he wishes, and let the Senate dispose of it. I do not think he really wants to put another Senator, especially this Senator, in a position of saying, take it or leave it, as regards abrogating Gramm-Rudman on this legislation. I cannot do that, and the Budget Committee will not. I hope the Senator will let us proceed. The Senator's rights will be protected on everything. He can get a vote on any motion or any amendment he wishes to offer.

Mr. HARKIN. Mr. President, will the distinguished Senator yield?

Mr. HELMS. I yield, if I do not lose my right to the floor.

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

Mr. HARKIN. I thank the distinguished Senator for yielding.

I remind the distinguished chairman of the Agriculture Committee that when the 1985 farm bill came on the floor, it too, was subject to a point of order under Gramm-Rudman; and this Senator, even though I was opposed to it—and the chairman knows that full well—did not raise the point of order at the time and went ahead and let it pass.

So there is precedent here, in the last couple of months, to allow a bill to come on the floor, not subject to points of order. It happened on the farm bill, so I do not see why we cannot do it now.

Mr. HELMS. I do not quarrel with the Senator's rationale. I am talking about reality. There will be objection from the Budget Committee.

Mr. MELCHER. Mr. President, will the Senator yield?

Mr. HELMS. I yield.

Mr. MELCHER. Mr. President, of course, there might be objection if everybody were here. What we would like to do is weigh out the proposition.

What is involved is getting the interest rates for this portion of the loan at 7.5 percent, which is a reduction from whatever the farmers happen to be paying—13 percent to 14 percent in general. So it is a significant reduction in interest rates on loan money that would be available.

While there may be objections by the Budget Committee or perhaps others in waiving the point of order, the merits of the argument need to be considered, because it does not cost any more—moving this portion of the loan up to this fiscal year rather than the coming fiscal year. The savings for the farmers are very substantial. They are not really into what Gramm-Rudman is or what an objection is from the Budget Committee. What they, the producers, understand is that the interest rates on this amount of money would be reduced substantially, and therefore it would give them a much better chance for economic recovery.

I hope we can pose this unanimous-consent request at a time when Budget Committee members are here, and see whether they would be agreeable to it. It is virtually impossible to get all 100 of us here at any one time. We understand that. It is quite impossible to get any 15 or 20 of us on any committee to agree. But I do not believe we are really asking too much if the merits of the argument could be heard.

Perhaps we are at a little disadvantage, in that the issue has not been discussed with a large number of Members present. If it were discussed, if they were here, perhaps we could work it out.

There might be other ways of arriving at reduced interest rates, but they do not seem to be available to us right now, except this one procedure, which obviously does not cost the Treasury any more and obviously has great benefits for the producers, in that that portion of the loan money would be 7.5 percent, and that money would be available for their spring planting, fertilizing, and other needs at a reduced rate of interest. That is all that is involved here, in the amendment of the Senator from Iowa. I think it is worthy of consideration.

Of course, it could be voted down, even if the points of order were waived. It does not mean that it would be accepted. If we go the other route and, instead of a simple majority, need 60 votes, it becomes even less likely that it could be adopted—that is, 60 votes to waive Gramm-Rudman—and we would have a unanimous-consent request.

I understand the concern of the chairman and the majority leader in getting the bill up, and I intend to work along with them, as would others on the Democratic side, to arrive at some point where we could consider a bill.

We would like consideration of this unanimous-consent request from anybody who might object to it on the Budget Committee. I see one or two members of the Budget Committee present—not very many. I wonder if we might pose that question at a later time.

Mr. KASTEN. Mr. President, will the Senator yield for a question?

Mr. HELMS. In just one moment. I have the floor.

Mr. KASTEN. I apologize to the chairman.

Mr. HELMS. Mr. President, I thank my friend from Montana.

He said farmers may not understand Gramm-Rudman and I think that is probably right. On the other hand, the farmers do understand a $2 trillion national debt and its impact upon them. They do understand a $200 billion deficit and the impact upon them.

One thing is for sure—all Senators should understand that very well.

I wish that all I had to do was the way it was done around this place 1 year before I came here and since I arrived—just decide who gets what and write the chit for it and let it go.

But the string has run out. We have a responsibility to examine these things for the impact on the deficits.

I do not see the difference—and I say this with all due respect to the Senator—between hashing this out in a unanimous-consent request and his offering it in the form of an amendment or a motion and let it go to the desk. That is the way it is going to have to happen eventually anyhow.

I yield to the Senator from Wisconsin.

Mr. KASTEN. I thank the Senator from North Carolina for yielding.

I ask a question of either the Senator from Montana or the Senator from Iowa. As I understand it now, we are making at least some progress. It is my understanding from the chairman that there is no limitation on amendments that would be offered. The Senator from Montana said there may be a question as to the budget ramifications of one particular section of the package. It seems to me we ought to simply go forward, agree to the unanimous-consent request of the Senator from North Carolina, the chairman of the committee, agree to what we can agree on, have that as a base, and make our points and debate all the issues involved. By that time we should know what the budget implications are going to be.

If the Senator from Montana wants to have members of the Budget Committee here during that time, we can get on the phones and people can come here, but we should proceed because we have been at this, some of us, for about 3 weeks. The March 1 date has gone by and every day at 5:30 or quarter of 6 we come here and say we ought to have just one more pause to resolve just one other question.

I hope Senators would agree to the unanimous-consent request, so that we could go forward with the piece of legislation that we have ready, without in any way prohibiting people from adding amendments or debating the bill. Let us get started.

I especially hope that the unanimous-consent request of the Senator from North Carolina would not be objected to by farm State legislators who are in support of what we are trying to do.

Objections ought to be put aside for the time being. We should proceed so that we can be voting on something.

The issues are before us. We now agree on underplanting, we agree on dairy, and a number of other points. The ones we do not agree on, let us consider amendments and vote them up or down, involve the Budget Committee, CBO, anyone else who is interested, and at least get started so that the farmers of this country will know the Senate is beginning to act.

To be going on 3 weeks, with no action at all is unconscionable.

Mr. HELMS. I agree with the Senator.

Mr. SYMMS. Will the Senator yield?

Mr. HELMS. I yield without losing my right to the floor.

Mr. SYMMS. I thank the distinguished chairman and concur with what the Senator from Wisconsin just said.

I would say further to my colleague from Iowa, and the chairman of the Agriculture Committee touched on it briefly, the one thing that farmers in this country do understand is the impact of where interest rates are going. Since this Congress brought Gramm-Rudman before it and passed it, as the Senator may be well aware, the bond market has moved up 25 major market points. Bonds are almost up to where they are selling at par now, long-term bonds.

What that means for the farmers in my State, in Iowa, and in North Carolina is that money is going to be available to them both in commercial lending institutions and in the Farm Credit System at a lower interest rate.

For us to tamper with Gramm-Rudman could trigger a sell-off of those very positive indications to interest rates that would be very negative to farmers in Idaho, in North Carolina, in Iowa, in Montana. It would be a real mistake for us to do it.

The point of the Senator from Wisconsin is very true. If this Senate wants to vote on waiving the rules, they certainly have the right to do it, and that is what it will come down to anyway.

There is no way to interpret an objection to the request of the chairman of the Ag Committee except as an attempt to slow down settlement of this issue, delay it, and make more problems for the farmers in Iowa, in Idaho, in North Carolina, in Montana, in Wisconsin, everyplace else.

From the Senator's viewpoint there is nothing to be gained by Senators strictly objecting to this, thinking somehow there is going to be some kind of a partisan gain by objecting to timely consideration of the Food Security Improvements Act. In my view, if anything, the results will be all negative. The partisan fallout will be against those people who are obstructionists to this process. It will not work out the way they think.

We have the same problem in Michigan, I would say to my colleague from Iowa, as we have in Idaho. He is certainly not benefiting the Senators from his side of the aisle who represent the Michigan bean growers.

I urge him to rethink his position. If we could get Senator HELMS' bill up, and discuss the bill, the Senate will work its will on it. If the good Senator from Iowa wants to offer an amendment on mandatory advance payments, he may do so. The Senate can act on it, we will go ahead and pass the bill, and then the CCC bill can come up and be passed rapidly.

It is very unfortunate that this dilatory action is taking place here. I personally regret to see it happen because it hurts the farmers of America.

Mr. ABDNOR. Mr. President, will the chairman yield?

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. Let me be sure I understand the parliamentary situation now. My unanimous-consent request has been objected to; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. The objection was made by the Senator from Iowa [Mr. HARKIN].

The PRESIDING OFFICER. The Senator is correct.

Mr. HELMS. I yield the floor.

Mr. HARKIN addressed the chair.

Mr. ABDNOR. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Thank you, Mr. President.

Mr. President, I want to make it clear that this Senator is not interested in dilatory tactics. What this Senator is interested in doing is addressing the real problems facing our farmers out there right now.

I have discussed this at length with the distinguished majority leader and others on that side and on this side. There is no doubt, I think, in anyone's mind, that one of the problems facing farmers right now is credit. I understand those who grow edible beans may have a problem, and I am not entirely opposed to doing something to rectify that, although I might add that by changing that you are taking away a provision in the farm bill that was advantageous to my farmers in Iowa, quite frankly. I am willing to compromise on that issue.

But the real problem that is facing us out there is the fact that farmers in the Midwest, also in the South, that are getting ready to plant crops this spring, do not have enough credit at a reasonable interest rate to buy the seed, the fertilizer, the fuel, the replacements or parts that they may need for their machinery, to get the crop in the ground.

Right now, Mr. President, the Federal Reserve Bank in Chicago, the Chicago district, reports that the average interest rate for agriculture loans is now 12.7 percent.

I can tell you, Mr. President, in Iowa it is 13 and 14 percent. I think that is about the same in Minnesota, maybe 12 or 13 percent.

So here we have a need to get this credit out to farmers. They either cannot get it locally or if they can, they can get it anywhere from 12 to 14 percent to get that crop in the ground.

There is a way already in the farm bill, section 1003 of the farm bill, that permits this to be done, for the President to allow a farmer at time of signup to get an advanced portion of the loan that he is entitled to get in the fall when he harvests the crop if he is in the program.

So by advancing this Commodity Credit Corporation loan, let us say, 50 percent of the loan at the time of the signup, that means that those farmers in the Midwest and the South, and other parts of the country, would get a loan at 7¾ percent interest and it would not cost the Government anything.

If the Budget Committee is concerned about budgetary impact, I point out that these farmers are going to take these loans out after October 1 anyway, so there is no net cost to the Government. We are just moving it up by 6 or 7 months, plus the farmers would have to pay interest. But instead of paying 12, 13, 14 percent, they will be only paying 7¾ percent interest.

So that is the real need that is out there right now.

What I am hearing from hundreds and thousands of farmers is that they need a break on their interest rates. That is what they really need. So that is why this Senator has taken the floor to try to get this accomplished, because it is a real need out there and it is something that could be done without costing the Government anything at all.

For the life of me, I do not understand why the administration—and I say the administration and I do not say anybody on that side of the aisle because I think there is support on that side of the aisle for this—but why

the administration is so adamant in not being willing to take this step. As I said, it is authorized in the farm bill. The President has the authority to do that. It would not be subject to Gramm-Rudman if he did that and it would indeed be a great help to our farmers.

Now, I had hoped that the administration might move on this. So far they have not. I do not know if that can be chalked up to the fact that we do not have a Secretary of Agriculture at this time. We have a designee, an individual for whom I have the highest respect. I wish he were in there full time right now. I am ready and willing to vote on his confirmation any time. Maybe that is the problem. Maybe we do not have someone down there that is willing to really take this to the highest levels of the administration and say that this might be a reasonable course of action.

So I am not, Mr. President, trying to in any way be dilatory, but I am trying to address a real problem out there in a way that really does not affect the budget. The distinguished chairman of the Agriculture Committee talked about the deficit. This does not affect the deficit one iota; not one iota. Yet the benefits the farmers would get would be tremendous.

Mr. President, I also want to address myself to another point that has been raised here on the Senate floor and perhaps in the news media, and that has to do with the fact that some farmers are not going to be allowed to sign up for the Farm Program and that if we do not take this course of action, there will be confusion out there or that we will have to postpone it further, and that if the farmers are not allowed to sign up that it will indeed be because those of us who are interested in getting different provisions on this are not allowing this so-called bill, without, a number, to go forward.

Mr. President, I just want to point out that the farmers could have signed up in this program on January 1, 2 or 3 or any time between then and now. It was not this body, but indeed it was the administration that put off the signup period until after March 1 for the farmers.

Now, why did they do that? Well, they did it because there is a provision in the farm bill that says that a farmer who signs up for a Commodity Credit Corporation loan and signs up in the farm program, that that contract cannot be modified by Gramm-Rudman; in other words, that contract would hold notwithstanding any of the provisions of Gramm-Rudman. That means, if the adminstration had allowed the farmers to sign up in January or February, that farmers would have had a higher target price and loan rate this year. Even through Gramm-Rudman had some cuts coming on March 1, it could not have modified those contracts. That was in the farm bill. That is why, Mr. President, the administration put off the sign-up period until after March 1; not the Senate, not the U.S. Congress, but the administration. They put it off until March 1 and now we are having fingers pointed at us saying we are holding up the signup.

We are not holding up the signup at all. They can go ahead with the signup. They could have gone with it a month ago or 2 months ago.

So I wanted to make that point clear, Mr. President, that we are not in any way holding up the signup program whatsoever. They can move ahead with it. Besides, if they are saying, well, they might have the money for the advance sufficiency payments, we have said we would allow the $5 billion appropriations for the CCC to move ahead without any amendments on the floor. We could move that out of here right now. And I do not think anyone would object to that. So, in no way are we holding up the signup period. We did not before and we are not holding it up now.

Mr. President, I said earlier that I would hope that we might have a unanimous-consent agreement that would be acceptable to all sides. I tried to talk in my remarks just now about the impact on the Budget Committee—I say the chairman of the Budget Committee here—to point out that the net effect on the budget was zero. It did not affect the budget at all. It did this year, but then the amount going out this year would be saved next year. After all, it seems as if that is what we are looking at anyway is the overall impact on the deficit.

So, Mr. President, I hope that we could have a measure sent to the desk that would incorporate these technical changes, so-called technical changes, that would incorporate the provision providing for at least 50 percent of the CCC loan to be provided to the farmer at the time of signup and that would also include the provisions so important to the distinguished Senator from Montana dealing with African relief and I think with section 416 commodities, the Food for Peace Program.

So, Mr. President, I send a bill to the desk. I ask unanimous consent for its immediate consideration and further ask unanimous consent that all points of order against this measure be waived.

Mr. DOLE. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. Mr. President, the distinguished Senator from Wisconsin noted a minute ago that some of us have been wrestling with this problem for about 2 or 3 weeks, and it seems we are only a little closer than we were.

I am advised by the chairman of the Budget Committee that they will strenuously object.

I remind my colleagues that the House would not even consider the dairy provision because they felt it violated Gramm-Rudman-Hollings. Even though the farmer was going to pay a higher assessment to avoid a reduction in the support price of about 50 cents per hundredweight. They had a big, big brouhaha in the House, over whether or not to violate Gramm-Rudman for dairy programs if similar questions will be raised for nutrition programs and other items.

So I believe there is not any real hope that we are going to add over $3 billion to outlays this year and say it does not mean anything. It is a violation of Gramm-Rudman-Hollings. And I think those who supported Gramm-Rudman-Hollings would be compelled to uphold any point of order. This would be the first test, as far as I know, of that legislation.

But, still, the amendment ought to be offered. We ought to be debating the amendment instead of debating how somebody can gain some leverage in this body and force something on others who are concerned about taking care of the farmers.

I am not unsympathetic with the Senator from Iowa. I said so earlier today. I made the point with Secretary-designate Lyng, that there might be a lot of things one could do—instead of mandating 50 percent, one could mandate 25 percent. One could do a lot of things that would, in effect, make it easier on some farmers right now. There could be a credit elsewhere provision which says if a farmer is able to get credit elsewhere he is not eligible. You could require the farmer to have crop insurance, which would be some protection for the Government in case something happened. So it is not all that bad. From the standpoint of policy, it is not all that bad. And there is discretionary authority for such a program in the present farm bill, as the Senator from Iowa just pointed out.

I do not know what will happen when Secretary Lyng is in place and has the staff to review many of these areas. He said today there are so many provisions in the farm bill that give him discretion to do certain things that he could not even count them all. He does not have any staff. He answers his own telephone and makes his own phone calls. Maybe after we confirm him tonight or tomorrow he will be in a better position to deal with a lot of subjects.

One thing that would not violate Gramm-Rudman-Hollings would be a sense-of-the-Senate resolution urging the Secretary to use the discretion he

has in the present bill. That would not be a mandate, but I would bet there are 80-some votes for it. We could have a sense-of-the-Senate resolution urging the Secretary to work out some formulation for the farmers who are truly in need so that they can save that 5- or 6-percent difference in the interest rate.

That, I think, would have some appeal. It would not violate Gramm-Rudman-Hollings. I do not know any other way to get out of the other quagmire other than to get consent to debate the bill, have the Senator from Iowa offer his mandatory amendment, and then let someone substitute a sense of the Senate resolution.

I have discussed this option briefly with the Senator from Vermont. I have also discussed the advanced loan with the other Senator from Iowa, Senator GRASSLEY, who is just as concerned as Senator HARKIN about the condition of farmers in Iowa.

Mr. LEAHY. Will the Senator yield for a question?

Mr. DOLE. I am happy to yield.

Mr. LEAHY. I thank the Senator from Kansas.

He speaks of passing a sense-of-the-Senate resolution urging the Secretary to use his discretion. Do I understand the Senator from Kansas correctly in that he was referring only to the section of the Senator from Iowa?

Mr. DOLE. Correct.

Mr. LEAHY. There are some other areas in which I am not too sure we are all eager for the Secretary to use discretion.

Mr. DOLE. I think the only advantage of that is that it gives the Senator from Iowa a clearcut vote. It does not give him as much as he wants, but it is somewhere in between where I think there would be a rather decisive majority voting for that provision.

Mr. LEAHY. For that area.

Mr. DOLE. Yes, for that provision—Republicans as well as Democrats—and I think it also locks anybody else in if it comes in under some other provision.

Mr. ABDNOR. Will the majority leader yield?

Mr. DOLE. I am happy to yield.

Mr. ABDNOR. I do not know the exact amount of days that we have been on this. But it seems forever to me. I know right up to today I think the majority leader had meetings with anyone that wanted to talk about this subject. As a mater of fact, I thought I heard him say he had several with staff getting together. Certainly the door was open to anyone that wanted to participate.

Forgetting anything that might be partisan about this—I will give everyone credit who questions or doubts—for a second I hope they just think about the farmers. They have all been saying they are in a dilemma, and they are undergoing hardships. This does not do the whole trick, I will grant you. But this is constructive, worthy, worthwhile, and meaningful help to the farmers of this country.

I just cannot believe it. Maybe Iowa farmers are not concerned about this. Maybe it is of no interest to them. But it is hard for me to believe that. We have heard from California, we have heard from Vermont, and we have heard from the South—just about every section of the country. If we are really concerned about the farmer, forget everything else now. They are at signup time. They would like to know what the rules of the game are going to be. They hear stories back home that we are trying to do something for them, and give them some relief. And we are.

I do not know, if the proposal of the Senator from Iowa was passed, whether we can even get a bill signed. I understand there are some real problems on that. I would hate to put someone to the acid test. Are we willing to throw out the window everything that we have in here? Not every part, or every section of this bill relates to every farmer in every State of the Union. But I bet some part of it is important to some farmer in this country.

I just cannot imagine—if we are really crying for the farmers as we say we are—that we would not take some meaningful steps here today when we have this opportunity. Forget your politics. Let us just say there is no politics involved. It would be nice to have credit. Certainly I want credit.

I had a press conference this morning with some people trying to restructure farm legislation, restructure farm credit loans, and particularly in the regions of Omaha and Kansas. Senator NICKLES has a bill that I was happy to support. We are all working for this. Maybe if we are working together, we can do something. But here is the chance, here and now, between tonight and tomorrow. I understand people in the House are as vitally interested in this as we are. We sit here and quibble, go back over the same rhetoric, the same conversations, and the same colloquies that we had yesterday, the day before, the week before, and the week before.

I just would like to say for the sake of the farmer, for Heaven's sake just think of them for a second and try to help them out with this. And we have a long way to go, and a lot more yet to do.

Thank you.

Mr. DOLE. I would indicate that the Senator from South Dakota had the first proposal to correct the yield problem. We appreciate that. I think we are very close to getting something done here.

I am an optimist. I have not checked this with the chairman or the ranking member on the committee, but it would seem to me that there is a certain amount of merit to get an expression with a rollcall vote from Senators on how they feel generally about the proposal of advance loans. We have not had advance deficiency payments until just a few years ago.

Mr. MELCHER. Will the majority leader yield?

Mr. DOLE. In fact, there will be about $5.2 billion in advance deficiency and diversion payments. The checks go out in April. This is almost double last year's $2.6 billion. That much would go into the farmers' pockets long before harvest. This should decrease the need for new credit. But I think that we could give the Secretary enough flexibility to develop a package. Maybe it does not have to be up to 50 percent, maybe it should be less, and maybe, in most cases, it should not be anything. But it seems to me that there might be some merit.

I wanted to touch on one other point. The Senator from Iowa mentioned that we should have had the program signup for 1986 crops in January. We did not have the farm bill signed until December 23. I think anyone can understand that, when you have a 13-pound farm bill passed, it takes any administration at least 2 months and probably longer to put together responsibile, reasonable, and understandable regulations that the ASCS office can understand and relay to the American farmer. But I hope we can regroup for a moment, and take a look at what we have. I know the Senator from Montana has an amendment, and I do not have any problem with that. There is not, as I understand from the chairman, a problem with Gramm-Rudman on the African famine amendment. Is there?

I am advised by the Budget Committee chairman that he does not believe so.

Mr. MELCHER. Will the majority leader yield?

Mr. DOLE. I will yield the floor, if the Senator wants.

Mr. MELCHER. Mr. President, there are a couple of points here that ought to be commented on right now during the same timeframe.

First of all, what the majority leader has suggested is a sense-of-the-Senate resolution on the advance portion of the loan which has a real attraction for many of us over here. It is not binding. It would allow the Senate to express rather emphatically that this portion of the farm bill should be used.

Second, the question of the Gramm-Rudman requirement. May I point out that section 10, which deals with the dairy part of this package, contains, in effect, a waiver of Gramm-Rudman. On line 17, page 18 of the package, it says:

In lieu of any reductions in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, required under the order issued by the President on February 1, 1986, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 . . .

So, in effect, there is a package that has been presented to the table to be immediately considered with a waiver of Gramm-Rudman requirements.

That is what we have had from this side on the waiver of the Gramm-Rudman requirements on that portion of the loan.

So it is not that the package as it was sent to the desk is pure of Gramm-Rudman. It is, in effect, a waiver.

(Mr. MATTINGLY assumed the Chair.)

Mr. DOMENICI. Will the Senator yield?

Mr. MELCHER. Yes.

Mr. DOMENICI. I did not understand. Did the Senator say that the package submitted prior to the proposal of the distinguished Senator from Iowa was a waiver of Gramm-Rudman-Hollings?

Mr. MELCHER. This is a modification of the law, I say to the distinguished chairman of the Budget Committee. It is a modification of the Gramm-Rudman law and it has been sent to the desk.

Mr. DOMENICI. A modification only in this respect, and I believe I was part of putting that together: if CBO prices that bill which is pending, they will say it has a neutral effect on the budget. It complies with the Budget Act.

For instance, if you are going to offer an amendment that would breach the section 311 ceiling under the Budget Act, you have to offset with some others. That turns out to be totally neutral, so it would not be subject to a point of order under the Gramm-Rudman-Hollings mandatory targets for this year.

Mr. MELCHER. The chairman of the Budget Committee is absolutely correct on that point. It is revenue neutral because it gets the money from the producer.

Mr. DOMENICI. That is correct.

Mr. MELCHER. What we are proposing is also revenue neutral, what the Senator from Iowa is proposing is also revenue neutral, if you consider 2 fiscal years.

Mr. DOMENICI. It may be and it may not be, but it takes from 1 year and puts it into the other. It puts it into the year that we are in now and violates the ceilings under the Gramm-Rudman law.

Mr. MELCHER. Whatever the cost is that would remain in the remainder of this fiscal year would automatically be reduced in the next fiscal year. That same amount, the cost that occurs in this fiscal year, would automatically be reduced in the fiscal year. So there is a distinction.

What we are saying is that the distinction is worth considering and rather than having to get 60 votes to pass it, we hope we can get unanimous consent for it to be subject to a simple majority.

If I may, I would like to make one further point.

While we have discussed numerous times what we would like to have in the package regarding the African famine problem, they are not in the package yet. Before we move forward, I hope to have the understanding of both the chairman of the committee, the distinguished Senator from North Carolina, as well as the majority leader—and the majority leader has stated several times that he is in favor of this proposal I will make on this African famine relief problem—I would want to make sure that they are agreeable to the distinguished chairman, the Senator from North Carolina, and the distinguished majority leader.

Mr. MOYNIHAN addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, the majority leader is on the floor. I undertstood earlier that it was his hope that we could get a time agreement on S. 104, which Mr. THURMOND and I introduced a while ago, and which a great many Senators are cosponsors of, and which I believe the distinguished majority leader would like to see passed.

Could he advise me on what might be our prospects of doing that?

Mr. DOLE. Mr. President, I think once we dispose of the farm legislation, and we might be able to complete action on that package in an hour or so. I must say I strongly support the bill. We gave our word, as the Senator from New York recalls, last year when we were considering the Gun Control Act. When I say "we" I mean the Members who were involved in that debate. If we can get a time agreement on that, we would follow up with the Thurmond-Moynihan armor-piercing bullet proposal. We are prepared to do that. I have discussed this with the Senator from Ohio, Senator METZENBAUM. There are three amendments, one by Senator SYMMS, one by Senator BENTSEN, and another one by Senator SYMMS. I understand the amendment of Senator SYMMS would require a tabling motion and a rollcall; the other two being acceptable. We have no other amendments. I see no problem.

Mr. MOYNIHAN. I see my friend from Ohio is in the Chamber.

The President pro tempore, of course, and the administration are behind this legislation. I hope we will not continuously put it off after getting an agreement last year.

Is it possible to get a time agreement to take this up after the farm bill?

Mr. DOLE. I think that is doable. I think we are very close to disposing of both farm bills. I sense an agreement in the air. Maybe no one else does. I believe we could move either tonight or tomorrow morning and do it before we go on the constitutional amendment.

Mr. METZENBAUM. If the Senator from New York will yield to me for a moment, I think the Senator from New York is touching on the point that the Senator from Ohio addressed himself to previously with the Senator from Kansas. That is that we would like the unanimous-consent request put and adopted prior to the farm bill, with some understanding that the chairman of the committee would be prepared to move to table the Symms amendment. Absent having that unanimous-consent agreement prior to the farm bill, the Senator from Ohio advised the majority leader yesterday that he would offer an amendment to the farm bill, an amendment which would contain the armor-piercing bill. I think that is a desirable way to proceed.

After we pass the farm bill, I would not like to find that we have an objection to the unanimous-consent request. Therefore, I would ask him to place the unanimous-consent request, assuming that Senator THURMOND is willing to make the motion, prior to our disposing of the farm bill.

Mr. DOLE. I could simultaneously almost get both consents at the same time.

Mr. METZENBAUM. I would have no objection to that.

Mr. MOYNIHAN. The majority leader has said nothing but that he wants to do this. Perhaps we can leave it to him to work it out as he feels he can manage it.

Mr. DOLE. I thank the Senator.

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. DOMENICI. Mr. President, I ask unanimous consent that the clerk dispense with further calling of the roll.

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

Mr. DOMENICI. Mr. President, I want to use 4 or 5 minutes to discuss the issue of a point of order that has been discussed this afternoon with reference to the new 5-year Emergency Budget Act, and I think it might be useful to some of my colleagues. From my own standpoint, I would like to explain why amendments that increase either budget authority or outlays for the year that we are in are subject to a point of order and, why, if an amend-

ment changes the current status of things, it would require a three-fifths vote of the Senate to waive the point of order.

Perhaps the best thing to do is to go back to a congressional budget resolution that was passed by both Houses and reflect for a moment on what it said.

Basically, talking now about deficits, that particular congressional budget resolution said that the deficit for the fiscal year 1986 would not exceed $171.9 billion. Obviously, that number is not a budget authority number; that is an outlay number, because that is the difference between the expected expenditures of our Government during the year and the revenues that we receive, which you match up against it. So we established for ourselves a ceiling that the deficit would not exceed $171.9 billion.

Well, after it was passed, for a lot of reasons—the farm bill, revenue estimates, changes in economics—everybody remembers the announcement by CBO and the administration that the deficit was not going to be $171.9 billion but, for round numbers, it was going to be $220 billion.

We are still talking about apples and apples. The $220 billion is expenditures for the year in excess of the revenues to be received.

The way we drafted the Gramm-Rudman-Hollings 5-year emergency deficit plan, we compromised with the House and said there will be no more than $11.7 billion in outlays sequestered, regardless of what the deficit is. It could have been less if the deficit would have been no more than $11.7 billion added to the $171.9 billion. It turned out that since it was $220 billion, we had a sequester. So, for the purpose of this discussion, you would take the $220 billion and subtract $11.7 billion, which is the amount of the March 1 sequester, to arrive at the current deficit for fiscal year 1986.

Again, I am speaking now of outlays. We know that the budget authority that has been terminated by the March 1 order is far more than that, because a larger amount of budgeting resources must be eliminated—and I say to the distinguished occupant of the chair that this is taken 50 percent from defense, 50 percent form the domestic side—that will yield the $11.7 billion in decreased outlays.

So, that is all done, and when you do the analysis, the current deficit, even with the sequester, is far in excess of $171.9 billion, the congressional mandated ceiling for the deficit.

What we did in Gramm-Rudman-Hollings for the remainder of this year and for 5 successive years is, in essence, to say that any bill or amendment which is brought to the floor and increases the deficit is subject to a point of order. That is because, with respect to fiscal year 1986, before we start we already have broken the budget, and we have broken it to a very large extent, for billions of dollars, and it does not matter that you are transferring money for next year to this year.

Any amendment such as one which might have been discussed here today, might even have been tendered and not offered, to the extent that the Budget Committee tells the Senate, based upon CBO estimating, that you are adding to the deficit, is subject to a section 311 point of order, which is the accumulated deficit provision in the Budget Act.

The new provision makes it also subject to a super majority for a waiver. I am sure that in the ensuing 5, 6, or 7 months we are going to get a lot of these and there are going to be some nuances and some peculiarities, and people will wonder, "Why can you do this kind of bill and not that kind of bill?"

Suffice it to say that, as a general principle, what I have said before today, what I am saying in general terms, will prevail. At least from my standpoint—and from that of many other Senators—I will look to that point of order under section 311—is it being breached?—and to that provision that requires a super majority, to put pressure on everyone here, that if there are things that really have to be done that we are not doing, the one alternative they have is to try to save money someplace else, to try to cut something else, to try to reduce some other program, to try to cut some other program to take care of some emergency.

Unless and until we get a new budget resolution, sort of new marching orders, I hope the Senate understands that the Senator from New Mexico is not passing judgment on the merit of any bill. I am as concerned as anybody else here about the farmers. I am also concerned about the FAA. I am also concerned about the Internal Revenue people, who apparently need more agents in order to collect more taxes due our Nation.

Suffice it to say that we have been rather evenhanded. We have not permitted a unanimous-consent request to go through unobjected to by any of us, nor we have said, by statement in the RECORD, that an amendment does not violate the provisions of which I am speaking. But we have done that in a manner that we are confident is consistent with a fair interpretation of where we are.

We have had the two CCC bills that have gone through here, where we have reprogrammed between contract and borrowing authority within CCC; but within the total amount allowed in the budget, we have been able to see that there is no impact, in which event we have readily admitted that it does not violate the provisions I am discussing this evening.

For those who wish that this provision would go away or hope that something will happen in the next month or so to change this, let me suggest that that is almost impossible. The amount by which we exceed the maximum deficit amount of $171.9 billion because of the events of the last 5 or 6 months, is such a large amount of money that I do not think anybody will find a way to wish it away. So any addition to it will be subject immediately to the provisions I have been describing, and requiring a three-fifths majority of the Senate, in my opinion, from what I have read and from discussing it with the staff and the attorneys who drew it. I believe three-fifths will be required any time anybody breaches those ceiling with a bill or an amendment here on the floor.

As to the pending farm bill, somebody raised the issue here that it does not breach Gramm-Rudman-Hollings or the Deficit Reduction Act, and I said no, because what we have done is price it out. There are some pluses and some minuses.

What I said a few moments ago to the Senate was that if you want to do something, you had better find some way to pay for it or a setoff in some other program. The pending bill is neutral with reference to the cap I am discussing, which has already been breached; and it will not be breached, at least with the consent of the Senator from New Mexico, without making the Senate face up to whether or not it wants to, and in every instance requiring that we understand that a three-fifths vote is necessary to effect a waiver under the current provisions of the law.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

ORDER OF PROCEDURE

Mr. DOLE. Mr. President, I think we may be near agreement here so we can dispose of both the farm package and also the $5 billion CCC supplemental tonight, get an agreement on the armor-piercing bullet, bring that up say at noon tomorrow, slip the constitutional amendment until 2 o'clock tomorrow, and complete action on that.

As I understand it, I think there will be just the one rollcall. The Senator from Iowa, Senator HARKIN, will offer a sense of the Senate resolution on advanced loan payments.

As far as I know, there will be no amendments to the CCC package, and the only other amendments to the other package are minor amendments that have been worked out that will not require a rollcall.

So I think everyone is ready to go as soon as we clear the unanimous-consent agreement on each side. So there

will be one vote, and hopefully we can have that vote in the next 15 or 20 minutes.

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 (Mr. PRESSLER). Without objection, it is so ordered.

Mr. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. Conversations in the rear of the Chamber will move into the Cloakrooms, please.

The majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. DOLE. Mr. President, I am about to propound a unanimous-consent request. If it can be agreed to, I believe we can move rather quickly on the two farm bills this evening and then I will ask that we postpone action on the balanced budget amendment until 2 o'clock tomorrow and that we take up the armor-piercing bullet legislation at 12 noon. I will just take a minute to read this.

Mr. President, I ask unanimous consent that the Senate now turn to the consideration of the farm bill, as modified.

I further ask unanimous consent that, following the disposition of the farm bill and any amendments thereto, the Senate turn to the consideration of Calendar Order No. 532, House Joint Resolution 534, the CCC supplemental appropriations bill, and that no amendments be in order, with the exception of the committee-reported amendment, and that no motion to recommit with instructions be in order.

I also ask unanimous consent that the Senate enter into the following time agreement with respect to S. 104:

One hour on the bill, and the committee-reported substitute, to be equally divided between the chairman and the ranking minority member of the Judiciary Committee, or their designees;

One hour under the control of Senator SYMMS; and that the following amendments, which I send to the desk—there are three amendments—be the only amendments in order, limited to 30 minutes each, to be equally divided and in the following order, with the exception of the committee-reported amendment: first, a Symms amendments which would define "armor-piercing ammunition"; second, a Symms amendment to exempt ammunition used exclusively for industrial or sporting purposes; third, a Bentsen amendment dealing with industrial uses; that there be 2 minutes on any debatable motions, appeals, or points of order, if so submitted to the Senate; that no motions to recommit with instructions be in order; and that the agreement be in the usual form.

I further ask unanimous consent that following the disposition of the amendments, and the conclusion or yielding back of time for debate, the Senate proceed to the third reading of S. 104, without any intervening action. Following which, I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 490, H.R. 3132, the House companion bill, and at that time a motion to strike and insert the text of S. 104, as amended, if amended, be the only action in order, with no further debate, to be followed by third reading, and with no intervening action or further debate, and final passage of H.R. 3132, as amended, if amended.

Finally, I ask unanimous consent that in the event the Symms amendment No. 1 is not tabled, this agreement is no longer in effect.

Mr. BYRD. Mr. President, reserving the right to object, and I do not think I will object, but I have a question or two I would like to ask the distinguished majority leader.

Who is going to move to table the Symms amendment?

Mr. DOLE. It is my understanding that the tabling motion will be made by the distinguished chairman of the Judiciary Committee, Senator THURMOND.

Mr. BYRD. I thank the Senator.

Mr. President, the distinguished majority leader has sent three amendments to the desk.

Mr. DOLE. Yes.

Mr. BYRD. I take it they were Symms No. 1, Symms No. 2, and a Bentsen amendment.

Mr. DOLE. Yes.

Mr. BYRD. And with the verbiage understood.

Mr. DOLE. That is correct. We provided copies to both sides.

Mr. BYRD. Mr. President, I have no further questions and I do not object.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DOLE. Mr. President, I would then further ask unanimous consent that we take up the armor-piercing measure at 12 noon tomorrow and we postpone consideration of the balanced budget amendment until 2 p.m.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

The text of the unanimous-consent agreement follows:

Ordered, That at the hour of 12 noon, on Thursday, March 6, 1986, the Senate proceed to the consideration of S. 104 (Order No. 254), a bill to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing bullets, the following amendments be the only amendments in order, with the exception of the committee reported amendment, and to be offered in the following order:

1. Symms amendment No. 1644 which would define "armor-piercing ammunition";

2. Symms amendment No. 1645 to exempt ammunition used exclusively for industrial or sporting purposes;

3. Bentsen amendment No. 1646 dealing with industrial uses: *Provided,* That debate on the aforementioned amendments be limited to 30 minutes each, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 2 minutes: *Provided further,* That no motions to recommit with instructions be in order: *Provided further,* That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee.

Ordered further, That on the question of final passage of the said bill, debate on the bill and the committee reported substitute shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Chairman and the Ranking Minority Member of the Judiciary Committee, or their designees, and with 1 hour to be under the control of the Senator from Idaho (Mr. Symms): *Provided,* That the said Senators, or any one of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, appeal, or point of order.

Ordered further, That following the disposition of the amendments and the conclusion or yielding back of the time for debate, the Senate proceed to third reading of S. 104 without intervening action or debate. *Provided,* That the Senate then proceed to the consideration of H.R. 3132 (Order No. 490), the House companion bill, and at that time a motion to strike and insert the text of S. 104, as amended, if amended, be the only action in order, without further debate, to be followed by third reading, with no intervening action or debate, and final passage of H.R. 3132, as amended, if amended.

Ordered further, That in the event that the Symms amendment No. 1644 is not tabled, this agreement is no longer in effect.

FOOD SECURITY IMPROVEMENTS ACT OF 1986

Mr. HELMS. Mr. President, I send to the desk a bill, the Food Security Improvements Act, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2143) to make certain improvements to amendments made by the Food Security Act of 1985, and for other purposes.

Mr. HELMS. Mr. President, I thank the distinguished majority leader for his effective efforts in bringing together the various provisions of this bill.

Without question, this has been a most difficult and frustrating task that may well have been impossible without his great patience and fine ability.

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This measure, on balance, should serve to improve the operation of the farm programs for farmers of wheat, feed grains, cotton, rice, and numerous nonprogram crops. There are provisions that are less than desirable from the long-term policy standpoint. But there is sufficient balance in this package which overcomes my reservations about certain policy aspects of the bill.

I have stated my concerns about modifications to the yield calculations of the 1985 farm bill, for one. However, the modifications in this bill are not as far reaching as some others that have been proposed. Any potentially negative aspects of the yield changes are outweighed by the improvements that should occur in farm income through the extensive use of CCC owned commodities as compensation for the utilization of the yield formula in the farm bill. Without question wheat and feed grain farmers will find this bill more desirable than the application of the underlying farm bill.

Second, I am concerned about the provisions of this bill which increase the assessment on milk producers. I feel that these changes made to the underlying farm bill will not be as effective as an across-the-board price support reduction would be in addressing the longer term policy problems we face in the dairy industry. However, milk producer organizations strongly prefer the increased assessment, including the principal dairy cooperative in the Southeast, Dairymen, Inc. And, we have received an assurance from the supporters of this provision that future needs to reduce the costs of the dairy program from future Gramm-Rudman-Hollings sequestrations or budget reconciliation bills will not come from additions to the milk tax.

Because the additional assessment provided here was part of an agreement reached by some of the conferees, I am willing to support this aspect of the bill with the understandings I have described.

Third, this will is compelling because of the significant and highly desirable modifications it makes in the underplantings provisions of the underlying farm bill. Without the changes in this bill, producers of nonprogram crops all over the country will be placed at the jeopardy of tremendous price volatility.

In particular, the majority leader has worked out a reasonable compromise to modify the farm bill to allow the production of those crops most suitable for underplanted acres, without creating problems for the nonprogram crops.

Fourth, this bill meets the test of fiscal responsibility, and it is consistent with Gramm-Rudman-Hollings. To pay for the redeployment of resources in farm policy embodied in this measure, two export subsidy provisions are cut back. However, because the farm bill provided for very substantial subsidies for export enhancement, there will be no problem in having sufficient remaining authority to target funds and CCC owned commodities to leverage export sales when that is needed. The administration has insisted on these changes so that across-the-board export subsidies do not become counterproductive to overall policy goals.

And, I should emphasize that the compensation to producers which will occur because of the modifications included in this bill on the yield provisions of the farm bill will be made "in kind." These in-kind payments will be made in the form of CCC certificates redeemable in specific values of commodities. There is no question that these commodities will find their way into the export markets in a way that will enhance the ability of U.S. exporters to secure sales they would otherwise lose to foreign competition.

So, all things considered, this bill does constitute the kind of change that many farmers will find attractive in all regions of the country. As I have said, if it were entirely up to me, I would have other preferences in some provisions. I am sure other Senators feel the same way, but that is the difficulty with farm bills, generally. They require compromise between all commodities and regions of the country. This bill accomplishes that, and I urge its enactment.

Mr. BENTSEN. Mr. President, I am deeply concerned by the fact that the U.S. Department of Agriculture has not yet issued any regulations for carrying out the discretionary authority in title X of the Food Security Act of 1985. This concerns crop acreage bases and program payment yields.

Signup for the farm programs starts next Monday. Texas farmers have already started planting crops. We still have no regulations for that discretionary authority. Without those regulations, the many farmers who have problems with the new formulas for acreage bases will have no timely recourse. They must have decisions on these problems before they can know how many acres they can plant.

I would like to discuss this with the distinguished majority leader, who is a member of the Senate Agriculture Committee and was a member of the conference committee that wrote this law. I have great respect for the knowledge and abilities of the majority leader, who for many years has been an acknowledged expert and leader in the Senate on agricultural issues. His home State of Kansas is an agricultural State, as is my home State of Texas. He has served the farmers of Kansas and the Nation well, and I have worked with him in the past on many issues of mutual concern and have always found him to be both knowledgeable and helpful.

I know that he has similar concerns on this issue. I am sure that his farmers in Kansas also have problems with these new rules. Would the distinguished majority leader take a moment to explain what type of discretionary authority is granted to the Secretary and whether and how the conferees intended this language in title X to be used?

Mr. DOLE. Mr. President, I share the concerns of the senior Senator from Texas. Farmers in Kansas as well as in Texas and other States need to be able to get a final decision on what their crop acreage bases are before they can plant.

Any new system will cause some problems, so title X of the 1985 farm bill gave the Secretary of Agriculture discretionary authority to make adjustments. That authority is provided to allow a smooth transition from the old system to the new system. It was our intent that, should problems arise, the country ASCS committees would be allowed by the Secretary to make adjustments to make the new program work smoothly. Of course, to assure that farmers are treated the same in every county, the Secretary must establish regulations to set an overall standard. It was our intention that the implementing regulations be issued by the Secretary of Agriculture in a timely fashion.

Mr. BENTSEN. It seems to me that specific provisions have made for the county ASCS committee to make a wide range of adjustments in bases and yields. I note that section 508 allows the county committee, acting under regulations prescribed by the Secretary, to establish bases and yields if they cannot otherwise be established, as long as it is "fair and equitable" and does not conflict with the sodbuster or swampbuster provisions. Let me ask you about a situation that was brought to my attention.

Under the current formulas for bases, a farmer who, 2 years ago, switched 100 acres from cotton to wheat would get a 40-acre wheat base and a zero-acre cotton base. He would have 60 acres on which he could not plant go into the farm program for any crop. However, a farmer who switched from milo to wheat would wind up with a 40-acre wheat base and a 60-acre feed grain base, for a 100-acre total.

This difference does not seem fair or equitable to me. Neither farmer has been increasing the cost of the programs.

Shouldn't any farmer who has planted an average of 100 acres to program crops each year for the last 5 years wind up with 100 acres to total base? Could this be corrected under the current law?

Mr. DOLE. Mr. President, the farm bill base provisions were designed to

reduce the cost of the programs while being fair to producers of those crops. We did not want new land being broken out in order to get farm price supports. We wanted to direct our scarce dollars to the man who needs it—the family farmer who's out there trying to hang on.

I agree that the situation described by the Senator from Texas is not fair. That is the type of thing that should be taken care of.

Mr. BENTSEN. I thank the majority leader for that clarification. Farmers sometimes have to switch to entirely different crops in order to control insects, weeds, or diseases. Would the language on "natural disasters or other similar circumstances beyond the control of the producer" include adjustments for such things as insects or other infestations?

Mr. DOLE. The Secretary of Agriculture would of course have to make the final decision on where to draw that line. However, it was the clear intention that adjustments be made for natural circumstances beyond the producer's control. Some weeds and insects are controllable—others are not. The intention was that the county committee should be allowed to adjust for those that are not.

We have problems in Kansas, for instance, with chinch bugs. They are beyond the control of the farmer producing milo. Many farmers were forced to grow another crop, such as soybeans. Now they are back into milo, but are losing a lot of base acres under the 5-year averaging because of those 2 or 3 years, they were forced into soybeans. Clearly, this is a case where the county committee should be able to make some adjustments.

Mr. BENTSEN. I agree with the majority leader, and I understand that quite well. Those Kansas farmers should be able to get the milo base they need to plant a crop. If they cannot, then they may have big problems.

Mr. DOLE. I have talked to USDA officials, and I think we can work these problems out.

Mr. BENTSEN. I thank the majority leader for his clarification and assistance. There are many problems with bases and yields. Cases where a farm came under new ownership, and many other unusual circumstances. We are finding out about more every day.

We have both talked to USDA officials about these problems. I think we are getting their attention. I appreciate his assistance very much.

Mr. HATFIELD. Mr. President, it is a pleasure for me to rise in support of this important measure. I would like to thank my colleagues who have worked so quickly to correct this oversight in the 1985 farm bill. The potato and dry bean and lentil farmers in my State were surprised to learn that set-aside acres could be used to compete directly with their nonsubsidized crops. The passage of this legislation today will serve to correct that.

I am also pleased that the bill includes exemptions for hay and grazing, as well as set-asides for purely conservation uses. But it is the exemption which has been added for critical and strategic materials that interests me the most. By giving the Secretary the discretion to allow the use of these lands for the development of industrial materials crops, we have opened the possiblity of moving toward an alternative to aid our financially troubled farmers.

Of particular interest to me is the development of meadowfoam (Limnanthes alba). Meadowfoam is a winter annual with a shallow fibrous root system which can be grown very well in the poorly drained soil in the Willamette Valley of Oregon. The seeds produced by the mature meadowfoam plant contain a 20-30 percent oil composition which has potential applications in cosmetics, lubricants, waxes, polymers, surfactants, water repellants, and in textile and leather manufacturing. The rapid development of this and other industrial materials crops may enable this Nation to become energy independent in the near future.

I would like to ask the distinguished chairman of the Senate Committee on Agriculture, Nutrition, and Forestry if it is his understanding that meadowfoam would qualify under the provisions of the Critical Agriculture Materials Act of 1984 as a critical material.

Mr. HELMS. Yes, it would qualify.

Mr. HATFIELD. Is it also your understanding that meadowfoam would then qualify for an exemption under the provisions of the bill we are discussing today?

Mr. HELMS. That is also correct.

Mr. HATFIELD. I would like to ask the distinguished majority leader if it is his understanding that meadowfoam qualifies under the provisions of the Critical Agriculture Materials Act of 1984 as a critical material?

Mr. DOLE. Yes, it qualifies.

Mr. HATFIELD. Is it also your understanding that meadowfoam would then qualify for an exemption under the provisions of section 3 of this bill.

Mr. DOLE. That is also correct.

Mr. HATFIELD. I thank the majority leader and yield the floor.

FOOD STAMP STUDY

Mr. HELMS. Mr. President, I have discussed the provision relating to the food stamp study with the Senator from Washington [Mr. EVANS] and I have no objection to it. I would, however, state for the record my understanding of the provision.

Mr. President, this amendment does not in any way extend the 6-month moratorium established by the farm bill. It does not obviate the responsibility of the Secretary to assess, and the States to pay, those sanctions that are imposed while the study is being conducted and in the interim period between the conclusion of the study and the initiation of new regulations to implement any changes that are proposed by the Secretary in response to the study.

That is the intention of the current law, as passed by the Congress in December. If future regulations change the calculation of sanctions owed, that change would result in a recalculation and an appropriate adjustment in the sanctions already paid by the States.

I want to be certain that this is understood to preserve the intent of the farm bill conferees. To be precise, Mr. President, notwithstanding the 6-month moratorium period, and notwithstanding the time periods established under the law—and extended in this bill—for the conduct of studies and for the promulgation of new regulations and implementation of a restructured quality control system, error rate cases pending on the date of enactment of the farm bill, or arising subsequent to the date of enactment but prior to the effective date of new quality control system regulations promulgated under section 1538 of Public Law 99-198, shall be subject to administrative and judicial review under the standards and procedures currently in effect, and enactment of this extension shall provide no basis for the stay or dismissal of any administrative or judicial proceeding brought under section 14 of the Food Stamp Act of 1977, as amended (7 U.S.C. 2023). Consistent with subsection (c) of section 1538 of Public Law 99-198 and on the basis of the criteria established pursuant to paragraph (1)(B) of that subsection, reductions in payments to State agencies imposed for quarters prior to the implementation of the restructured quality control system shall be adjusted subsequent to the implementation of such new system.

Mr. EXON. Mr. President, will the Senator from North Carolina yield for a question?

Mr. HELMS. Certainly.

Mr. EXON. The bill that has just been sent to the desk by the chairman of the Agriculture Committee, I have not had a chance to take a look at it. I just would ask this question of the Senator from North Carolina: Is this the same wording of the proposed bill that we had considerable discussion on within the last 3 hours and have there been any more changes?

Mr. HELMS. The bill is the same as the one proposed earlier, with the addition of two sections. Does the Senator wish me to read them?

Mr. EXON. Have the two sections been approved by the ranking member on this side?

Mr. ZORINSKY. Yes.

Mr. EXON. It has been approved. If my colleague has approved it, that is perfectly all right with me.

Mr. HELMS. I thank the Senator.

Mr. SYMMS. Mr. President, I wish to thank the chairman of the committee, the majority leader, the minority leader, and the ranking member of the committee for working this agreement out, and also for the cooperation of all Senators.

Farmers in the State of Idaho are anxiously awaiting passage of the portion of this package amending the underplanting provisions of the 1985 farm bill. Only 21 percent of Idaho's farm receipts come from subsidized program crops. The majority of Idaho's agriculture has no Government program. If left unamended, the underplanting language of the 1985 farm bill could devastate Idaho's agricultural base.

At their annual meeting in New Orleans, outgoing Secretary of Agriculture John Block congratulated the National Potato Council on its ability to get along without Government intervention or control. Instead of congratulations, Congress has subjected those same potato growers to subsidized competition and certain overproduction.

The potato industry is already supply-sensitive. Early frosts last year left prices at a decade low. The industry projects that even before the underplanting provisions, potato acreages still need to be reduced 20 percent before prices return to a profitable level.

Contrary to the accusations of some of my colleagues, the legislation before us today has been carefully and meticulously crafted. It is not a bill for the sole benefit of Idaho, as some would have you believe. In fact, in order to meet the approval of Senators on both sides of the isle, Idaho has had to make some major compromises.

For example, the cattlemen of Idaho will certainly not profit from the parts of the bill that allow subsidized haying and grazing.

Most cattlemen and almost all sheep producers in Idaho rely totally on their livestock for their livelihood. They do not plant crops which receive Government payments. The only thing these cattlemen will get from the underplanting provision of the farm bill is increased competition against subsidized overproduction.

To illustrate what would be necessary to make this legislation fair to stockmen in Idaho, I have considered offering an amendment allowing for acreage bases and deficiency payments to cattlemen who do not participate in Government programs. It would be interesting to hear the arguments of my colleagues from Oklahoma against such an amendment.

In truth, the cattlemen do not want Government payments. They have survived centuries of this country's history without Government price or income supports, and they are willing to do without them now. I suggest this amendment only to illustrate how much the State of Idaho has already compromised to create this package of legislation.

The compromise package which the chairman of the Agriculture Committee has presented to us, even as unfair as it is to Idaho's livestock producers, is still better than current law. Those Members on the other side of the aisle who have objected to timely consideration of this legislation should know that they are perpetuating disasterous and irresponsible farm policy.

In spite of the arguments heard from the other side of the isle, I must commend the majority leader for his efforts to put this package together and to move it in a timely fashion. Included in the package are:

First, a section correcting the disastrous underplanting provisions of the 1985 farm bill;

Second, sections allowing haying and grazing on set-aside land and preserving acreage bases, included to compensate the authors of the underplanting provision;

Third, a section protecting grain producers who recently improved their yields per acre from being penalized by having to average their last 5 years, subtracting the high and low—as required in the 1985 farm bill; and

Fourth, in conformance with Gramm-Rudman-Hollings, sections of the bill which reduce expenditures for targeted export assistance and export enhancement in order to compensate for increased expenditures in other parts of the bill.

I feel these sections will vastly improve our national agricultural policy, especially as it relates to the State of Idaho.

Mr. KASTEN. Mr. President, I, too, wish to say to the chairman of the Agriculture Committee and also to the majority leader that I appreciate their help and their support. We began this roughly two weeks ago with an amendment which I sent to the desk and asked unanimous consent to allow it to remain at the desk hoping for consideration the next day. We then extended that consideration for a couple of more days. Now, as I look at our work sheet, that amendment is item No. 10 on a long list of agreements.

I am pleased that we have been successful in this effort. I think that what we have done is the right thing. We have also expressed the views of the conferees on the farm bill.

I simply want to say to the chairman of the Agriculture Committee, to the ranking member, to the majority leader, and others, that I thank them very much for their help and their support.

It is important legislation for my State. Passage of this legislation is of critical importance to the dairy farmers of Wisconsin, as well as corn growers and producers of potatoes, vegetables, and other nonprogram crops.

The dairy section of this legislation is obviously the most significant part to a State like Wisconsin that is so heavily dependent on family dairy farmers and the dairy industry. The spirit of Gramm-Rudman, which was shared by the conferees on the farm bill, is that savings should be made across the board, with no group or part of a group escaping some of the necessary pain of reduced spending.

This spirit is not reflected in the letter of the conference report on Gramm-Rudman, which does not mention the Dairy Program at all. Because of the way the Dairy Program works, the cut in purchase prices resulting from the conference committee's failure to take account of this unique program resulted in a situation where dairy farmers in the Upper Midwest and some other areas of the country would bear most of the burden of Gramm-Rudman, while other farmers would not be impacted at all.

In addition, dairy takes a much heavier hit under Gramm-Rudman than any other commodity, again because of the way the Dairy Program works. Producers of other program commodities will take a reduction of a few cents in their deficiency payments. Dairy farmers, on the other hand, would be looking at a cut of about 55 cents in the effective price support level—a cut that comes at the worst possible time for farmers in the traditional heartland of the industry, Wisconsin and the Upper Midwest.

The legislation I introduced, S. 2085, which is incorporated in S. 2143, spares dairy farmers this cut in their incomes. I don't like assessments any more than anyone else, but the fact is that passage of this bill will save a typical Wisconsin dairy farmer over $1,000 a year.

If we are serious about saving our family farmers, keeping them on the land, and ensuring that they continue to sustain rural communities across Wisconsin and the Upper Midwest, we must act tonight to, at last, pass this legislation. We need to send a message to dairy farmers that we care: that we have seen the injustice about to be done them and, that we want to help.

Mr. President, we also need to send that message to the Speaker and the leadership of the other body. For over a week now, the House leadership has refused to allow dairy legislation similar to the bill I introduced to be considered on the House floor, though the House Agriculture Committee has approved it.

The leadership of the other body needs to hear that playing partisan po-

litical games with the welfare of our farmers is unacceptable. We need to send a message that our farmers are too important for that. We can send that message by passing S. 2143 tonight.

I want to emphasize something about this legislation's dairy section. In no way does it allow dairy farmers to get off the hook of Gramm-Rudman.

Exactly the opposite is true. Assuming milk production of 70.8 billion pounds between April and September, a 10-cent-per-hundredweight assessment would net the Government $70.8 million in savings, which should more than meet the requirements of Gramm-Rudman.

Cutting purchase prices only reduces the price the Government pays for dairy products. It does not effect the amount of dairy products the Government buys under the Price Support Program.

Financially stressed farmers in the Upper Midwest, especially, will react to falling prices by straining to increase production—thus increasing cash-flow. At a time of low corn prices this is easy to do. The more they produce, the more the Government has to buy, With a price cut, there is no way to estimate with any certainty how much—if anything—the Government would save under this option.

If the support price is lowered enough, of course, this will not be a problem because we will have forced enough dairy farmers into bankruptcy to cut production that way. But the whole point of everything we do in agriculture policy is to prevent that kind of thing from happening.

Mr. President, as I and other Senators have said many times, we are not talking about a change in policy here. Both the House and the Senate appointed conferees on the farm bill to reconcile the very different versions of the farm bill passed by each House. These conferees were, essentially, entrusted with the responsibility of setting the direction of dairy policy for at least the next couple of years.

Whether or not one agrees with what they did, the conferees did set a direction for dairy policy, one that took Gramm-Rudman into account. What the dairy section of this package is intended to correct is an error of omission—the failure to note the omission by the Gramm-Rudman conference of language authorizing USDA to do what the farm bill conference intended it to do.

In that sense, what is being proposed in this legislation is a technical change. I am always happy to debate the merits of various changes in dairy policy, but I would remind my colleagues of one of the most important goals of the farm bill—the establishment of a stable, dependable policy for our farmers to plan on.

Our farmers cannot afford a continuation of the constant changes in the dairy program that have marked the last few years. Between 1981 and the end of 1984, Congress changed the rules of the dairy program no fewer than seven times. We changed them again in the 1985 farm bill. We must not let Gramm-Rudman be used to change those rules again less than 3 months after the farm bill was passed.

While the dairy section of the Food Security Act amendments must be of primary importance to any Senator from Wisconsin, another part of this legislation is also good news to the farmers in my State.

This legislation would allow deficiency payments on 92 percent of a farmer's base acreage if he plants at least half of that acreage to a program crop and devotes the rest to a soil conserving use. It would not permit, as the 1985 farm bill unwisely did, deficiency payments to go to farmers who devoted part of their base acreage to nonprogram crops.

I sympathize with the intent of the authors of the provision of the farm bill that permitted deficiency payments for program base acreage planted to nonprogram crops. They meant to give growers of program crops some flexibility to get into the production of other crops, lessening their dependence on the Government program and, potentially, reducing the oversupply of corn, wheat, and other program crops.

The approach taken in the farm bill, however, did not fully take into account the fact that growers of nonprogram crops have to make a living too. Effectively subsidizing additional production of nonprogram crops, as the so-called underplanting provision of the farm bill did, would clearly be unfair to growers of potatoes and vegetables for processing—two areas where Wisconsin is a national leader.

These farmers ask for no help from commodity programs; they are simply asking for relief from unfair, Government-subsidized competition. I believe they should have it. We can, and we should, address their concern also by acting tonight to pass this legislation.

In conclusion, Mr. President, I congratulate the distinguished majority leader on his leadership and hard work in putting this legislative package together. Its prompt passage is important for Wisconsin dairy farmers and growers of nonprogram crops in particular, and I urge my colleagues to join me in supporting it.

Mr. ABDNOR. Mr. President, I too wish to add my appreciation to the chairman of the Agriculture Committee, Mr. HELMS, for all the time he put in on this, and also to the majority leader and minority leader who have played such an important part in making this possible.

I recall talking about my amendment the day before we went home for the Lincoln recess. I guess anything good is worth waiting for, and this is good.

This is a great step forward for the farmers of this country. Hopefully, the House will see fit to go along with this quickly. I can assure you that farmers will be the beneficiaries of it.

Mr. President, after weeks of debate and effort I am pleased as a sponsor of this legislation and prime sponsor of the section relating to normal yields to have this measure before the Senate. Last December I cast one of the most difficult votes that a farm State legislator can—I cast an affirmative vote for the farm bill. I knew that I would be criticized for that vote; however, I also knew that we could not turn back the clock, we could not write a new farm bill before planting time or before the budget cutting ax of Gramm-Rudman fell. I did, however, resolve to change various portions of the farm bill which I felt were unjust.

A short time ago, I supported legislation to resolve problems with cross-compliance and base establishment. At the same time I also introduced a bill which would have corrected the unjust way a farmer's crop yields will be established under the new farm bill. Although this bill attempts to address the yield problem, it falls far short of what I reluctantly voted for in the farm bill, and what I reintroduced in my bill—a 2-year freeze on yield levels.

During farm bill debate, my understanding, and that of my colleagues, was that yields were frozen at 1985 levels. However, somewhere between the floor of the Senate Chamber and the county ASCS office, this understanding became a misunderstanding, and farmers across South Dakota found their payment yields drastically reduced. Allow me to repeat myself: wheat, corn, barley, sorghum, and oats producers have found their payment yields reduced, not frozen.

At my request, the South Dakota ASCS office has estimated the potential loss of income to South Dakota farmers: $18.5 million for all crops and $13.6 million for wheat in 1986. Nationwide, the cost to the American farmer of this "slight-of-hand" change in yields calculation is estimated to be $1 billion.

I have labored in many meetings with my colleagues over the last few weeks and thank them for considering the highly important yield issue. The proposal before us allows for commodity compensation for any lowering of yields beyond a 3-percent reduction from 1985 levels. In 1987, a 5-percent reduction from 1985 levels will be allowable with any reduction past that level restored by commodities. While I support this legislation, I must state that it falls sadly short, not just short of what is needed but also short of what was promised. Many of my col-

leagues and myself went home at Christmas and told people that we had frozen yield levels. However, upon our return, we found that the USDA bureaucrats had reduced yield payment levels—I found that totally unacceptable.

I have difficulties with the changes in the underplanting provisions of the 1985 farm bill. Unfortunately the changes now discriminate against South Dakotans, of great concern is the restriction most underplanting acres to conserving crops, with haying and grazing allowed on those acres at State discretion. When beef prices are already depressed, the last thing we need is the surplus beef production which could result.

This same proposal also contains an important change in how Gramm-Rudman-Hollings cuts will effect the dairy program. I wholeheartedly support the concept of a 12-cent assessment rather than the proposed 50-cent reduction in milk price supports. This is simply a matter of fairness—do we equitably cut every producer with an assessment—or do we concentrate the cuts on those farmers unfortunate enough to have the end product of their efforts sold to Uncle Sam? If we are to truly make Gramm-Rudman-Hollings cuts across the board, then those cuts should take the form of an assessment.

Mr. President, I hope that my colleagues from both sides of the aisle will join me in the passage of this measure. This legislation will do much to help farmers in South Dakota and all over the Nation, in addition, it may also restore their confidence in the entire legislative process.

Mr. WILSON. Mr. President, I rise to address the pending bill.

Mr. President, during my 3-year tenure in this distinguished body, I have been frequently astounded by the discrepancy between a bill's title and its content. Today is such an occasion.

Today, we are about to vote upon—and, I presume, pass—a bill entitled the "Food Security Improvements Act of 1986." The "improvements" to which the title refers include:

Increasing farm subsidy payments by more than $600 million by postponing the application of a new formula for calculating crop yields;

Reducing by nearly $1 billion the resources dedicated to increasing U.S. farm exports; and

Allowing one segment of agriculture—the dairy producer—to escape the reality of deficit reduction, as well as further insulate itself from the realities of the marketplace.

In my view, the only noteworthy improvement worthy of the term amounts to an undoing of a particularly troublesome provision contained in the 1985 farm bill which would have expanded subsidy payments to eligible farmers who wished to grow fruits, nuts, vegetables, edible dry beans, and any other nonprogram crop. If left unchanged, this provision would result in yet another Government payment to farmers who have traditionally grown wheat, feed grains, cotton or rice, but now wish to produce melons or potatoes or lettuce, for example. As a result, farmers of these nonprogram crops, who have neither sought nor received subsidy payments, would be placed at an economic disadvantage because USDA would be subsidizing their competition.

Although the intent of this provision was to reduce surplus production of wheat, feed grains, cotton and rice, the effect would be to create surpluses of innumerable nonprogram crops. It is important to remember that Federal farm programs provide no income protection for growers of these nonprogram commodities. And when Government policies provide incentives to increase their supply, the marketplace will respond with lower prices. As a result, we would be forcing out of business thousands of farmers, who derive their livelihood from the production of these unsubsidized, nonprogram crops.

For that reason, I recently introduced a bill, along with many of my colleagues, to prohibit producers of basic commodities from planting nonprogram crops on half of their eligible acres in exchange for Federal subsidies. Under the compromise contained in the improvements bill, which is presently before us, farmers, who wish to collect Government checks for not planting program crops, would be limited to certain uses of those idled acres.

Specifically, these so-called underplanted acres could be devoted to conserving uses, experimental crops, strategic and critical materials, haying and grazing at the option of each State's committee of Agricultural Stabilization and Conservation Service, and a limited number of other crops which are explicitly listed. Moreover, the compromise provides the Secretary of Agriculture with the discretion to restrict such plantings if it is "likely to increase the cost of the Price Support Program" or "affect farm income adversely."

Mr. President, while this change will result in an improved farm bill product, it is contained in a package which, I believe, will do more harm than good.

First, the bill does harm to the Federal budget by increasing the cost of our farm programs by more than $600 million over 3 years. I fail to understand why such an increase is necessary only 2 months after enacting the most expensive farm bill in our Nation's history—a bill chock full of farm income payments whose estimated 3-year cost will exceed $50 billion.

While I fully appreciate that many of our Nation's farmers are struggling under severe economic conditions—many of them in my own State where I have visited with them throughout the past difficult year—all of America is struggling under the weight of $200 billion deficits. While I am unconvinced that increasing the $50 billion commitment of the Federal Government to American agriculture by another $600 million will alleviate the financial stress in rural America, I know it will exacerbate the already critical deficit problem.

Indeed, this body adopted the Gramm-Rudman-Hollings amendment late last year in a desperate attempt to address this critical national problem. It is this amendment which imposes a healthy—and long overdue—dose of economic realism upon our legislative deliberations, today. Under the amendment, every time we consider a proposal to increase Federal spending, we must, also, include a corresponding reduction in Federal outlays.

The improvements bill which is presently before us would comply with Gramm-Rudman-Hollings by severely reducing spending for two critical programs designed to increase U.S. farm exports. In that regard, the bill does harm to our prospects of expanding and recapturing foreign markets for American farm products. In this regard, the bill seems to lack any inherent logic; it would provide increased subsidy payments to farmers who wish to expand crop production while reducing funds intended to develop new export markets for our surplus farm commodities.

Throughout last year, many of us talked eloquently, passionately and, no doubt, sincerely about the need to reverse the decline in U.S. farm exports. In just 4 short years, we have seen them fall from a high of $44 billion to near $30 billion last year. For that reason, we included in the 1985 farm bill a strong trade title—a title whose effectiveness will be significantly diminished under the guise of farm bill improvements.

Finally, the improvements bill does harm to the inherent equity of Gramm-Rudman-Hollings by exempting one segment of agriculture—the dairy industry—from the percentage price support reductions which will be borne equally by farmers of every other program crop. If we are to single out the dairy industry, it should be for its noteworthy accomplishments, not for special consideration which we cannot and should not provide to all of our Nation's farmers receiving Federal subsidies.

Over the past 25 years, dairymen have made an impressive contribution to productivity gains realized throughout all of American agriculture. Milk production, today, is nearly double

what it was in 1960, and the industry is presently on the brink of technological and biological advances of revolutionary proportions.

While the industry has gone through significant transformations, the Federal structure under which it markets its products has not. The Federal Dairy Program continues to provide dairymen with an assured purchaser of its ever-increasing output, regardless of whether a commercial market exists. The factors of supply and demand are irrelevent to the dairy industry, because Federal law requires our Government to buy whatever amount of milk, cheese, or butter cannot be sold in the marketplace. Last year, the CCC bought 13 billion pounds worth of surplus dairy products, and it projects surplus purchases for 1986 to reach 20 billion pounds.

Last December, the dairy industry convinced the Congress that the solution to its supply/demand imbalance was not a reduction in the price support level, but rather a unique "whole herd" reduction plan, under which all dairymen would be assessed a tax in order to buy out their less efficient brethren. Interest in this buy-out proposal has been minimal pending resolution of the matter before us. If we adopt this proposal, which will assess every dairyman 10 cents per hundredweight, instead of reducing by 50 cents the Government price for surplus production, then I believe we have removed a major incentive for dairymen to participate in the industry developed whole herd reduction program.

Indeed, we will have provided every dairyman with an incentive to continue to increase his milk production, confident in the assurance that the Government will continue to pay an obviously attractive price for all the milk, cheese, and butter that cannot be sold in the marketplace. Despite the good intentions of the supporters of this proposal, I shall continue to support the basic free market principles, which I believe are in the best long-term interests of the taxpayer, the consumer and the dairy producer.

For these reasons, Mr. President, I am compelled to vote against the Food Security Improvements Act of 1986, and respectfully urge my colleagues to do so as well.

I thank the Chair.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. I believe the plan now is for the distinguished Senator from Iowa to offer an amendment on which I believe he wants a rollcall vote.

I thank all Senators.

Mr. LEAHY. Mr. President, will the Senator yield about a minute or two before he does that?

Mr. HELMS. Certainly.

Mr. LEAHY. Mr. President, I also want to commend the Senators on both sides of the aisle, the distinguished majority leader, the distinguished minority leader, the distinguished chairman of the committee, Senator HELMS, ranking member of the Agriculture Committee, Senator ZORINSKY, as well as Senator KASTEN, Senator BOSCHWITZ, Senator MELCHER, Senator HARKIN, and numerous others who have worked very hard to put together a package.

There is a matter that I think brings a lot more realism into the dairy provision in this bill. It has been worked out again in the best possible way, in a bipartisan way. I certainly recommend it to my colleagues.

I want to tell my colleagues that it is something that came about as a bipartisan effort, and I appreciate the cooperation of all Senators involved.

Mr. McCLURE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, I thank the other Senators who have so tirelessly worked to bring this bill to the floor. I know that there are several parts to this legislation which many Members do not support or support with hesitation. I have some reservations myself on some parts of this legislation. However, I do support the major change which this piece of legislation was designed to make, that of changing the provision in the Food Security Act of 1985 which concerns nonprogram crops.

This provision, called "underplanting" or the "9250" provision allows a producer of a farm program crop to cut planting to 50 percent of permitted acres and plant a nonprogram crop on the remaining 50 percent and continue to receive 92 percent of his total deficiency payment and not lose any base acreage. In essence paying a program farmer not to produce and then allowing him to plant another crop for cash.

This provision has already created havoc in the dry edible bean market and has the potential of disrupting the potato, fruit and vegetable, oilseeds and livestock and hay markets. These are programs which have not historically had Government support programs, these producers do not normally come to the Federal Government for help. They have lived and sometimes died by a relatively open and free market. This new provision in the farm bill directly affects those who normally do not rely on Government help.

Already crop analysts have warned of large price drops in several markets. Idaho has seen a $4 drop in price in the dry edible bean market since mid-January, followed by a reluctance by purchasers to sign any contracts for beans. This can only mean that the purchasers of beans do not want to be locked into prices that they expect to drop substantially in the future.

The bean growers in Idaho have not asked for Federal Government assistance before but they are asking now. They have no market for their product now. The Food Security Act of 1985 destroyed it for them. Now they are asking for Federal Government assistance, they are asking their representatives to consider the damage done to their markets by congressional action. They are asking for repeal of this overplanting provision. They are only asking for the Government to leave their market alone.

Section 2 of this bill speaks directly to this issue. It allows program acres to be planted to conservation uses or to be devoted to sweet sorghum, guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, or commodities which have no substantial domestic production or market and commodities grown for experimental purposes, if the Secretary determined that the production is not likely to increase the cost of the program and will not affect farm income adversely. This will return fairness to the Farm Program.

This change is needed and it is needed now. Already some bean planting has been done in the Southern States. This cannot be changed, this damage to the markets cannot be changed. However, today, Congress can send a clear message to the beleaguered bean industry and other affected markets that the Federal Government is not going to destroy their markets for the sake of those industries which have historically been supported by Government subsidy programs.

I feel that I must address the issue of haying and grazing. I know that several Midwestern Senators would like to see the haying and grazing provision of the farm bill expanded into the nonprogram crop participation acres. This is just as unfair to the cattle markets and cattle producers as allowing planting of nonprogram crops. The price of cattle will fall just as surely as the price of beans. If haying and grazing is to be allowed in conjunction with this program, it should be on the same basis as stated in the Food Security Act of 1985. Only at State option and not during the 5 principle growing months.

To better protect the cattle industry, the Secretary should have discretion as to whether to allow haying and grazing on these lands based upon whether the cattle markets would be disrupted by this action. The cattle market has been devastated by low prices for several years, an increase of cattle on pasture will not allow the market to adjust as it normally would. I urged my colleagues previously to leave haying and grazing provisions as they currently stand in the Food Security Act of 1985. However, the haying

and grazing provisions in this bill have been approved by the National Cattle Association. If they can live with these provisions, I will not attempt to delete the language. I do hope, however, that these changes will not further damage the cattle industry.

Again, I thank my colleagues for their work and efforts on behalf of these sectors of agriculture. The farmers of my State are waiting to hear that this legislation has passed, they are concerned that if it does not, their already gloomy future will be even bleaker. I urge fast passage of this legislation.

Mr. DOMENICI and Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. DOMENICI. Will the distinguished Senator yield for a moment?

Mr. HARKIN. Yes.

Mr. DOMENICI. Mr. President, the legislation before us today, the Food Security Act of 1986, contains some provisions that I am concerned about and want to discuss.

First, in the way of background, I must say that the Food Security Act of 1985 is the most expensive farm law in history. Since its enactment, CBO estimated for CCC and ACIF outlays have increased to almost $75 billion for fiscal years 1986–88. This 3-year estimate exceeds the 1986 budget resolution by more than $36 billion. However, when the 1985 farm bill was enacted in December, CBO scored the cost of the bill against the same set of assumptions that were used to develop the 1986 budget resolution. Those assumptions were based on supply, demand, production, and commodity price estimates nearly a year old by the time the final farm bill was adopted. At that time the 1985 farm bill was scored at $39.5 billion compared to the 1986 budget resolution of $38.8 billion, a difference of less than $1 billion over 3 years.

Mr. President I ask unanimous consent that a table showing the relationship between the fiscal year 1986 budget resolution assumptions and the current CBO estimates for the major farm programs be printed in the RECORD at this point.

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

CBO FARM BILL ESTIMATES: CCC/ACIF OUTLAYS: FISCAL YEAR 1986–88

[In billions of dollars]

	Fiscal year—			
	1986	1987	1988	3 years
1986 resolution assumptions [1]	13.4	14.0	11.4	38.8
1985 farm bill [2]	17.9	10.2	11.5	39.5
1985 farm bill [3]	28.3	22.0	24.6	74.9

[1] Based on supply and demand assumptions of February 1985.
[2] Public Law 99–198, December 23, 1985.
[3] Based on supply and demand assumptions of February 1986.

Mr. DOMENICI. I bring these figures to the attention of the Senate today only because I want everyone to understand that the budget for this year accommodated the costs of the 1985 farm bill. But today, we can take no increases. The current level for this year has already breached the budget resolution assumptions by $3.3 billion in budget authority and $19.3 billion in outlays.

I have worked with the majority leader and all those Senators involved in this legislation to make sure this legislation is cost neutral. I am informed by CBO that it is. I think that those involved in this matter should be congratulated for working out a package that is sensitive to the budget constraints we face.

Now, I want to address some issues that are of interest and concern to me because of the impact they could have on my State. Specifically, the yield and underplanting provisions in this bill.

Mr. President, I am pleased with the changes this legislation makes in the 1986 and 1987 Farm Program payment yields. The farmers in my State have expressed much concern about reductions in their Farm Program payment yields that would have resulted without this legislation.

For the 1986 crops, this legislation compensates producers for any reduction in their total return resulting from a reduction of more than 3 percent of their 1985 Farm Program payment yield. For the 1987 crops, the percentage is 5 percent. Compensation would be made in the form of PIK certificates. I believe these changes are fair and respond to the needs of farmers in New Mexico.

Mr. President, many of the farmers in my State are also concerned with the underplanting provisions in the new 1985 farm law. It is my understanding that in addition to the traditional type of acreage reduction programs, farmers now have a choice of a target option program if they agree to idle more acreage. More specifically, the 1985 farm bill allows wheat, feed grain, cotton and rice producers, who are eligible to participate in a Farm Program, to plant one of these basic crops on only half of his acres and be eligible to receive a deficiency payment on 92 percent of his permitted acreage. On the other 50 percent of his acres, he is free to plant and market any nonprogram crop such as dry edible beans, hay, sweet corn, fruit and vegetables, to name a few.

The bill before us today revises these underplanting provisions that were established under the 1985 act. This bill limits underplanting production to only conserving crops such as sweet sorghum, guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago, ovato, flaxseed, triticale, rye, and commodities for which no substantial domestic production or markets exist. If the Secretary of Agriculture determines that production of any one of these specified nonprogram crops will increase the cost of price support programs or adversely affect farm income, then he can declare that crop not eligible for underplanting.

I commend the Senators who have worked on the underplanting provisions of this bill. I think this bill protects those producers who produce dry edible beans, potatoes, and other crops that could have been severly impacted if the 1985 farm law was left unchanged.

In addition to the previously mentioned crops, this bill allows haying and grazing on underseeded acreage at State option unless the Secretary of Agriculture determines that it will result in a serious adverse economic impact. In which case haying and grazing would not be allowed on underplanting acreage.

Mr. President, at first blush this sounds reasonable, but after careful review I am concerned about the haying and grazing provisions on underplanted acres in this bill. My concerns are twofold.

First, if the States surrounding my home State choose to hay and graze on underplanted acres and New Mexico does not, there is no doubt in my mind that New Mexican hay farmers and ranchers could be substantially impacted. In this case, the real question becomes what is the definition of real meaning of "adverse economic impact"?

I want everyone to know my understanding of what this means. It means that if haying and grazing is allowed on underplanted acres and this causes disruptions in the New Mexico hay and livestock markets, that would be, in my opinion, a adverse economic impact to producers in my State. It would not be fair and I do not think the Secretary should allow it.

On the other hand, if my State chooses to allow haying and grazing on underplanted acres, as they may because of delays in the announcement of the wheat program, they should not be stopped. The important thing is that the State has the option so that the specific needs of producers can be met.

Second, I want to make clear my understanding of how the underplanting provisions on haying and grazing in this bill will be carried out for 1986 if this legislation becomes law. For 1986 the States will have the option of allowing haying and grazing. Of course, the Secretary will not have time to determine if haying and grazing will have a serious adverse economic impact for 1986 since Farm Program signup starts tomorrow. It is therefore

my understanding that haying and grazing will be allowed for 1986.

Mr. President, thank you for giving me the time to discuss these important matters.

AMENDMENT NO. 1647

Mr. HARKIN. Mr. President, I too want to thank all Senators with whom this Senator worked in trying to reach some modifications of the bill which was first presented here last Friday.

Obviously, all of the changes that were made are not all that many of us on this side wanted. In the spirit of compromise changes were made, and in the spirit of compromise I think it is time to move forward on it.

I might add, Mr. President, that some important changes have been made in this proposed legislation since last Friday. The underplanting provision was improved to protect the base of those producers who want to experiment with alternate crops. The haying and grazing provision was put in there that would allow us to have haying and grazing on certain set-aside acres during the 5 principal months.

The recent change that was made today added $60 million more for the Targeted Export Assistance Program.

If I can just get the attention of the distinguished chairman of the Agriculture Committee, could someone just answer on that side? Did the legislation that was sent down incorporate the added $60 million in the Targeted Export Assistance Program?

Mr. DOLE. That is correct.

Mr. HARKIN. I thank the majority leader for clearing that up.

Also, provisions are going to be added I guess a little bit later, and will be accepted—the provisions by the distinguished Senator from Montana, directing AID to prepare a plan for the utilization of emergency African relief funds by April 15. Then last, I think an important addition, I hope will be voted upon favorably by this body, and that is clarifying congressional intent on the advancing of the CCC loans for farmers who have signed up under the program.

So, Mr. President, I want to thank the distinguished majority leader for using his good auspices to arrange meetings with Secretary-designate Lyng, Acting Secretary of the Department of Agriculture Naylor, and Mr. Amstutz for arranging meetings for this Senator and others today, and at other times.

I might just say, Mr. President, that I found their attitude to be—I guess the kindest word I could use would be "obstinate." Their attitude is one that is totally uncompromising in trying to help farmers out of a very tough credit situation that they have right now. Their unwillingness—I say "their", the administration's unwillingness—to move just a little bit on this subject to advancing the CCC loans I find just absolutely perplexing since it is something that really would help us out in the rural areas and which they would do under the farm bill.

Their unwillingness to advance the CCC loans reminds me of an individual who lets his house burn down because there is an existing water law that says you cannot use any water between the hours of, let us say 2 and 4 p.m., and the house caught on fire at 2:30.

So they are using a legality, not even a legality, but I should say a technicality to not advance these CCC loans.

Mr. President, I am hopeful that we can have a strong vote that would let the administration know that this is important, and that many Senators on both sides of the aisle would like to see them move ahead, and advance at least some of the CCC loans.

Mr. President, I send a sense-of-the-Congress resolution to the desk as an amendment, for myself, and Senators GRASSLEY, ZORINSKY, MELCHER, EXON, BUMPERS, HART, DANFORTH, BURDICK, and DIXON to the bill that is in front of us, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself and Senators GRASSLEY, ZORINSKY, MELCHER, EXON, BUMPERS, BURDICK, HART, DANFORTH, and DIXON proposes an amendment numbered 1647.

Mr. HARKIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in the bill, insert the following new section:

Sec. (a) It is the sense of Congress that the Secretary of Agriculture shall carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program shall provide for the following:

(1) Advance recourse loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1986 crop of that commodity, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes (as determined by the Secretary) in the community in or near which the applicant resides. A producer who has received a commitment or been furnished sufficient credit or a loan for production of the 1986 crop of a commodity shall not be eligible for an advance recourse loan to finance the production of that commodity for such crop year.

(2) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity (as determined by the Secretary). Within the limits set out in paragraphs (5) and (7), advance recourse loans shall be available—

(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-half of the farm program yield for the commodity multiplied by the farm program acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary;

(B) to producers of tobacco and peanuts who are on a farm for which a marketing quota or poundage quota has been established on an amount of the commodity equal to one-half of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and

(C) to producers of other commodities on an amount of the commodity equal to one-half of the farm yield for the commodity multiplied by the farm acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary.

(3) An advance recourse loan under section 424 shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under section 424 shall specify the date on which the loan is to come due.

(4)(A) The Secretary shall establish procedures, when practicable, under which a producer, simultaneously with repayment of his recourse loan, may obtain a nonrecourse loan on his crop (as otherwise provided for in the Agricultural Act of 1949 in an amount sufficient to repay his recourse loan.

(B) In cases in which nonrecourse loans under such Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay a recourse loan at the same time the producer receives advances or other payment from the producer's disposition of his crop.

(5) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1986 crop that are incurred or are outstanding on or after the date of enactment of this section.

(6) To obtain an advance recourse loan, the producer on a farm must—

(A) provide as security for the loan a first lien on the crop covered by the loan or provide such other security as may be available to the producer and determined by the Secretary to be adequate to protect the Government's interests; and

(B) obtain multiperil crop insurance, if available, to protect the crop that serves as security for the loan.

If a producer does not have multiperil crop insurance and is located in a county in which the signup period for multiperil crop insurance has expired, the producer shall be required to obtain other crop insurance, if available.

(7) The total amount in advance recourse loans that may be made to a producer under section 424 may not exceed $50,000.

(8) An advance recourse loan may be made available only to a producer who agrees to comply with such other terms and conditions determined appropriate by the Secretary and consistent with the provisions of section 424.

(b) The Secretary shall carry out the program provided for under section 424 through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Service and the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h (b))

to make determinations of eligibility with respect to the credit test under subsection (a)(1), and determinations as to the sufficiency of security under subsection (a)(6). The Secretary may use such committees for such other purposes as the Secretary determines appropriate in carrying out section 424.

(b) Regulations.—It is further the sense of Congress that the Secretary of Agriculture shall issue or, as appropriate, amend regulations to implement the program provided for under section 424 as soon as practicable, but not later than 15 days after the date of enactment of this Act. Loans and other assistance provided under such program shall be made available beginning on the date such regulations are issued or amended.

Mr. HARKIN. Mr. President, I do not want to take any longer. I know Senators would like to vote and get home. This is basically a sense-of-the-Congress resolution that I have worked out in conjunction with the distinguished majority leader saying it is the sense of the Congress that the Secretary should advance CCC loans at the time of signup.

There are provisions in the amendment that would require a credit elsewhere test that would mandate that the farmer would have to have Federal crop insurance or some other crop insurance on his crop, a $50,000 limit, and a provision for a credit elsewhere test.

I think it is the least we can do to let the Department and the administration know that there is a tremendous need out there for some low-interest rate loans, and that this would not cost the Government anything. It would save a lot of farmers.

Mr. HARKIN. Mr. President, I ask for the yeas and nays.

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

The yeas and nays were ordered.

Mr. MELCHER and Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I am a cosponsor of the resolution. I want to say that this resolution is a follow on of my cosponsorship with Senator DIXON of the bill a year ago mandating CCC advance loans.

That bill was vetoed by the President. I supported the provision that is in the agriculture bill of last year, and I wrote a letter to Secretary Naylor about 1 week ago asking that this provision be carried out, and I hope that the adoption of this resolution which I am sure will be near unanimous will move the Secretary to do what has not been done so far. It is badly in need of being done, and we should not make necessary later on in the spring the pursuit of the Dixon legislation.

Mr. President, I support the proposal of advancing CCC loans. As a matter of fact, I was a cosponsor, along with Senator DIXON, of a bill doing this same thing which was introduced and passed by the Senate last year. I cosponsored a similar bill last week and have written Acting Secretary Naylor urging him to implement section 1003 of the farm bill, which would advance CCC loans. Mr. President, times are tough in rural America. At no time is this more evident than in the spring. The Wall Street Journal reported recently that one-third of the farmers in Iowa do not have financing yet for spring planting.

We in this body must accept at least some of the responsibility for this shortage of credit. Farmers and lenders have not been able to move on this spring's financing because: First, they have not known what the program was going to be, as a matter of fact they still do not know, therefore they cannot figure out cash flows and profitability, and second, the farm bill which did pass, and the way the USDA has interpreted that farm bill, has lowered the safety net for our farmers significantly. For at least these two reasons, and I believe many more, we need to accept our responsibility and help our farmers by supporting provisions to help provide spring operating money.

I recognize the need to let farmers know what the farm program is going to be, whether we like this bill or not, we need to make a decision. (After all signup does begin tomorrow.)

I would like to see much more in this package. You will recall I did not vote for the farm bill in the first place so I have no problems with changing it for the better. As a matter of fact, I have cosponsored several pieces of legislation to do just that. And I will be supporting all amendments and bills which will improve the farm program, offer credit relief to farmers, and increase profitability in agriculture.

Mr. President, in closing, I would like to encourage my colleagues to work hard and fast to get credit relief to our farmers. We need to address credit soon in this body and we need to insist now that the Acting Secretary make available advanced CCC loans for spring planting.

I would prefer this body pass legislation mandating that the Secretary make funds available for advanced CCC loans. But if we can not get that right now, I will settle for this resolution with the understanding that I will be back, along with many other Senators, fighting for this provision to be mandatory if the Secretary does not implement it voluntarily.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, a sense-of-the-Congress resolution, of course, is not binding but this resolution has to carry with it I think the firm intention of Congress to act on more definitive farm credit legislation yet this spring.

There are a number of ways that we are approaching this. I think the important point is first of all to lay this groundwork by asserting the interest rates at 13 to 14 percent will not allow economic recovery for farm and ranch operators.

The PRESIDING OFFICER. The Senate will be in order. Will conservations please be moved to the cloakroom?

The Senator from Montana.

Mr. MELCHER. The resolution, of course, only deals with crop loans. That would be wheat, corn, sorghum, some type of crop loans. There are a great number of agricultural producers who are not covered by farm programs and they are in dire straits, too.

I should point out that in our State, and perhaps throughout the country, the hardest hit for credit availability right now are perhaps the cattle people, but they are not in on these programs. So our work that must be addressed yet this spring is how we reduce the interest rates from the range of 13 to 14 percent that these producers are paying on their operating down to the range of about 8 percent. It can be done, and I am sure we will have bills before us that will address these problems.

I hope that the experience we have had over the past week will prompt us to look at those bills in committee, have hearings on them, and to report them promptly out of the appropriate committees.

Mr. President, this is not all we would like to do, but at least it is a step in the right direction, just committing ourselves to having definitive legislation that will bring down the interest rates for farm borrowers.

Mr. DOLE. Mr. President, I will just take 1 minute. I want to thank all Senators on both sides for their cooperation. Farm bills are tough to deal with because there are different interests, different States, different ideas. But I believe this is a good resolution and I hope there will be a strong vote for the resolution.

I think one thing we need to be cautious about is that, with advance payments, the farmer gets the money up front where he probably needs it for planting and other things early on. But keep in mind, as a result, he will receive much less later on. It is an advance payment. It is not an additional payment. Some are concerned that, if we put all the payments up front, the farmer will not have any money after harvest.

In any event, I think we can express by our vote today to Secretary-designate Richard Lyng that this approach has a lot of merit. We will make advance deficiency payments of up to $5 billion in April, with $12 billion in deficiency payments for the entire year. I would hope that Secretary Lyng has

a chance to look at it. If he does not like the guidelines set forth in the resolution, he could formulate some other approach. In any event, this would be an expression that we would like the administration to take a serious look at this idea and perhaps come up with some alternative. They have the authority, and I believe they can work out some satisfactory program.

I ask unanimous consent that a section-by-section summary of all the sections of this bill be printed in the RECORD at this point.

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

SECTION-BY-SECTION SUMMARY

Sec. 1. Short Title.

Sec. 2. Revises the underplanting provision by limiting that production to conserving crops unless the Secretary determines that production of specified non-program crops is not likely to increase the cost of price support programs and will not adversely affect farm income. Allows haying and grazing on underseeded acreage at state option unless the Secretary determines that it will result in a serious adverse economic impact.

Sec. 3. For 1986 crops, provides for compensating producers in CCC commodities for any reduction in their total return resulting from a reduction of more than 3 percent in their program payment yield from the 1985 level. For 1987 crops, provides compensation for any reduction in return resulting from a reduction of more than 5 percent from the 1985 level. Limits to 10 percent the amount by which the program payment yield for 1986 crops can be reduced for the purpose of determining yields for 1988 and beyond.

Sec. 4. Sets the salary level for the Special Assistant for Agricultural Trade and Food Assistance at not less than Level III and requires appointment not later than May 1, 1986.

Sec. 5. Reduces mandatory funding for the Targeted Export Assistance Program to $110 million per year for FY-86/88. Retains the required annual funding level of $325 million for FY-89/90.

Sec. 6. Reduces the amount of CCC commodities required to be used under the Export Enhancement Program (EEP) from $2 billion to $1 billion. Provides that up to $1.5 billion in commodities may be used under the EEP program in FY-86/88.

Sec. 7. Allows wheat and feed grain producers to hay and graze set-aside acreage during at least five of the principal growing months for 1986 crops.

Sec. 8. Allows production of non-program crops, without loss of base, on up to one-half of permitted acreage in 1986 and 1987. Reduces base protection, as a percentage of permitted acreage, to 35% in 1988, 20% in 1989, and 0% in 1990.

Sec. 9. Requires the Secretary to hold hearings and to implement a marketwide service payment plan to allow dairy cooperatives to receive compensation for processing non-member milk.

Sec. 10. Requires that the Gramm-Rudman-Hollings requirement for FY-86 for the dairy program be met through an increase in the producer assessment, not to exceed 12 cents per hundredweight.

Sec. 11. Authorizes the CCC to export surplus CCC agricultural commodities to enable CCC to finance research and development of external combustion engines using fuel other than that derived from petroleum and petroleum products. Limits the total value of commodities which may be exported for purposes of such research to $30,000,000 annually.

Sec. 12. Lengthens the time period for the completion of a study of quality control systems used in the administration of the food stamp program and makes two conforming changes to accommodate this lengthened time period.

ADVANCED CCC LOANS

Mr. HELMS. The proposal to provide loans to farmers from the Commodity Credit Corporation during the planting season is not a new one. As the Senate is aware, the advanced CCC loan proposal was voted on in this Chamber a year ago but subsequently rejected by the administration. The Secretary of Agriculture is given discretionary authority to provide advanced CCC loans under the Food Security Act of 1985.

Mr. President, if the objective of our agricultural policy is to indiscriminately pour taxpayers' money into the agricultural economy as quickly as possible, with absolutely no regard for the effects on the burgeoning Federal debt and the resulting devastation of high interest rates and the prospects for renewed inflation, then this proposal may have some merit.

However, the Senate has spoken, particularly in the passage of the Gramm-Rudman-Hollings legislation, that fiscal restraint is necessary. Indeed, this very amendment is subject to a point of order under section 311 of the Budget Act as a result of that legislation, because the amendment will add $3-$3.5 billion to the Federal deficit in fiscal year 1986.

A waiver of the point of order will require a supermajority of the Senate—60 votes—to accommodate the consideration of this proposal. Such a waiver would be the first since the passage of Gramm-Rudman-Hollings, and in my judgment, will set an important precedent for the fiscal resolve of the Senate to abide by the provisions of that landmark legislation that was so overwhelmingly supported by this body.

Beyond the fiscal concerns, though, Mr. President, the use of the advanced CCC loan concept represents bad policy. Perhaps the most significant reason for not adopting this measure is the extremely undesirable practice of making unsecured loans to anyone for any purpose. Such a concept is simply not good business practice and is unheard of in normal commercial transactions.

The great problem in American agriculture today is the indebtedness that farmers are unable to repay through the cash flow of their operations—technically speaking, many farmers have a "negative cash flow" because of an excessive "debt-to-asset ratio." In many instances, the very reason for such livelihood-crushing indebtedness is the vast amount of unsecured Federal loans extended to farmers under the now-defunct emergency Disaster Loan Program of the late 1970's and early 1980's. This is the case for many farm families in the Southeast, including North Carolina.

Of the 20 to 30 percent of farmers who are facing severe financial stress, the greatest portion are those who have large amounts of indebtedness for which there is no underlying asset to back the loan. What seemed a good idea in the late 1970's has become a nightmare for these farm families.

This proposal, though well-intended, would repeat and compound this practice. By pouring more unsecured indebtedness on those already burdened with debt they cannot repay is not the answer. Indeed, the effect will be to create even more insolvent farming operations.

Now, I know that is not the intention of this proposal. The amendment's proponents will argue that the farmer will receive a loan based on a crop that he will produce. If the farmer gets a good crop and is able to market it at a good price, things will work out fine. But as any farmer can tell you, that doesn't always happen. If the crop does not yield the gross returns anticipated, the farmer will simply be crushed with more indebtedness.

As such, this proposal appears to be akin to throwing gasoline on the fire of unsecured indebtedness that is crushing so many farmers.

Further, it is simply not necessary. The 1985 farm bill has created a number of new servicing tools to handle the Farmers Home Administration direct indebtedness, and the Farm Credit Act amendments, which were also signed into law in December 1985, provide new tools for that segment of agricultural borrowers.

Moreover, the Federal Government is providing unprecedented financial assistance in the form of advanced deficiency payments and diversion payments, expected to total $5.2 billion this year—double last year's total of $2.6 billion. Total deficiency payments and diversion payments for the 1986 crops are anticipated to be $12.014 billion, in comparison to $6.792 billion for the 1985 crops.

In addition to the unsecured indebtedness problem, this proposal represents an abrupt departure from his historical mission of the CCC. The CCC was created in 1933 to stabilize, support, and protect farm income and prices; to help maintain balanced and adequate supplies of agricultural commodities; and to help in the orderly distribution of these commodities. Noticeably absent is its description as a lending institution.

Mr. President, in spite of the credit-elsewhere provision that would limit the quantity of loans by other agricultural lending institutions that would be displaced as a result of this proposal. Advancing CCC loans will undoubtedly have the effect of making the CCC an unwelcome competitor with agricultural banks, the beleaguered Farm Credit System, and other institutions. Let me assure you that this proposal does not have the support of the agricultural banking community.

This proposal will also have the effect of limiting harvest-time resources to those producers who might receive planting-time CCC loans. Advancing 50 percent of commodity loans at planting leaves only 50 percent for disbursement at harvest. As Senators can well imagine, the shortage of loan funds at harvest time will bring pressure for further advances against 1987 crops—and then 1988—and so on.

In fact, this proposal could result in massive changes in the customary flows of capital now inherent in the agricultural complex. Aware of this earlier transfer of funds to the producer, lenders are likely to seek earlier settlement of the debts held against the farmer.

Moreover, this proposal would do absolutely nothing to assist those producers who do not grow crops or livestock supported by CCC loans—about 70 percent of America's farmers and ranchers.

Mr. President, it has been made eminently clear that if this provision is added to the farm bill amendment package that ultimately passes the Congress, the probability of a veto will be very high. If this occurs, important yield, underplanting, and dairy provisions will be lost.

Finally, Mr. President, who really supports this proposal? I received letters last spring from numerous farm organizations, including the National Farmers Union and the National Farmers Organization, in opposition to this concept. The bankers certainly are opposed. Frankly, I hear no support for this concept from my North Carolina farmers.

By changing the mission of the Commodity Credit Corporation into a direct lender of unsecured loans, this proposal would create a new set of victims. The amendment represents undesirable policy and is too expensive. I urge my colleagues to oppose the consideration of this amendment.

Mr. DIXON. Mr. President, I rise this evening to support the sense of the Senate resolution, sponsored by my friend, Senator HARKIN, which encourages the Secretary of Agriculture to use his discretionary authority to provide advance recourse loans to our troubled farmers.

The resolution is based on S. 2113, the Emergency Farm Credit Act of 1986, which I introduced last week along with Senator HARKIN and eight of our colleagues. What this bill does is very simple. The nonrecourse loans, which are made available to farmers at harvest time, are advanced on a recourse basis. The Emergency Farm Credit Act of 1986 would permit an advance of one-half—or up to $50,000—of this loan, based on historic yield, to the farmer before he plants, rather than when he harvests.

These loans would be extended on the same basis as the nonrecourse loans already are. If this were a normal year, the ASCS would start making them in September and October. This bill mandates the Secretary of Agriculture to advance one-half of this loan now, so the farmer can begin planting.

I believe that this sense of the Senate resolution begins to address an issue that is facing hundreds of thousands of American farmers in the next few months, and I urge the Secretary to make use of this authority. It will not cost the Federal Government a single cent in additional spending, yet will enable these farmers to begin their spring planting.

This is a short-term solution to a short-term problem. This authority simply allows the farmer some breathing room.

If we can help the farmers get their crops in the ground now, then we have some time to take another look at the long-term solutions for our problems in farm credit. The next step would be to allow commercial banks to renegotiate farm loans and write down a portion of the loss over a 10-year period, which is an idea I have offered here in the Senate.

Spring planting will be upon us quickly. We must act now. If the farmer doesn't plant, the farmer doesn't harvest. We must allow him to do both.

Mr. HARKIN. Mr. President, I ask unanimous consent to add Senator BURDICK and Senator DIXON as cosponsors of the amendment. Again I thank the distinguished majority leader for using his good auspices to bring us together on this.

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

Mr. CHAFEE. Mr. President, I would like to ask the majority leader what does he anticipate after this rollcall vote?

Mr. DOLE. I cannot answer for certain until we check with Senator MOYNIHAN, but if he does not demand a vote on the dairy section, the rest will be done by voice vote. As soon as Senator MOYNIHAN walks in we will have the answer.

Mr. WILSON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

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

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from Colorado [Mr. ARMSTRONG], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Nevada [Mr. LAXALT], the Senator from Maryland [Mr. MATHIAS], the Senator from Pennsylvania [Mr. SPECTER], the Senator from Vermont [Mr. STAFFORD], and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

I further announce that, if present and voting, the Senator from Kansas [Mrs. KASSEBAUM] would vote "yea."

Mr. CRANSTON. I announce that the Senator from New Jersey [Mr. BRADLEY], the Senator from North Dakota [Mr. BURDICK], the Senator from Florida [Mr. CHILES], the Senator from Missouri [Mr. EAGLETON], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Louisiana [Mr. LONG], and the Senator from Mississippi [Mr. STENNIS] are necessarily absent.

I further announce that the Senator from Michigan [Mr. RIEGLE] is absent because of illness in the family.

I also announce that the Senator from Hawaii [Mr. INOUYE] is absent because of death in the family.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK] and the Senator from Louisiana [Mr. LONG], would each vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 65, nays 18—as follows:

[Rollcall Vote No. 25 leg.]

YEAS—65

Abdnor	Ford	Metzenbaum
Andrews	Glenn	Mitchell
Baucus	Gore	Moynihan
Bentsen	Gorton	Murkowski
Biden	Grassley	Nickles
Bingaman	Harkin	Nunn
Boren	Hart	Packwood
Boschwitz	Hatfield	Pressler
Bumpers	Heflin	Proxmire
Byrd	Heinz	Pryor
Cochran	Hollings	Quayle
Cranston	Kasten	Rockefeller
D'Amato	Kennedy	Sarbanes
Danforth	Kerry	Sasser
DeConcini	Leahy	Simon
Denton	Levin	Simpson
Dixon	Lugar	Symms
Dodd	Matsunaga	Thurmond
Dole	Mattingly	Wallop
Domenici	McClure	Weicker
Durenberger	McConnell	Zorinsky
Exon	Melcher	

NAYS—18

Chafee	Gramm	Pell
Cohen	Hatch	Roth
East	Hawkins	Rudman
Evans	Hecht	Trible
Garn	Helms	Warner
Goldwater	Lautenberg	Wilson

NOT VOTING—17

Armstrong	Inouye	Riegle
Bradley	Johnston	Specter
Burdick	Kassebaum	Stafford
Chiles	Laxalt	Stennis
Eagleton	Long	Stevens
Humphrey	Mathias	

So the amendment (No. 1647) was agreed to.

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

Mr. ZORINSKY. I move to lay the motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I am not quite certain if I can announce whether there will be another vote, but I think I can do so in a few moments. In the meantime, we can take care of amendments that are going to be accepted.

AMENDMENT NO. 1648

Mr. DIXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Illinois [Mr. DIXON] proposes an amendment numbered 1648.

Mr. DIXON. 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:

At the appropriate place, insert the following new section:

SEC. . Section 17 of the United States Warehouse Act (7 U.S.C. 259) is amended—

(1) by striking out "That" and inserting in lieu thereof "(a) Except as provided in subsection (b),"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding any other provision of this Act, if a warehouseman because of a temporary shortage lacks sufficient space to store the agricultural products of all depositors in a licensed warehouse, the warehouseman may, in accordance with regulations issued by the Secretary of Agriculture and subject to such terms and conditions as the Secretary may prescribe, transfer stored agricultural products for which receipts have been issued out of such warehouse to another licensed warehouse for continued storage.

"(2) The warehouseman of a licensed warehouse to which agricultural products have been transferred under paragraph (1) shall deliver to the rightful owner of such products, on request, at the licensed warehouse where first deposited, such products in the amount, and of the kind, quality, and grade, called for by the receipts or other evidence of storage of such owner.".

Mr. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

SOLVING A GRAIN STORAGE PROBLEM

Mr. DIXON. Mr. President, we took a step on October 25 of last year to remedy a situation regarding federally licensed warehouses which store grain under restrictions that do not apply to State licensed warehouses. By a vote of 86 to 0, we added an amendment to the 1985 farm bill which allows federally licensed warehouses to redeposit grain at another licensed facility. An old 1929 Federal law prevents this action at the present time.

The difficulty arises from the fact that grain bins, country elevators, and grain warehouses are bulging at the seams as a result of last fall's bumper harvest produced by our farmers throughout the Midwest.

The unique problem was created by the abundance of grain brought in by our farmers for storage. We have not been confronted with this situation before, and we have learned that only a legislative remedy can cure the difficulty.

Simply stated, the problem is this: Federally licensed warehouses, as I mentioned, are prohibited by a 1929 statute from redepositing grain at another facility, such as a river terminal. Their State licensed counterparts are allowed to engage in such redeposits. This means that Federal warehouses operate at a competitive disadvantage because they cannot move old grain to another location in order to accommodate the massive amounts of new grain.

To resolve this situation, I am offering an amendment granting discretionary authority to the Secretary of Agriculture to permit federally licensed warehouses to transfer grain during extraordinary circumstances, such as last year's bumper crops coming out of the fields, with no place to go for storage. Even now, in Illinois and other States, there are piles of grain outside elevators and warehouses because of a lack of space.

My colleagues noted, when this amendment was adopted without a dissenting vote last October, that this amendment does not repeal the 1929 law which is causing the difficulty. The amendment simply grants discretionary authority to the Secretary to deal with a situation which is presently beyond everyone's control.

Mr. President, my colleagues supported this amendment overwhelmingly last October so that our federally licensed grain warehouses will be on a par with our State-licensed warehouses.

This amendment has no opposition. As I mentioned, it passed 86 to 0. Unfortunately, even though the Senate spoke its mind on the subject, the amendment was inadvertently dropped out during the conference on the 1985 farm bill.

This amendment is still a good idea. It had the support of the chairman and the ranking member of the Senate Agriculture Committee, as well as 84 of their colleagues.

I ask that this amendment be given, once again, the favorable consideration it received last year.

Mr. President, the amendment is corrective in nature. It simply permits Federal warehousemen to transfer to other warehouses excess grain that needs to be stored under authority of the Secretary of Agriculture. It is entirely discretionary with him. The amendment has been cleared on both sides, with the distinguished manager of the bill and the distinguished ranking minority member. There is no objection to it.

Mr. HELMS. Mr. President, the distinguished Senator from Illinois has stated it correctly.

Mr. ZORINSKY. Mr. President, we have examined the amendment and support its adoption.

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

The amendment (No. 1648) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1649

(Purpose: To require Administrator of the Agency for International Development to submit a plan for the use of reserve funds for African famine relief and rehabilitation, and for other purposes)

Mr. MELCHER. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 1649.

Mr. MELCHER. 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:

At the end of the bill, add the following new section:

SEC. . Title II of the Act of April 4, 1985, entitled "An Act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes", Public Law 99-10, is amended by striking out "the Administrator" and all that follows through "Africa." and inserting in lieu thereof the following: "the President certifies that the use of such funds is essential to famine relief in Africa. The Administrator of the Agency for International Development shall prepare and submit to Congress before April 15, 1986, a plan specifying how such additional funds for African famine relief would be used. The plan shall ensure, among other things, that the funds from the reserve, if utilized, shall be available to cover all costs for inland transporta-

tion of food only as are necessary for its timely delivery."

Mr. MELCHER. Mr. President, this amendment directs the Administrator of AID to prepare and submit to Congress, before April 15, plans specifying how the funds that are available for a contingency for African famine relief will be utilized.

The reason we want this date established for the plan is to make the best use of the funds that are available. Last year, $225 million was appropriated for African aid. No plans have been developed yet. So far, the President does not think he will use them, but we have word from the private voluntary organizations and from the Department of Agriculture that a half-billion dollars in African aid will be necessary in six countries—Ethiopia, Sudan, Cape Verde, Angola, Botswana, and Mozambique.

We are merely trying to use good business practice and prudence in developing the utilization of food aid for these countries.

I hope the amendment can be accepted.

Mr. HELMS. Mr. President, we find the amendment acceptable.

Mr. ZORINSKY. Mr. President, this side also finds the amendment acceptable and recommends its adoption.

Mr. CHAFEE. Mr. President, I ask the managers of the bill: What are we getting into? It is just to come forward with a plan and that is it?

Mr. HELMS. That is it.

Mr. CHAFEE. There is no compulsory expenditure involved?

Mr. HELMS. The Senator is absolutely correct. Otherwise, I would not have aaccepted the amendment.

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

The amendment (No. 1649) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1650

(Purpose: To provide for the announcement of availability during fiscal year 1986 of commodities under section 416 of the Agricultural Act of 1949)

Mr. MELCHER. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 1650:

At the end of the bill, add a new section as follows:

SEC. . Section 416(b)(10)(B) of the Agricultural Act of 1949 is amended—

(a) by inserting before the period at the end of the second sentence the following: "or, in the case of fiscal year 1986, prior to March 31, 1986"; and

(b) by inserting before the period at the end of the third sentence the following: "or, in the case of fiscal year 1986, March 31, 1986".

Mr. MELCHER. Mr. President, I want to explain this amendment. It is very simple. It simply directs the Department of Agriculture and AID to propose the necessary list of commodities that are available under section 416 by a date certain.

Mr. HELMS. Mr. President, I find the amendment acceptable.

Mr. President, as part of the 1985 farm bill, we greatly expanded authorties to utilize the section 416 program for overseas donations of surplus commodities.

In order to facilitate implementation of these new authorities, the bill included a provision requiring the Secretary to estimate and publish in the Federal Register, those amounts of commodities available for distribution under the program. The bill also requires that this determination and announcement be made prior to the beginning of each fiscal year.

This amendment would speed up this process by requiring a report be made prior to March 31, 1986, as to the availability of commodities for the remainder of this fiscal year.

I have long supported the use of section 416, and find it the preferable mechanism for operating the new Food for Progress Program. I agree with the Senator that this amendment will assist in the use of this program, and support its adoption.

Mr. ZORINSKY. Mr. President, I find this amendment acceptable and recommend its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana.

The amendment (No. 1650) was agreed to.

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

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1651

(Purpose: To permit the Secretary of Agriculture to adjust an apportion by State or region the amount of milk assessments on the basis of the amount of milk and milk products purchased in a State or region to support the price of milk)

Mr. MOYNIHAN. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 1651.

Mr. MOYNIHAN. I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

In section 10 (relating to increased milk assessments to meet deficit reduction requirements), insert "(a) Increased Milk Assessments.—" before "Effective".

In clause (1) of section 10, strike out "subparagraph (E)" and insert in lieu thereof "subparagraphs (E) and (F)".

At the end of section 10, insert the following new subsection:

(b) Apportionment of Milk Assessment.—Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by subsection (a)) is further amended by adding at the end thereof a new subparagraph (F) as follows:

"(F) Notwithstanding the foregoing provisions of this paragraph, the Secretary is authorized to adjust and apportion the amount of the reduction under subparagraph (A) in the price of milk received by producers on a State or regional basis taking into consideration the level of purchases of milk and the products of milk by the Commodity Credit Corporation in such State or region during the fiscal year ending September 30, 1985, to support the price of milk under this subsection.".

Mr. MOYNIHAN. Mr. President, might we have order?

Mr. LEAHY. May we have order, Mr. President, so we can hear the description of the amendment?

The PRESIDING OFFICER. Will conversations please move into the cloakroom? The Senate will be in order.

The Senator from New York.

Mr. MOYNIHAN. Mr. President, I have an amendment at the desk which proposes that the assessments on milk production be made proportional on a State or regional basis to reflect State or regional sales to the Commodity Credit Corporation.

We know that these sales, and dairy program benefits, vary greatly. We have learned in this body, for example, that under the diversion program, some dairymen so described by the Department of Agriculture in a certain State—Arizona—received annual payments of $226,978 not to milk their cows.

I hazard to guess there is not a dairyman in the State of New York or Vermont or Wisconsin who earns a profit of $226,978 a year. There are not many who have that much income, let alone profit.

The proposal I make here is that the Secretary of Agriculture decide that State or regional dairy assessments shall be proportional to sales to the Commodity Credit Corporation. For instance, if New York accounts for 2.5 percent of all dairy sales to the Commodity Credit Corporation, then New York dairymen would bear 2.5 percent of the assessment burden.

I have been asked by friends on this floor not to pursue this amendment

but I, in turn, ask my friends, can we not pursue this subject? The disparity in the treatment of dairy farmers across the Nation is without precedent in the history of this Chamber and has commenced to cause a measure of anguish and, I would suggest, a degree of scandal.

I see that my friend from Vermont is on the floor. I wonder if he would not agree with me that there is a problem here.

Mr. LEAHY. Mr. President, I agree with the Senator from New York. There should not be disproportionate payments of the nature he talked about.

The Senator from New York may recall that at the time of the diversion program I supported an effort to cap payments. I lost. As I recall, the distinguished Senator from New York was one of those who joined me in that vote, as did a number of other people who were concerned about the cost of farm programs.

As the Senator from New York, I do not recall that I have any constituents in Vermont who would get payments anywhere near approaching that on the diversion program.

Mr. MOYNIHAN. $226,978 to the dairyman.

Mr. LEAHY. Believe me, if such payments could be made in Vermont, I think I would be far more inclined to use my farm in Vermont for dairying instead of as a tree farm. Instead of the tree farm it is today, it would be a dairy farm tomorrow.

I proposed a limit on payments and the Senator from New York, the Senator from Rhode Island, and others supported such a limitation, as I recall. But we failed.

Concerning the proposal contained in the legislation presented by the distinguished Senator from North Carolina, the chairman of the——

Mr. MOYNIHAN. Mr. President, may we have order? The Senator from Vermont is speaking.

The PRESIDING OFFICER. The Senate will be in order. Conversations in the rear, on the right, please move into the Cloakrooms.

Mr. LEAHY. I thank the Chair and I thank my friend from New York.

In the legislation made by the distinguished Senator from North Carolina, which includes the proposal made by the distinguished Senator from Wisconsin [Mr. KASTEN] and myself, the distinguished Senator from Minnesota [Mr. BOSCHWITZ], and others, there is no provision for payments to dairy producers. It treats every farmer alike. There is not going to be a wildly disparate situation similar to that the distinguished Senator from New York has described.

I would hope that this measure could pass without amendment.

It does not make payments to dairy producers. It treats them alike. Of course, the distinguished Senator from New York naturally has the right as every Senator to ask for consideration of his amendment. But I wonder if he might consider withdrawing his amendment? I am sure that there are interested Senators on both sides of the aisle, interested in examining the Dairy Program to find areas where we agree on policy. We might bring some uniformity and some sense into a program which, on the one hand, is vital to the United States and, on the other hand, has some acknowledged defects.

If I am in this body next year, I will be a senior member of my party on the Agriculture Committee. I will continue to work on this issue. But we can work on it this year. We can work on it next year.

I pledge total cooperation with the distinguished Senator from New York in doing that. But I assure him that this proposal does not make payments to dairy farmers and really treats all dairy farmers alike.

Mr. MOYNIHAN. Mr. President, could I ask of the Senator from Vermont, would he not agree that the diversion program, which allowed these wildly disparate, indiscriminate, and unseemly payments, was a mistake made by this body?

Mr. LEAHY. No, in a word.

Let me say this: I think if the diversion program had both a cap and the ability to continue for at least a year longer, it would have proved to be an excellent program.

Mr. MOYNIHAN. Had it a cap.

Mr. LEAHY. Had it a cap.

With the two things that I supported, both a cap and a longer period, I think would have worked very well.

In compromising with the administration to limit the duration of the program, we erred. I think some in the administration now quietly admit that a short period of time was a mistake. So, on the question of did it work the way a lot of us would have liked, I agree with the Senator from New York, that it did not. Had it been designed the way I would like to have seen it, I think it would have had an excellent chance to limit Government cost.

Mr. MOYNIHAN. Mr. President, does the distinguished Senator from Vermont agree that many of us in this Chamber would like to discuss this matter early in the day, as dairy farmers are want to do?

Mr. LEAHY. Probably not quite that early, I say to my good friend from New York; maybe an hour or so later.

Mr. MOYNIHAN. After milking.

Mr. LEAHY. After milking.

Mr. MOYNIHAN. Our President pro tempore has indicated his interest. Would the Senator agree that we ought to have this talked out at some length on this floor before the next farm legislation comes to this body—before it comes to the body, not after it has come from the Committee on Agriculture, Nutrition and Forestry?

Mr. LEAHY. The Senator from New York is correct. It is a matter—and I would say this also on behalf of Senators on both sides of the aisle in the Agriculture Committee—that we wrestle with all the time. I do not think there is a member of the Agriculture Committee that would not like to have a solution to the "dairy program problem," however defined. I believe that there are a number of extremely knowledgeable Senators, and certainly the Senator from New York has to be high on that list.

I would like to see us do it when not under the gun of bill. I see the distinguished majority leader, who has wrestled with this, and he is not from a dairy State.

However, I have heard he was born in a log cabin, which is now being built in Russell, KS. The distinguished Senator from North Carolina and the distinguished Senator from Nebraska, Senator ZORINSKY, also have spent much time on the issue.

Let us pool expertise. We are not going to be able to accomplish much tonight. But I pledge my time and my staff's time to work with the Senator from New York.

Mr. MOYNIHAN. Mr. President, I saw the distinguished majority leader in a posture which was reminiscent of an earlier majority leader, and that seems to me to suggest that there might be an end to discourse. [Laughter.]

Mr. President, with the fine understanding of the second ranking minority member of the Committee on Agriculture, Nutrition, and Forestry, and with the understanding that my distinguished friend from North Carolina shares these concerns, I ask to withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Mr. THURMOND. Mr. President, I rise in support of S. 2143, the technical amendments to the 1985 farm bill. However, I do have serious reservations about the dairy portion of this bill.

Pursuant to the March 1, 1986, Gramm-Rudman-Hollings sequestration order, the net outlays on the dairy program must be reduced by 4.3 percent. In order to achieve this reduction, the Department of Agriculture plans to reduce payment to dairy farmers, effectively dropping the dairy price support by 55 cents per hundredweight.

The dairy section of the pending bill would alter the plans of the Department of Agriculture concerning the implementation of the March 1, 1986, Gramm-Rudman-Hollings sequestration order. The bill would require that the Department of Agriculture increase the assessment paid by dairy

farmers, rather than decrease payment to processors for surplus dairy products. I do not agree with this proposed change in the plans of the Department of Agriculture. Mr. President, reducing the dairy price support discourages overproduction and provides a lower price to consumers. Increasing assessments only takes money away from efficient farmers.

Mr. President, the dairy industry in this country is facing a serious problem—oversupply. The Federal Government holds an excessive supply of milk and dairy products. In fact, the Government is having trouble giving away dairy products. In order to address the problem, we should discourage overproduction.

That is what the 1985 farm bill was designed to do. The farm bill provides for a "whole-herd buy-out" program, to allow farmers who want to get out of the business to do so without incurring dramatic losses. The bill also provides for a gradual lowering of the dairy price support over the next few years. In fact, during Senate consideration of the measure, an amendment to move up the schedule for lowering the price support was almost approved.

Under the pending bill, the 40-cents-per-hundredweight assessment scheduled for April 1 would be increased by up to 12 cents, and the support price would remain at $11.60 per hundredweight. Without this bill, the assessment would remain where it is scheduled to be, and support payments to producers would be reduced by 55 cents. Some feel that it is preferable to have all farmers pay an extra 10 cents per hundredweight rather than having those farmers who over-produce receive less in the way of a support price. I disagree.

Mr. President, lowering the dairy price support discourages overproduction and encourages consumption. Increasing the assessment instead of lowering the price support simply takes money from all dairy farmers without doing anything to correct the problems of the dairy program. In my opinion, this is a serious mistake.

While I do not concur with this particular provision of the package, the bill does contain several much-needed and desirable changes to the 1985 farm bill. The bill would correct the so-called underplanting provision in the 1985 farm bill and improve the export programs provided for in the 1985 farm bill.

Again, while I cannot concur with every section of the proposed bill, I do support the package as a whole.

Mr. PRESSLER. Mr. President, I want to commend everyone involved in working out the compromises on the two important pieces of farm legislation which we are about to vote. Many hours and days of work have gone into working out agreements on these two pieces of critical farm legislation.

The supplemental appropriations bill for the Commodity Credit Corporation is a must piece of legislation. The signup for farm programs has been delayed due to lack of funds. This is a very critical time for farmers. They are lining up financing and purchasing seed, fertilizer, and other things needed to plant this year's crop. Many farmers are depending on these payments from the CCC to make those purchasers.

The second critical piece of legislation for farmers is the package of amendments to the 1985 farm bill revising the yield provision, dairy program, and several other programs. The provision for establishing average yields in the 1985 farm bill will reduce many wheat and corn farmers' yields. The reduction in yield means a corresponding reduction in price supports and farm income. With farm income already depressed, many farmers cannot afford to have their yields reduced by 10 to 20 percent. The bill before the Senate will make up the reductions in yields with PIK payments.

Another critical part of this package is the dairy provision. If we do not pass this bill, the dairy price support level, as a result of Gramm-Rudman-Hollings budget reductions, would be reduced by approximately 55 cents per hundredweight. I know dairy farmers in South Dakota cannot afford such a reduction. The proposal we are considering would increase the current dairy assessment on all dairy production by 12 cents per hundredweight. The same amount of money will be saved by increasing the assessment.

Mr. President, I support these two pieces of legislation and urge their adoption.

Mr. GORTON. Mr. President, today we are reexamining certain specific provisions of the 1985 farm bill. The Food Security Improvement Act of 1986 makes important, and, in some cases, substantial modifications to the farm bill. Regardless of a Senator's position on this act, one thing should be made clear: these changes are important for many farmers and will make this a better farm bill and a fairer farm bill. By the same measure, we should be forthright in describing these changes. There is some dispute over whether or not these changes were anticipated when the farm bill was debated and agreed to last December. I do not know if they were or not—that was a very long and arduous debate and it produced an 11th hour bill of great heft and volume. I recommend, however, that, rather than debating past history, we consider these bills in the light of present reality. I am not surprised that we are making some changes to the mammoth bill passed last December. In fact, I am astonished that we are not trying to make even more.

The underplanting provisions of the farm bill permit farmers participating in commodity programs to devote some of their acres to nonprogram crops and still receive program benefits. Under the farm bill, wheat, cotton, rice, and feed grain farmers are given the option of growing nonprogram crops on 50 percent of their eligible land, the program crop on the other 50 percent, and still receive 92 percent of their deficiency payment. This is commonly referred to as the 92-50 provision. In theory, this provision would cut down on planting of crops that are in surplus, while encouraging farmers to test alternative crops without losing any income.

Unfortunately, this provision is bad policy in many respects: First, it threatens thousands of nonprogram crop growers, such as pea, lentil, and potato growers in Washington, with unfair competition from program crop growers who would be paid to grow alternative crops. Second, it brings hundreds of other new crops under the guise of the Federal farm program system. Third, it has the potential to create crop surpluses for nonprogram crops where none existed before and could lead these crop growers to ask for Government protection. In many cases that assistance would be justified.

As I understand it, the compromise worked out to protect growers of nonprogram crops who might be hurt by this provision also seeks to retain the positive aspects of the original farm bill provision. This act gives the Secretary of Agriculture discretion to permit the planting of nonprogram crops on underseeded areas if he determines that they will not be economically harmful to traditional growers of those crops. In addition, the bill provides that underplanted acres may be planted to conserving uses. In my mind, each of these changes is an improvement over the original bill.

The second major change under consideration would ensure that farmers would not be penalized by unanticipated changes in the method of calculating their program payment yields for 1986 and 1987 crops. According to language in the farm bill, a farm's program payment yield for 1986 and 1987 will be the 5-year average for the farm with the high and low years thrown out. The yields will then be multiplied by the deficiency rate to determine a farmer's maximum allowable deficiency payment. A farmer must provide a proven yield for each of the 5 years in the equation, otherwise he must use the average crop yield for the county he lives in for that particular year.

Problems have arisen because many farmers do not have proven yields for all of the last 5 years. According to the

letter of the law and to USDA's interpretation of the legislation, they must use their county's average for the years in which they don't have a proven yield. This means that many farmers who were operating under the assumption that their deficiency payments would be frozen for 2 years at the 1985 level have been surprised to realize that they may actually go down because of the introduction of the 5-year-average rule.

The Food Security Improvement Act retains the formula in the farm bill but requires the Secretary to compensate a producer if his payment yield declines by more than 3 percent between the 1985 and 1986 crop years, and more than 5 percent between the 1985 and 1987 crop years. I believe that this is an appropriate modification. Perhaps more than anything else, this is a fairness issue. During the course of debate on the farm bill Congress sent a very strong message to the farmers of America, telling them that we were freezing income supports for 2 years. To alter this agreement now, by not modifying the yield provision, exhibits a certain degree of dishonesty on the part of the Government. I think this type of policymaking should be avoided, and this bill accomplishes that.

The final change to the farm bill found in the Food Security Improvement Act is tremendously important for the Nation's dairy farmers. This provision presents the Senate with a choice: whether to achieve the required 1986 Gramm-Rudman-Hollings savings in the dairy program through an assessment or whether to meet it through a cut in the support price.

I support the approach taken in the bill because it will spread the Gramm-Rudman-Hollings savings equally across the entire dairy industry. The assessment championed in this bill is fair and it achieves the required savings. Moreover, it has tremendous support among dairy farmers—the ones who will bear the responsibility for paying the assessment.

The alternative to this provision is an approximate 50-cent cut in the Federal support price for dairy products, which was frozen in the farm bill. Unfortunately, this approach is haphazard in its effect on the dairy industry. First, the percentage cut in the support price will hurt disproportionately those dairymen who produce milk for nonfluid uses such as cheese, butter, and powder. This unequal hit is a result of the convoluted workings of the dairy program, which supports fluid milk production at a higher price—through marketing order regulations which are not effected by Gramm-Rudman-Hollings—than it supports the price of milk used for nonfluid purposes.

Second, I think it is important to note that a cut in the support price may lead to an increase in milk production as dairymen add cows to their herds, feeding them cheap grain in an effort to keep their cash flow stable. An increase in production would mean more Government purchases, would negate some of the savings from the price support cut, and would run contrary to one of the first goals of the farm bill—lower dairy output. The assessment alternative, which would add 10 to 12 cents to each dairyman's assessment, would not have nearly the same negative impact on production.

Finally, it is important to note that the changes to the farm bill sought by the Food Security Improvements Act of 1986 are designed to be revenue neutral. I am convinced that the budget climate in which we must work here in the Senate demands that increased spending in one area be balanced by reduction in another. The export programs effected by the balancing being done in this case are important and I believe that they have been preserved in a viable form. I would have preferred not to have had any cuts in agriculture export programs to offset the additional expenses resulting from the crop yield and underplanting provisions of the bill, but these cuts were necessary and have been handled in a responsible fashion.

I urge my colleagues to support this bill.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. RIEGLE. Mr. President, due to an unexpected family illness in Michigan, I will be unable to attend the session of the Senate today. I had very much hoped to be here to participate in the debate on the farm bill, which is of great importance to producers in Michigan, and regret that this was not possible. I have been involved in the discussions relating to the farm bill, and wish to thank the majority leader, minority leader and all of the others who have participated in the development of this compromise.

Mr. President, I rise in support of the legislation before us, and especially in support of the language relating to nonprogram crops and the so-called underplanting provisions. This language will resolve a major problem that has arisen as a result of the farm bill that was enacted last year. The Department of Agriculture has ignored our efforts to convince it to employ the discretion it has to, to prohibit the planting of nonprogram crops—such as dry edible beans or potatoes—on permitted acres. Following this statement, I will place in the RECORD a letter that was sent to the Department of Agriculture signed by several Senators, including the majority leader, and the reply that we received indicating no possibility of administrative flexibility in this regard.

This situation has given us no alternative other than to enact additional correcting legislation making explicit the prohibition against the use of permitted acres for dry bean or other nonprogram crop production.

Mr. President, dry bean farmers in Michigan have never needed Government assistance. They have developed their industry and their markets with their own industry, ingenuity and capital. They have contacted me with one simple inquiry: "Why does the Government now want to threaten, perhaps fatally, their industry by permitting something to occur which has never been permitted in the past?"

Already, bean farmers in Michigan have seen prices drop in anticipation of increased plantings in 1986. In addition, prices for seed have risen steadily in recent weeks, further confirming suspicions that many farmers are planning to convert corn acreage to dry edible bean production. Less than 2 million acres of beans are planted each year. Under last year's farm bill, perhaps as much as 40 million acres will be taken out of program crop production. Thus, if even a small fraction of this land is devoted to bean production, established producers would see sharp price and supply effects.

And this problem is not only confined to beans, since all nonprogram crops are presently at jeopardy under the USDA interpretation of the 1985 farm bill. Those Senators who have been involved in this effort are concerned about commodities as diverse as potatoes and wild rice. In a very real sense, without the language contained in this legislation, any crop not covered under provisions of the farm bill is at risk, as are thousands of small, independent producers of these commodities.

So, I am pleased that we have finally been able to resolve the issues surrounding this bill and move it to the House. This is a reasonable provision, it is fair to program and nonprogram producers alike and it will not add to the cost of administering our farm programs, in fact it will do much to ensure the vitality of an important segment of agriculture.

Mr. President, I ask that the letters referred to in my statement appear in the RECORD.

The letters follow:

U.S. SENATE,
Washington, DC, February 7, 1986.

Hon. JOHN R. BLOCK,
Secretary of Agriculture,
Washington, DC.

DEAR MR. SECRETARY: We urge you to use the authorities vested in you to ensure the proper and effective administration of the 50 percent permitted acreage planting rule.

The Food Security Act of 1985 requires that you afford wheat, feed grain, upland cotton, and rice producers the option of planting only 50 percent of the their permitted acreage and receiving deficiency payments on 92 percent of their permitted acre-

age if the underplanted acreage is devoted to conservation uses or nonprogram crops. The Department recently announced that any nonprogram crop other than soybeans and extra long staple cotton could be planted on this underplanted acreage—without regard to the profitability and the supply/demand situation for the nonprogram crops. This announcement—if not modified—will have a detrimental effect on net farm income for producers of many nonprogram crops.

Congress, in enacting the 1985 Act, did not intend that the underplanting provision be administered in such a way as to adversely affect producers of nonprogram commodities. Under the provision, up to 40 million acres of underplanted land could be devoted to nonprogram crops. With this vast amount of land being available for nonprogram crop production, the potential exists for devastating the industry of many commodities unless you modify the Department's previous announcement. More importantly, unless you modify the Department's previous announcement, the Federal Government will put out of business farmers who have never asked for a price support program or any other kind of Federal subsidy.

Mr. Secretary, under the Food Security Act of 1985, you are authorized to issue such regulations as you determine necessary to carry out the commodity programs, and you are required to ensure that the programs are effectively administered. In addition to this grant of authority, you are vested with broad discretionary powers under the Commodity Credit Corporation Charter Act to assist in the maintenance of balanced and adequate supplies of agricultural commodities.

We urge you to exercise the powers vested in you and issue regulations that will ensure that the underplanting provision does not adversely affect producers of nonprogram commodities.

Sincerely,

DON RIEGLE
(With 12 signatures).

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington DC, February 21, 1986.

Hon. DONALD W. RIEGLE, Jr.,
U.S. Senate, Washington, DC.

DEAR SENATOR RIEGLE: Thank you for your letter, jointly signed by you and 12 of your colleagues, expressing your concerns regarding potential increased planting of non-program crops under certain provisions of the commodity programs which are contained in the Food Security Act of 1985.

Your statement that the "92/50 rule" might encourage farmers to plant non-program crops on available crop acreage and thereby adversely affect producers of non-program crops is correct.

The 1985 Act provides, with respect to the 1986 and subsequent crops, that, whenever an acreage limitation is in effect for any program crop (i.e., wheat, feed grains, upland cotton and rice), producers may receive deficiency payments on underplanted acres (up to a maximum of 92 percent of permitted acreage) if such underplanted acres are devoted to non-program crops or conserving uses and such producers plant at least 50 percent of the producers' permitted acreage to the program crop. The 1985 Act specifically defines a non-program crop for these purposes as any agricultural commodity other than wheat, feed grains, upland cotton, extra long staple cotton, rice or soybeans. The statute, therefore, permits producers to plant any other agricultural commodity on this underplanted acreage. We are aware of no statutory authority which could be utilized to overrule the specific authorization and permit the Secretary of Agriculture to designate additional commodities to those listed above.

Your concern is appreciated.

An identical letter is being sent to your colleagues.

Sincerely,

DANIEL G. AMSTUTZ,
Under Secretary for International Affairs and Commodity Programs.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. BURDICK. Mr. President, I support this legislation to change certain provisions of the farm bill.

The new method of determining payment yields guts the concept of a freeze on target prices. When we promised the farmer a freeze in target prices, it's downright conniving to turn around and reduce the yield on which that payment will be made. When we voted for the farm bill, we voted for a freeze—and that means freezing both target prices and per-acre payment yields.

So this legislation is absolutely necessary in order to prevent reductions in income for some farmers up to 20 percent. This is unfair to farmers who have been trying to live within the bounds of the farm program, and I am pleased that we are finally taking action on this measure.

Mr. President, there is another provision that was not properly thought out when it was added to the farm bill. The effect of the provision would be to take those crops which have not needed Government support in the past, and which have been able to sustain farmers on their own, and bring them down.

It is simply unfair to provide payments on these acres which are planted to nonprogram crops to those farmers who are in the program on another crop, but not to give those same payments to the farmer who has always planted the nonprogram crop. The current provision simply knocks the competition all out of whack and would have the effect of bringing more farmers, more land, and more crops under the Federal farm programs.

This is not a desirable goal and I hope this legislation will be passed forthwith.

With farm program signup beginning now, we don't have time to wait. The farmers need to know and have a right to know what we're doing on a timely basis. And the farmers of nonprogram crops have a right to have this unfair provision deleted from the farm bill.

Mr. President, I support this change, and I urge my colleagues to do the same.●

Mr. LEVIN. Mr. President, the 7,500 dry edible bean farmers in the State of Michigan brought to my attention in late January a problem created by the 1985 farm bill. That bill encourages overproduction of beans and other nonprogram crops at the expense of traditional farmers of those crops. The so-called underplanting provision in the law not only encourages overproduction of crops not covered under government agriculture programs, it also, in effect, subsidizes those nonprogram crops for wheat, feed grains, cotton, and rice producers.

This is not just a hypothetical problem invented by the farmers in my State. It is a real problem. In the last several weeks, market dry bean prices have dropped in anticipation of the oversupply this provision will cause. James Stein, president of the National Dry Bean Council, correctly assessed the situation when he stated, "With domestic consumption of dry beans trending softer and third world markets short of purchasing power, prospects for moving large additional acreage to market are not bright. The United Kingdom and Western Europe are two prime cash markets for United States dry bean products, but neither have the market capacity or infrastructure to absorb the anticipated increased production if farmers opt to plant dry beans on diverted acres of corn, cotton, soybeans or wheat this year." The facts are that dry edible bean prices are already 25 percent below the cost of production and there is already an oversupply of this commodity.

The provision we have worked out now in this bill will help the dry, edible bean farmers and farmers of other nonprogram crops by restoring some order to the farm program. It limits planting of nonprogram crops on permitted acreage to sweet sorghum or the production guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, planago ovato, flaxseed, triticale, rye, and commodities for which no substantial domestic production or market exists but for which there are industrial uses. Hay and grazing are permitted if certain conditions are met.

This bill will end the uncertainty of nonprogram crop farmers and will allow them to continue to plant and market their crops without Government intervention. Surely, it was not the intent of Congress to lower the income of producers who have not been covered by Government programs—farm prices are low enough.

Senator RIEGLE and I introduced a bill in late January to address this issue. In addition, we, along with many other Senators, have urged the Secretary of Agriculture to use the authority we feel he already has to ensure producers of nonprogram crops would

not be adversely affected by the underplanting provision. The Department, however, rejected our request that this problem be addressed administratively, so this legislation was necessary to remedy it.

I want to take this opportunity to thank the majority leader for his help in resolving this issue and many other Senators for their unflagging efforts to remove this threat to many of our vulnerable farmers.

The PRESIDING OFFICER. Are there further amendments? If not, the question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. MELCHER. Mr. President, I wish to engage in a very short colloquy with the chairman of the committee.

Mr. DOLE. Mr. President, will the Senator yield for one moment?

Mr. MELCHER. Yes, I am delighted to yield.

Mr. DOLE. Mr. President, I believe, with the disposition of the dairy amendment—and I wish to thank my distinguished colleague from New York for not pressing that amendment—that we will have a voice vote on final passage of this measure. I am advised by the chairman of the Appropriations Committee that there could be a voice vote on the CCC appropriations. So, unless someone present demands a rollcall, there will be no more rollcall votes tonight. Is anybody here demanding a rollcall? There will be no more rollcall votes tonight.

Mr. MELCHER. Mr. President, as the farm bill passed, title I requires that for fiscal year 1986 through fiscal year 1990, at least 10 percent of the aggregate value of all title I sales be used for section 108 private enterprise agreements. As far as the current fiscal year is concerned, the administration should be attempting to follow that requirement. Although there are a number of title I negotiations——

Mr. HELMS. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order. Conversations among staff please remove to the Cloakrooms. Conversations in the rear of the room please go into the Cloakrooms.

The Senator from Montana.

Mr. MELCHER. Mr. President, as far as this current fiscal year is concerned, the administration should be looking to apply 108 provisions to ongoing title I negotiations. As of early in February, those negotiations were still under way in Ecuador, Indonesia, Kenya, and several other countries. So far, none of it has resulted in the utilization of at least 10 percent of the aggregate value of those title I sales being used for 108.

I know the chairman of the committee is not only knowledgeable on this subject, but he shares my concern that we have not seen some action in utilizing this provision in the 1985 act. I wonder if the chairman can advise me on how best we can approach this dilemma.

Mr. HELMS. Mr. President, first of all, let me thank the Senator for raising this question again. As he has indicated, I do indeed share his concern about it not being implemented quickly enough. As a matter of fact, as the Senator may recall, I raised this very issue with the incoming Secretary of Agriculture during his confirmation hearing yesterday. but I believe that, as the Senator obviously does, the change in the statute to require a report on program implementation, that it might be more effective for us to give the new Secretary a chance to look into the matter. I guarantee the Senator from Montana that he and I will walk arm in arm in pushing this matter.

Mr. MELCHER. I thank the chairman.

The PRESIDING OFFICER. If there is no further debate, the bill having been read the third time, the question is, Shall it pass?

So the bill (S. 2143), as amended, was passed, as follows:

S. 2143

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Food Security Improvements Act of 1986".

SEC. 2. NONPROGRAM CROPS.

(a) WHEAT.—Section 107D(c)(1) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended—

(1) in subparagraph (C), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (k))";

(2) in subparagraph (C)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such products must devote such acreage to conservation uses (except as provided in subparagraph (K).''; and

(3) by striking out subparagraph (K) and inserting in lieu thereof the following new subparagraph:

"(K)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (C) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(b) FEED GRAINS.—Section 105C(c)(1) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (I))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (I)).''; and

(3) by striking out subparagraph (I) and inserting in lieu thereof the following new subparagraph:

"(I)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased indus-

trial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclasue (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(c) COTTON.—Section 103A(c)(1) of the Agricultural Act of 1949 (as added by section 501 of the Food Security Act of (1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G)).''; and

(3) by striking out subparagraph (G) and inserting in lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(d) RICE.—Section 101A(c)(1) of the Agricultural Act of 1949 (as added by section 601 of the Food Security Act of 1985) is amended—

(1) in subparagraph (B), by striking out "or nonprogram crops" each place it appears in clauses (i) and (iv) and inserting in lieu thereof "(except as provided in subparagraph (G))";

(2) in subparagraph (B)(iii), by striking out the last sentence and inserting in lieu thereof the following new sentence: "To be eligible for payments under this clause, such producers must devote such acreage to conservation uses (except as provided in subparagraph (G)).''; and

(3) by striking out subparagraph (G) and inserting in lieu thereof the following new subparagraph:

"(G)(i) The Secretary may permit, subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) to be devoted to sweet sorghum or the production of guar, sesame, safflower, sunflower, castor beans, mustard seed, crambe, plantago ovato, flaxseed, triticale, rye, commodities for which no substantial domestic production or market exists but that could yield industrial raw material being imported, or likely to be imported, into the United States, or commodities grown for experimental purposes (including kenaf), subject to the following sentence. The Secretary may permit such acreage to be devoted to such production only if the Secretary determines that—

"(I) the production is not likely to increase the cost of the price support program and will not affect farm income adversely; and

"(II) the production is needed to provide an adequate supply of the commodity, or, in the case of commodities for which no substantial domestic production or market exists but that could yield industrial raw materials, the production is needed to encourage domestic manufacture of such raw material and could lead to increased industrial use of such raw material to the long-term benefit of United States industry.

"(ii)(I) Except as provided in subclause (II) the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of acreage otherwise required to be devoted to conservation uses as a condition of qualifying for payments under subparagraph (B) in such State to be devoted to haying and grazing.

"(II) Haying and grazing shall not be permitted for any crop under subclause (I) if the Secretary determines that haying and grazing would have an adverse economic effect.".

(e) APPLICATION.—In the case of the 1986 crops of wheat, feed grains, upland cotton, and rice, the amendments made by this section shall not apply to any producer who demonstrates to the satisfaction of the Secretary of Agriculture that the producer, before February 26, 1986, planted or contracted to plant for the 1986 crop year a portion of the permitted acreage of the producer to any agricultural commodity other than wheat, feed grains, upland cotton, extra long staple cotton, rice, or soybeans.

SEC. 3. FARM PROGRAM PAYMENT YIELDS.

(a) ESTABLISHED PRICE PAYMENTS FOR 1986 AND 1987 CROP YEARS.—Section 506(b) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) in paragraph (1), by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively; and

(3) by inserting after paragraph (1) the following new paragraph:

"(2)(A) In the case of the 1986 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 3 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 3 percent below the farm program payment yield for the 1985 crop year.

"(B) In the case of the 1987 crop year for a commodity, if the farm program payment yield for a farm is reduced more than 5 percent below the farm program payment yield for the 1985 crop year, the Secretary shall make available to producers established price payments for the commodity (in the form of commodities owned by the Commodity Credit Corporation) in such amount as the Secretary determines is necessary to provide the same total return to producers as if the farm program payment yield had not been reduced more than 5 percent below the farm program payment yield for the 1985 crop year.".

(b) FARM PROGRAM PAYMENT YIELDS FOR 1988 AND SUBSEQUENT CROP YEARS.—Section 506(c)(1) of the Agricultural Act of 1949 is amended by adding the end thereof the following new sentence: "Notwithstanding any other provision of this paragraph, for purposes of establishing a farm program payment yield for any program crop for any farm for the 1988 and subsequent crop years, the farm program payment yield for the 1986 crop year may not be reduced more than 10 percent below the farm program payment yield for the farm for the 1985 crop year.".

SEC. 4. SPECIAL ASSISTANT FOR AGRICULTURAL TRADE AND FOOD ASSISTANCE.

(a) CHANGE OF TITLE.—(1) Section 1113 of the Food Security Act of 1985 is amended—

(A) in the caption, by striking out "FOOD AID" and inserting in lieu thereof "FOOD ASSISTANCE"; and

(B) in subsection (a), by striking out "Food Aid" and inserting in lieu thereof "Food Assistance".

(2) The table of contents in section 2 of such Act is amended by striking out "Food Aid" in the item relating to section 1113 and inserting in lieu theref "Food Assistance".

(b) APPOINTMENT OF INITIAL SPECIAL ASSISTANT.—Section 1113(a) of such Act is amended by adding at the end thereof the following new sentence: "The President shall appoint the initial Special Assistant not later than May 1, 1986.".

(c) REMOVAL OF LEVEL I CLASSIFICATION.—Section 5312 of title 5, United States Code,

as amended by section 1113(d) of the Food Security Act of 1985, is amended by striking out the item relating to:

"Special Assistant for Agricultural Trade and Food Aid.".

(d) COMPENSATION FOR THE SPECIAL ASSISTANT.—Section 1113(d) of the Food Security Act of 1985 is amended to read as follows:

"(d) Compensation for the Speical Assistant shall be fixed by the President at an annual rate of basic pay of not less than the rate applicable to positions in level III of the Executive Schedule.".

SEC. 5 TARGETED EXPORT ASSISTANCE.

Section 1124 of the Food Security Act of 1985 is amended by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) For export activities authorized to be carried out by the Secretary of Agriculture or the Commodity Credit Corporation, in addition to any funds or commodities otherwise required under this Act to be used for such activities—

"(1) for each of the fiscal years ending September 30, 1986, through September 30, 1988, the Secretary shall use under this section not less then $110,000,000 of funds of, or commodities owned by, the Corporation; and

"(2) for each of the fiscal years ending September 30, 1989, and September 30, 1990, the Secretary shall use under this section not less than $325,000,000 of funds of, or commodities owned by, the Corporation.".

SEC. 6. DEVELOPMENT AND EXPANSION OF MARKETS FOR UNITED STATES AGRICULTURAL COMMODITIES.

Subsection (i) of section 1127 of the Food Security Act of 1985 is amended to read as follows:

"(i) During the period beginning October 1, 1985, and ending September 30, 1988, the Secretary shall use agricultural commodities and the products thereof referred to in subsection (a) to carry out this section, except that the value of the commodities and products may not be less than $1,000,000,000, nor more than $1,500,000,000. To the maximum extent practicable, such commodities shall be used in equal amounts during each of the years in such period.".

SEC. 7. HAY AND GRAZING ON DIVERTED WHEAT AND FEED GRAIN ACREAGE.

(a) WHEAT.—Subparagraph (C) of section 107D(f)(4) of the Agricultural Act of 1949 (as added by section 308 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of wheat; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of wheat.

"(ii) In the case of each of the 1987 through 1990 crops of wheat, grazing shall not be permitted for any crop of wheat under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

(b) FEED GRAINS.—Subparagraph (C) of section 105C(f)(4) of the Agricultural Act of 1949 (as added by section 401 of the Food Security Act of 1985) is amended to read as follows:

"(C)(i) Except as provided in clause (ii), the Secretary shall permit, at the request of the State committee established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(b)) for a State and subject to such terms and conditions as the Secretary may prescribe, all or any part of such acreage diverted from production by participating producers in such State to be devoted to—

"(I) hay and grazing during not less than 5 of the principal growing months (as established for a State by the State committee), in the case of the 1986 crop of feed grains; and

"(II) grazing, in the case of each of the 1987 through 1990 crops of feed grains.

"(ii) In the case of each of the 1987 thorugh 1990 crops of feed grains, grazing shall not be permitted for any crop of feed grains under clause (i)(II) during any 5-consecutive-month period that is established for such crop for a State by the State committee established under section 8(b) of such Act.".

SEC. 8. PROTECTION OF BASE ON NONPROGRAM CROP ACREAGE.

Section 504(b)(2) of the Agricultural Act of 1949 (as added by section 1031 of the Food Security Act of 1985) is amended—

(1) by redesignating clause (D) as clause (E); and

(2) by striking out clause (C) and inserting in lieu thereof the following new clauses:

"(C) acreage in an amount equal to the difference between the permitted acreage for a program crop and the acreage planted to the crop, if the acreage considered to be planted is devoted to conservation uses or the production of commodities permitted under section 107D(c)(1)(K), 105C(c)(1)(I), 103A(c)(1)(G), or 101A(c)(1)(G), as the case may be;

"(D) in the case of each of the 1986 through 1989 crop years, acreage in an amount equal to not to exceed 50 percent of the permitted acreage for a program crop for each of the 1986 and 1987 crop years, 35 percent of the permitted acreage for the 1988 crop year, and 20 percent of the permitted acreage for the 1989 crop year, if—

"(i) the acreage considered to be planted is planted to a crop, other than a program crop, peanuts, soybeans, extra long staple cotton, or commodities specified in clause (C);

"(ii) the producers on the farm plant for harvest to the program crop at least 50 percent of the permitted acreage for such crop; and

"(iii) payments are not received by producers under 107D(c)(1)(C), 105C(c)(1)(B), 103A(c)(1)(B), or 101A(c)(1)(B), as the case may be; and".

SEC. 9. MARKETWIDE SERVICE PAYMENTS.

(a) HEARING.—Not later than 90 days after receipt of a proposal to amend a milk marketing order in accordance with section 8c(5)(J) of the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 608c(5)(J)) (as added by section 133 of the Food Security Act of 1985), the Secretary of Agriculture shall conduct a hearing on the proposal.

(b) IMPLEMENTATION.—Not later than 120 days after a hearing is conducted under subsection (a), the Secretary shall implement, in accordance with the Agricultural Adjustment Act, a marketwide service payment program under section 8c(5)(J) of such Act that meets the requirements of such Act.

SECTION 10. INCREASED MILK ASSESSMENTS TO MEET DEFICIT REDUCTION REQUIREMENTS.

Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by section 101(a) of the Food Security Act of 1985 (Public Law 99-198) is amended—

(1) in subparagraph (B), by striking out "The" and inserting in lieu thereof "Except as provided in subparagraph (E), the"; and

(2) by adding at the end thereof the following new subparagraph:

"(E)(i) In lieu of any reductions in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, required under the order issued by the President on February 1, 1986, under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), the Secretary shall increase the amount of the reduction required under subparagraph (A) during the period beginning April 1, 1986, and ending September 30, 1986, as the sole means of meeting any reductions required under the order in payments made by the Secretary for the purchase of milk and the products of milk under this subsection.

"(ii) The aggregate amount of any increased reduction under clause (i) shall be equal, to the extent practicable, to the aggregate amount of the reduction that would otherwise be required under the order referred to in clause (i) in payments made by the Secretary for the purchase of milk and the products of milk under this subsection during the period beginning March 1, 1986, and ending September 30, 1986, except that the amount of any increased reduction under clause (i) may not exceed 12 cents per hundredweight of milk marketed.".

SEC. 11. RESEARCH ON EXTERNAL COMBUSTION ENGINES.

Section 4(m) of the Commodity Credit Corporation Charter Act is amended by adding at the end thereof a new sentence as follows: "Notwithstanding any other provision of this Act, the Corporation may, in the exercise of its power to remove and dispose of surplus agricultural commodities, export, or cause to be exported, not to exceed such amounts of commodities owned by the Corporation as will enable the Corporation to finance research and development of external combustion engines using fuel other than that derived from petroleum and petroleum products. The total value of commodities exported annually for the purposes of the research authorized by the preceding sentence may not exceed $30,000,000.".

SEC. 12. QUALITY CONTROL STUDIES UNDER THE FOOD STAMP PROGRAM.

Section 1538 of the Food Security Act of 1985 is amended—

(1) in subsection (a)(3), by striking out "of enactment of this Act" and inserting in lieu thereof "the Secretary and the National Academy of Sciences enter into the contract required under paragraph (2)";

(2) in subsection (c)(1), by striking out "18 months after the date of enactment of this Act" and inserting in lieu thereof "6 months after the date on which the results of both studies required under subsection (a)(3) have been reported"; and

(3) in subsection (c)(2), by striking out "2 years after the date of enactment of this Act" and inserting in lieu thereof "6 months

after the date on which the results of both studies required under subsection (a)(3) have been reported,".

SEC. 13. ADVANCE RECOURSE LOANS.

(a) It is the sense of the Congress that the Secretary of Agriculture shall carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program shall provide for the following:

(1) Advance recourse loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1986 crop of that commodity, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes (as determined by the Secretary) in the community in or near which the applicant resides. A producer who has received a commitment or been furnished sufficient credit or a loan for production of the 1986 crop of a commodity shall not be eligible for an advance recourse loan to finance the production of that commodity for such crop year.

(2) Advance recourse loans shall be made available to producers of a commodity at the applicable nonrecourse loan rate for the commodity (as determined by the Secretary). Within the limits set out in paragraphs (5) and (7), advance recourse loans shall be available—

(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-half of the farm program yield for the commodity multiplied by the farm program acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary;

(B) to producers of tobacco and peanuts who are on a farm for which a marketing quota or poundage quota has been established on an amount of the commodity equal to one-half of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and

(C) to producers of other commodities on an amount of the commodity equal to one-half of the farm yield for the commodity multiplied by the farm acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary.

(3) An advance recourse loan under section 424 shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under section 424 shall specify the date on which the loan is to come due.

(4)(A) The Secretary shall establish procedures, when practicable, under which a producer, simultaneously with repayment of his recourse loan, may obtain a nonrecourse loan on his crop (as otherwise provided for in the Agricultural Act of 1949 in an amount sufficient to repay his recourse loan.

(B) In cases in which nonrecourse loans under such Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay a recourse loan at the same time the producer receives advances or other payment from the producer's disposition of his crop.

(5) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1986 crop that are incurred or are outstanding on or after the date of enactment of this section.

(6) To obtain an advance recourse loan, the producer on a farm must—

(A) provide as security for the loan a first lien on the crop covered by the loan or provide such other security as may be available to the producer and determined by the Secretary to be adequate to protect the Government's interests; and

(B) obtain multiperil crop insurance, if available, to protect the crop that serves as security for the loan.

If a producer does not have multiperil crop insurance and is located in a county in which the signup period for multiperil crop insurance has expired, the producer shall be required to obtain other crop insurance, if available.

(7) The total amount in advance recourses loans that may be made to a producer under section 424 may not exceed $50,000.

(8) An advance recourse loan may be made available only to a producer who agrees to comply with such other terms and conditions determined appropriate by the Secretary and consistent with the provisions of section 424.

(b) The Secretary shall carry out the program provided for under section 424 through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Service and the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h (b)) to make determinations of eligibility with respect to the credit test under subsection (a)(1), and determinations as to the sufficiency of security under subsection (a)(6). The Secretary may use such committees for such other purposes as the Secretary determines appropriate in carrying out section 424.

(c) It is further the sense of Congress that the Secretary of Agriculture shall issue or, as appropriate, amend regulations to implement the program provided for under section 424 as soon as practicable, but not later than 15 days after the date of enactment of this Act. Loans and other assistance provided under such program shall be made available beginning on the date such regulations are issued or amended.

SEC. 14. TRANSFER OF AGRICULTURAL PRODUCTS STORED IN WAREHOUSES.

Section 17 of the United States Warehouse Act (7 U.S.C. 259) is amended—

(1) by striking out "That" and inserting in lieu thereof "(a) Except as provided in subsection (b),"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding any other provision of this Act, if a warehouseman because of a temporary shortage lacks sufficient space to store the Agricultural products of all depositors in a licensed warehouse, the warehouseman may, in accordance with regulations issued by the Secretary of Agriculture and subject to such terms and conditions as the Secretary may prescribe, transfer stored agricultural products for which receipts have been issued out of such warehouse to another licensed warehouse for continued storage.

"(2) The warehouseman of a licensed warehouse to which agricultural products have been transferred under paragraph (1) shall deliver to the rightful owner of such products, on request, at the licensed warehouse where first deposited, such products in the amount, and of the kind, quality, and grade, called for by the receipts or other evidence of storage of such owner.".

SEC. 15. PLAN FOR THE USE OF AFRICA FAMINE RELIEF.

Title II of the Act of April 4, 1985, entitled "An Act making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes", Public Law 99-10, is amended by striking out "the Administrator" and all that follows through "Africa." and inserting in lieu thereof the following: "the President certifies that the use of such funds is essential to famine relief in Africa. The Administrator of the Agency for International Development shall prepare and submit to Congress before April 15, 1986, a plan specifying how such additional funds for African famine relief would be used. The plan shall ensure, among other things, that the funds from the reserve, if utilized, shall be available to cover all costs for inland transportation of food only as are necessary for its timely delivery.".

SEC. 16. ESTIMATION OF COMMODITY CREDIT CORPORATION UNCOMMITTED STOCK.

Section 416(b)(10)(B) of the Agricultural Act of 1949 is amended—

(1) by inserting before the period at the end of the second sentence the following: "or, in the case of fiscal year 1986, prior to March 31, 1986"; and

(2) by inserting before the period at the end of the third sentence the following: "or, in the case of fiscal year 1986, March 31, 1986".

Mr. HELMS. Mr. President, I move to reconsider the vote by which the bill was passed.

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

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, I wish to thank the distinguished chairman of the committee, Senator HELMS, and the distinguished ranking member, Senator ZORINSKY, for their efforts. I thank all Senators, as I said earlier, for their cooperation. This is an important piece of legislation. It is important to farmers and producers. I think it will be very helpful in giving the House some leverage to pass the bill very quickly. I would like to take this opportunity, in closing, to particularly commend the efforts of three Senators who have shown real leadership on this legislation. In managing the dairy assessment section, I want to thank the distinguished Senator from Wisconsin, Senator KASTEN, for his tireless efforts on behalf of dairy farmers in his State. Without his constant efforts to redress the Gramm-Rudman requirements which went into effect this month, farmers in Wisconsin and other States would be faced with much larger reductions in their milk checks. Senator KASTEN deserves great credit for keeping this issue squarely before the Senate during the past 2 months.

The distinguished Senator from South Dakota, Senator ABDNOR, was the first to appreciate the inequity in the formula for establishing program payment yields in the farm bill. The provision in this package to limit the

impact of this formula on farmers' income was patterned after the bill which Senator ABDNOR introduced over a month ago. While we could not find enough savings in other programs to offset the cost of freezing yields for 2 years, as Senator ABDNOR proposed, we were able to convince the administration to limit the adjustment in producer return to the equivalent of a 3-percent adjustment in 1986 and a 5-percent reduction in 1987. Senator ABDNOR's concern to protect his farmers' incomes during the current difficult period for U.S. agriculture has been a great service to all American farmers.

Finally, Mr. President, I would like to express my appreciation to the distinguished Senator from Idaho, Senator SYMMS, for leading the charge to correct the so-called underplanting provision for nonprogram crops. Senator SYMMS was instrumental in working out the compromise in this bill that prevents the use of program crop acreage to produce most nonprogram crops, including all fruits and vegetables. He made clear that, if program crop farmers want to grow nonprogram crops, they should in no way receive Federal subsidies to gain an unfair competitive advantage. Senator SYMMS' insistence on this point made clear to his colleagues that it was not so much a question of whether we would change this provision as when and how. With his leadership, we found both answers today.

Thank you, Mr. President.

Mr. HELMS. I thank the majority leader.

URGENT SUPPLEMENTAL APPROPRIATION FOR THE DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

Mr. COCHRAN. Mr. President, I ask the Chair to lay before the Senate House Joint Resolution 534, making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 534) making an urgent supplemental appropriation for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

There being no objection, the Senate proceeded to consider the joint resolution, which had been reported from the Committee on Appropriations, with an amendment:

On page 2, line 10, strike "Provided", through and including line 16.

So as to make the joint resolution read:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of Agriculture for the fiscal year ending September 30, 1986, and for other purposes; namely:

DEPARTMENT OF AGRICULTURE

COMMODITY CREDIT CORPORATION

For the operations of the Commodity Credit Corporation, not to exceed $5,000,000,000 for capital restoration, to enable the Corporation to use the authority authorized by the Charter of the Corporation and other laws to carry out programs handled by the Corporation: *Provided,* That Corporation programs shall retain the goal of sufficient production to meet domestic needs, maintain the supply line, and provide for our share of exports at competitive prices.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the committee amendment to House Joint Resolution 534 be considered and agreed to.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the committee amendment was agreed to, and I move to lay that on the table.

The motion to lay on the table was agreed to.

THE COMMODITY CREDIT SUPPLEMENTAL EMERGENCY SUPPLEMENTAL

Mr. COCHRAN. Mr. President, the resolution before you today is a supplemental in the amount of $5 billion for the restoration of capital to the Commodity Credit Corporation [CCC]. As you will recall, on February 6, we approved an emergency supplemental in the amount of $1,492,875,000. It was pointed out at that time that that amount of money would allow the corporation to continue to carry out the farm programs through the end of February. As of this afternoon today—March 5, 1986—the CCC ran out of money and all ASCS offices have been advised to stop issuing checks for commodity loans, additional deficiency payments, and other obligations.

The CCC is a $25 billion corporation that carries out all of the farm programs as specified in various agricultural laws. The $5.0 billion provided in this resolution, plus the $1.493 billion provided early in February, will carry the corporation into the summer. However, based on the most recent estimates of the U.S. Department of Agriculture, another $2.4 billion will be needed to carry the corporation through the entire fiscal year. Were it not important to keep this resolution as clean as possible because of the time constraints, I would propose an amendment to increase the recommended $5.0 to $7.4 billion so that we would not be confronted with yet another CCC supplemental sometime before the end of this fiscal year.

Mr. President, the Appropriations Committee met yesterday, Tuesday afternoon, and made one change in the resolution as passed by the House. The House-passed resolution contained a provision which placed a limitation on the use of Commodity Credit Corporation funds. This proviso would have prevented funds from being drawn from the CCC, unless first approved in appropriations acts, to make payments for the Conservation Reserve Program and to allow the Federal Crop Insurance Corporation to borrow money to pay claims of farmers. This was to have been effective with the start of fiscal year 1987. The committee struck this proviso.

Last year, when the Congress was debating the farm bill, a great deal of consideration was given to the Conservation Reserve Program and the best way to fund it in order to achieve the greatest benefits from the program. It was felt that if the program were funded through the CCC for fiscal years 1986 and 1987, greater participation in the program would occur, and thus, more acreage would be taken out of production. But, beginning in 1988, this program would be operated as other programs and would be subject to an annual appropriation.

With regard to the Federal Crop Insurance Program, you will recall last summer when we were having difficulty getting supplementals approved, the corporation was forced to discontinue paying insurance claims because it did not have sufficient capital stock to pay claims of farmers who suffered losses due to severe weather conditions. This problem is always exacerbated by the fact that in most cases, the losses must be paid to farmers before their premium payments are due.

Because of the concern that existed in committee and here in the Senate, this proviso was removed from the resolution.

Mr. President, passage of this supplemental resolution is most crucial for putting the new farm bill into effect. On Monday, March 3, issuance of 1986 crop advance cash deficiency payments was to have begun, and sign up for wheat and feed-grain programs begins today. Without the funds provided in this supplemental, the CCC will not be able to proceed with these activities. Therefore, I urge my colleagues to support this resolution, and I ask for its immediate adoption.

COMMUNITY BLOCK GRANT AND URBAN DEVELOPMENT ACTION GRANT DEFERRALS

Mr. LAUTENBERG. Mr. President, I have an amendment which I had intended to offer to this resolution House Joint Resolution 534, to provide $5 billion in supplemental funds to the Commodity Credit Corporation. My amendment would overturn two deferrals affecting vital urban development programs. Deferral D86-48 freezes $500 million or 16 percent of fiscal

1986 community development block grant [CDBG] funds. Deferral D86-49 impounds all remaining balances—$251 million—for the Urban Development Action Grants [UDAG] Program.

The administration's budget would terminate UDAG and rescind the unobligated funds for fiscal year 1986 despite the program's proven efffectiveness as an important instrument of urban policy. The budget would also severely cripple the CDBG Program. It would cut CDBG funding by $1 billion in fiscal 1987 and would defer $500 million of the $3.1 billion provided in fiscal year 1986 to 1987. The effect would be to provide a level of $2.1 billion in both fiscal years.

Mr. President, we cut the CDBG program by 11 percent last year. Just this past Saturday, March 1, another 4.3 percent sequester was imposed reducing available funding by another $134 million. Under the plan recommended in the budget, the program would be further reduced by one-third in fiscal year 1987, but the cut would be distributed between the current year and the next.

The CDBG Program plays a critical role in financing essential services and urgent community development needs in local communities all across the country. Local officials have built CDBG funding into their financial plans. Cutting available funds by another one-third in the next 2 years will have an extremely disruptive impact. Many communities simply will not be able to adapt to such a massive change in the availability of CDBG funds.

I think it is critical, Mr. President, that the Congress act as quickly as possible to overturn these deferrals. Delay will compound the problems facing our cities and communities as they try to adjust to the new realities of increasing demands and fewer Federal resources.

Mr. President, earlier this year I introduced legislation to overturn both of these deferrals. S. 2067 addresses the CDBG deferral and S. 2075 would overturn the UDAG deferral. This urgent supplemental for the Commodity Credit Corporation is the first available vehicle for action on these bills. However, it is my understanding that the managers of the bill believe it is necessary to move it without amendment. I wonder if they could explain why?

Mr. COCHRAN. I will be happy to explain the situation. This is really an emergency supplemental. The Commodity Credit Corporation has to all intents and purposes exhausted its resources. Payments have, in fact, been suspended as of this afternoon, March 5.

The sign-up day for participation in a variety of commodity programs authorized in the new farm bill we passed during the last session is tomorrow March 6. Under these programs farmers are slated to receive 40 percent of anticipated deficency payments in advance. If the CCC lacks any funds to make these payments, many farmers will not be able to put in their spring crops and the farm program will come to a standstill. So it is absolutely essential that we move this supplemental as quickly as possible.

I can, of course, understand the Senator's desire to move as fast as possible on his amendments to overturn these deferrals. But to do so on this resolution would have disastrous consequences for our farm programs. I appreciate his willingness to cooperate, and want him to know that I will work with him to help find a suitable vehicle in the future.

Mr. LAUTENBERG. I see that the distinguished chairman of the HUD-Independent Agencies Appropriation Subcommittee is on the floor. I wonder if he could give me some idea of when the next opportunity would be for me to move my bills overturnng these deferrals. I would hope that the committee could address this issue within the very near future.

Mr. GARN. Let me say that I can fully understand the Senator's desire to get action on his deferral legislation. We have a lot of hard choices to make over the next several months and we need to come address the issues facing us as promptly as possible. It is my understanding that within the next few weeks the House Appropriations Committee is planning to mark up a rescission/deferral bill; it may contain some supplementals as well. I, of course, do not know what the exact timetable will be at this point. But let me assure my colleague that it would be my expectation that our committee would take this measure up soon after the House completes action on it. At that time, I would be happy to work with the Senator to assure him an opportunity to pursue his amendments overturning these deferrals.

DEFERRAL OF COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS AND THE CCC SUPPLEMENTAL APPROPRIATION RESOLUTION

Mr. GORTON. Mr. President, during the last few days more information has come to light on the effects of the administration's deferral of $500 million in 1986 community development block grant [CDBG] funds. I believe that this body must act with all haste to overturn the deferral action.

We are faced with a question of basic fairness. It is simply unjust to withdraw $500 million in spending authority from our local and State governments when it is done after the start of their program years. It is wrong to ask our cities and towns to magically produce alternative sources of funding for homeless assistance and elderly programs without giving them the time to plan for Federal cuts. Community planners have told me that it is too late in the year for them to meet the shortfall created by the deferral through donations from private foundations and private contributions.

Obtaining additional funds through increases in local taxes also would take a great deal of time. Compounding the problem is the fact that some private charities require relief agencies to produce matching funds in order to be qualified for a grant. City planners tell me that many relief agencies have relied on Federal funds as the source of the required match.

A single road is left open to our local and State governments—an immediate cut in those services that assist our most needy citizens. The problems the city of Seattle foresees resulting from the deferral are representative of what will be felt by local governments throughout our Nation.

Seattle's 1986 CDBG funds will be cut by $2 million under the administration's deferral. Seattle received notification of this cut on the third of January—after the start of its 1986 program year. In order to absorb this unanticipated loss of funds, Seattle will have to change the commitments it made with local relief agencies and service providers throughout the city.

The number of bednights available to homeless citizens in Seattle will be reduced by 13,000. City planners estimate that over 30,000 meals for low-income elderly people, children, and families will be lost. Approximatley 2,000 weeks of child care services for parents who are in training programs and low-income jobs will not be provided.

Undoubtedly some of these parents will have to return to welfare rolls in order to take care of their children. On 6,300 occasions in 1986, low-income elderly people and children will have to look someplace other than Seattle's heath care centers for their health needs.

Of course, the impact of the deferral is not limited to Seattle. States, counties, cities and towns throughout the country are finding their planning efforts to meet basic community services in disarray due to the unanticipated loss of CDBG funds.

Mr. President, CDBG activities often are planned over an extended period of time. We must not unduly throw the planning processes of our local governments into chaos and undermine the programs they have established to serve the least fortunate among us. In the interest of fairness, this body must address this deferral quickly.

Mr. HATFIELD. Mr. President, I understand the concerns expressed by my colleague from Washington State. I am afraid, however, that an amendment to resolve the CDBG issue on

this supplemental appropriation resolution could very well affect the livelihoods of another segment of our society—American farmers. Without this legislation, the Commodity Credit Corporation will be unable to meet the mandate that Congress placed on it in the recently passed farm bill. The Corporation will be unable to make crop deficiency payments, and farmers will be unable to obtain the loans they need to begin work on this year's crops.

Should an amendment on the CDBG deferral be attached to this bill, we may not be able to enact this legislation as quickly as is necessary to enable millions of farmers to plan their activities. If this resolution is loaded down with amendments, we may never get it through Congress.

I would urge the Senator from Washington to withhold his amendment for a future supplemental measure. It appears that a general supplemental appropriation bill will come over from the House of Representatives within the next 30 days. This bill could be used to handle emergency conditions such as the CDBG item.

Mr. GORTON. I thank the Senator from Oregon for his comments. Because of the potential problems that might be placed on our Nation's farmers should this body fail to pass a timely supplemental appropriation for the Commodity Credit Corporation, I will withhold my amendment at this time. I can assure my colleagues, however, that I will continue to work to overturn the 1986 CDBG deferral.

Mr. MOYNIHAN. Mr. President, I would like to thank my colleague from Washington, for his leadership in bringing this matter to the floor of the Senate. Senator GORTON raises an important point, and one that I think needs to be examined—it is a question of fairness.

While we would do well to encourage our State and local governments to work toward greater independence, it is patently unfair to expect them to solve their multiple problems entirely on their own. By slashing Federal assistance under the CDBG Program, together with the termination of UDAG funding and the proposed rescission of general revenue sharing funds, implies the Federal Government is pulling the rug out from under our mayors, county executives, and town supervisors. The CDBG Program is one of several economic tools used by local governments that have helped rebuild America's cities. I strongly oppose the weakening of a Federal commitment to these important programs, for that reason I have joined my colleague Senator GORTON in strongly disapproving the administration's deferral request.

I appreciate Senator HATFIELD's point that delaying the CCC supplemental bill, House Joint Resolution 534, would cause undue hardship for farmers participating in price and income support and supply management programs administered by the Commodity Credit Corporation. However, this does not diminish our strong opposition to any deferral of CDBG funds. I am pleased that the chairman has agreed to take up the CDBG deferral issue at the earliest possible opportunity, and I remain hopeful that the matter will be favorably resolved.

Mr. DOMENICI. Mr. President, the Senate now has before it House Joint Resolution 534 which provides $5 billion to the Commodity Credit Corporation as a reimbursement for net realized losses. This is the second CCC supplemental to come before the Senate within a month, and I urge my colleagues to adopt this resolution as reported by the Appropriations Committee.

Mr. President, I support House Joint Resolution 534. The resolution now before us does not increase the aggregate budget totals pursuant to section 311 of the Congressional Budget Act nor does it affect the Appropriations Committee's allocation under section 302. As I explained during consideration of the first CCC supplemental, the CCC has statutory authority to borrow from the Treasury up to a limit of $25 billion outstanding at any one time, and authority to enter into contracts up to any amount. These two sources of funds are permanently available to the CCC under substantive law without the need for any Appropriations Committee action, and the amounts utilized constitute budget authority for the CCC.

Because the CCC has permanent authority under law to enter into commitments, the budget authority and outlays assumed for the CCC in the budget resolution are crosswalked under section 302 to the Senate Agriculture, Nutrition, and Forestry Committee for this purpose.

When the administration requests a "reimbursement for net realized losses" for the CCC it is to free up borrowing authority to cover CCC commitments while reducing the amount of contract authority the CCC have to use. An appropriation such as the one before us simply adjusts the mix between the borrowing authority and contract authority within the existing budget authority total available to the CCC.

For that reason, Mr. President, we do not score an appropriation to reimburse the CCC for net realized losses as increasing the total budget authority level available to the CCC. Only the mix of funds within the total changes. Of course, outlays are unaffected as well, and no point of order would lie against the consideration of House Joint Resolution 534 under section 311 of the Budget Act. Since the budget authority and outlays available to the CCC do not change, and they are crosswalked to the authorizing committee, the enactment of House Joint Resolution 534 has no effect of the crosswalk to the Senate Appropriations Committee under section 302.

Mr. President, I urge the adoption of House Joint Resolution 534 without amendment.

Mr. ROTH. Mr. President, we face the threat of a very serious avian influenza crisis which could have catastrophic consequences for the Delmarva peninsula poultry industry. This issue is of the highest importance to me and the Delaware agriculture industry. The local producers have been working hard to prevent an outbreak, in fact they have instituted a voluntary quarantine and 200,000 birds have been depopulated. We must initiate a control and eradication effort immediately and Federal expertise supported by adequate funding is absolutely necessary. Although technical assistance has been provided, no Federal funds have been made available for this purpose. Until the Federal Government realizes its responsibilities in this area, the risks we face may be catastrophic. I do not think we can take this risk.

Mr. SPECTER. Mr. President, I want to address myself to the chairman of the Agriculture Subcommittee, the Senator from Mississippi. While we hope that the current outbreak of avian influenza will be controlled, there are no assurances that the disease outbreak in Pennsylvania and other northeastern States is over.

At the February 5, 1986, hearing on avian influenza before the Senate Appropriations Subcommittee on Agriculture, testimony from poultry farmers, State secretaries of agriculture and USDA all affirmed the need to act quickly in the event that this disease outbreak escalates. To date, State governments and the poultry industry have conducted and paid for the necessary bird depopulations where the disease has been found or suspected. However, if this disease continues to spread or changes from a low pathogen to high pathogen strain, it will be absolutely critical that USDA be able to quickly step in and indemnify producers for bird depopulation.

Mr. President, based on OMB's refusal to allow Commodity Credit Corporation [CCC] funds to be used to pay indemnities to the Florida citrus growers for the destruction of trees with citrus canker, it is unlikely that OMB will approve the quick release of CCC funds to carry out a bird depopulation program should the need arise. At the outset of the 1983-84 outbreak, bird depopulation costs were estimated at approximately $4 million. Delays by OMB precluded a timely depopulation response and resulted in a $50 million depopulation program in Pennsylvania alone.

To provide USDA with the ability to respond quickly to meet any avian influenza disease resurgence, it is critical that a contingency fund be included with the next supplemental budget request for the Commodity Credit Corporation. It is my understanding that the other body recognizes the need to deal with this problem and is willing to address it in the next CCC supplemental. The poultry growers of Pennsylvania cannot afford another repeat of the 1983-84 outbreak.

While I support the efforts of Senators HAWKINS and CHILES in obtaining funding for their citrus canker problem, I also feel strongly that we must establish a contingency fund to deal with other unexpected animal and plant health emergencies, which may occur between now and September 30. When this supplemental funding request is received, will the establishment of a contingency fund to deal with avian influenza and other emergency disease outbreaks be considered?

Mr. COCHRAN. Mr. President, I am aware of the seriousness of the avian influenza outbreak in the Northeast and the need to act quickly to contain this disease. I can assure you that we will be happy to work with you in an effort to resolve this problem to your satisfaction.

(By request of Mr. BYRD, the following statement was ordered to be printed in the RECORD:)

● Mr. BURDICK. Mr. President, less than 4 weeks ago, we passed a supplemental for the CCC, and here we are again. The CCC will be out of money very soon, if it is not already, so we need to provide some more funding.

Signup for the 1986 farm program begins tomorrow. We've told farmers that they can have 40 percent of their deficiency payments in advance in order to help them put in their crops. Yet, we do not even know if the CCC has the money to give these farmers those payments. So the farmers are getting the short end of the stick. They are at the mercy of Congress. We promise them something, but we take our sweet time about whether we are going to give it to them.

When we passed the last supplemental for CCC on February 6, I said then and I will say it now: It is highly irresponsible of Congress not to provide this money in a timely manner and to inflict on the farmer this incomprehensible and frustrating experience.

Let me emphasize again that we are not busting the budget here. The farm bill that we passed last year dictates the amount of money we spend on our farm programs. This appropriation merely reimburses the CCC for its net realized losses. The money has already been spent and accounted for in the budget process. We are merely reimbursing the CCC for the money they had to borrow in order to carry out the farm program.

Mr. President, the $5 billion we are considering today will keep the CCC active at least until the end of June and possibly into August. It is difficult to predict because we do not know how good the crop will be, what emergencies may arise, or what further changes may be made in the farm bill.

Mr. President, I hope this appropriation will be passed forthwith, and that there will be no attempts to delay its adoption. I urge my colleagues to support it.●

Mr. COCHRAN. Mr. President, I urge adoption of the joint resolution.

The PRESIDING OFFICER. The joint resolution is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendment and third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read a third time.

The joint resolution (H.J. Res. 534), as amended, was read the third time, and passed.

Mr. COCHRAN. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer (Mr. PRESSLER) appointed Mr. COCHRAN, Mr. MCCLURE, Mr. ANDREWS, Mr. ABDNOR, Mr. KASTEN, Mr. MATTINGLY, Mr. SPECTER, Mr. HATFIELD, Mr. BURDICK, Mr. STENNIS, Mr. CHILES, Mr. SASSER, Mr. BUMPERS, and Mr. HARKIN conferees on the part of the Senate.

MESSAGES FROM THE HOUSE

At 2:44 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3168. An act to require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of Federal funds, and for other purposes; and

H.R. 3614. An act to restrict the use of Government vehicles for transportation of officers and employees of the Federal Government between their residences and places of employment, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 3168. An act to require the Director of the Office of Management and Budget to prepare an annual report consolidating the available data on the geographic distribution of Federal funds, and for other purposes; to the Committee on Governmental Affairs.

MEASURE HELD AT THE DESK

The following bill was held at the desk pursuant to the order of March 4, 1986:

H.R. 3614. An act to restrict the use of Government vehicles for transportation of officers and employees of the Federal Government between their residences and places of employment, and for other purposes.

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-2605. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Export Administration Act of 1979, as amended, to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Banking, Housing, and Urban Affairs.

EC-2606. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Atlantic Tuna Convention Act of 1975 to authorize appropriations for fiscal years 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

EC-2607. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Deep Seabed Hard Mineral Resources act, as amended, to authorize appropriations to carry out the provisions of the act for fiscal years 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

EC-2608. A communication from the Secretary of Commerce, transmitting a draft of proposed legislation to amend the Weather Modification Reporting Act of 1971, as amended, to authorize appropriations to carry out the provisions of the act for fiscal years 1987 and 1988; to the Committee on Commerce, Science, and Transportation.

EC-2609. A communication from the general counsel of the Department of Energy, transmitting a draft of proposed legislation to authorize appropriations to the Department of Energy for civilian energy programs for fiscal year 1987 and fiscal year 1988, and for other purposes; to the Committee on Energy and Natural Resources.

EC-2610. A communication from the chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, the quarterly report on the number of full-time permanent employees hired and promoted between October 1 and December 31, 1985; to the Committee on Environment and Public Works.

EC-2611. A communication from the Secretary of State, transmitting, pursuant to law, a report on progress toward implementing an Office of Inspector General in the Department of State; to the Committee on Foreign Relations.

EC-2612. A communication from the Under Secretary of State (Management), transmitting, pursuant to law, a report on the desirability and feasibility of a lateral entry program for businessmen, farmers, and other occupations into the Foreign

Services; to the Committee on Foreign Relations.

EC-2613. A communication from the chairman of the Council of the District of Columbia, transmitting, pursuant to law, notice of referendum and resubmission of D.C. Act 6-104 for congressional review; to the Committee on Governmental Affairs.

EC-2614. A communication from the acting chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1985; the Committee on the Judiciary.

EC-2615. A communication from the acting president of the Inter-American Foundation, transmitting, pursuant to law, the annual report of the foundation under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2616. A communication from the Director of the Office of Legislative and Public Affairs, National Science Foundation, transmitting, pursuant to law, the annual report of the foundation under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2617. A communication from the Director of the Administrative Office of the U.S. Court, transmitting a draft of proposed legislation to provide an appropriate retirement system for fixed term judicial officers; to the Committee on the Judiciary.

EC-2618. A communication from the Secretary to the Railroad Retirement Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2619. A communication from the Acting Assistant Secretary of State (Legislative and Intergovernmental Affairs), transmitting, pursuant to law, the annual report of the Department under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2620. A communication from the Vice President for Government Affairs of the National Railroad Passenger Corporation, transmitting, pursuant to law, the annual report of the Corporation under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2621. A communication from the Acting Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the annual report of NASA under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2622. A communication from the Secretary to the Railroad Retirement Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2623. A communication from the Freedom of Information Officer, Environmental Protection Agency, transmitting, pursuant to law, the annual report of the Agency under the Freedom of Information Act for calendar year 1985; to the Committee on the Judiciary.

EC-2624. A communication from a member of the Federal Council on the Arts and Humanities, transmitting, pursuant to law, the annual report on the Arts and Artifacts Indemnity Program for fiscal year 1985; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 98. A bill for the relief of Cirilo Raagas Costa and Wilma Raagas Costa (Rept. No. 99-243).

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment and an amendment to the title:

S. 129. A bill for the relief of Therese Nyuwir Poupele Kpoda (Rept. No. 99-244).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 197. A bill for the relief of Elga Bouilliant-Linet (Rept. No. 99-245).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 257. A bill for the relief of William Vojislav Rankovic, Stanislaw Rankovic, husband and wife; and William Rankovic, Junior, and Natalie Rankovic, their children (Rept. No. 99-246).

By Mr. THURMOND, from the Committee on the Judiciary, without amendment:

S. 290. A bill for the relief of Catherine and Robert Fossez (Rept. No. 99-247).

S. 331. A bill for the relief of Panivong Norindr and Panisouk Norindr (Rept. No. 99-248).

S. 332. A bill for the relief of Ramzi Sallomy and Marine Sallomy (Rept. No. 99-249).

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment:

S. 343. A bill for the relief of Hyong Cha Kim Kay (Rept. No. 99-250).

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 345. A bill for the relief of Nabil Yaldo (Rept. No. 99-251).

By Mr. THURMOND, from the Committee on the Judiciary, with an amendment:

S. 381. A bill for the relief of Mishleen Earle (Rept. No. 99-252).

S. 462. A bill for the relief of Barbara Crisp, Sean Anthony Crisp, and Andrea Leech (Rept. No. 99-253).

S. 832. A bill for the relief of Bassam S. Belmany (Rept. No. 99-254).

S. 1046. A bill for the relief of Kok Djen Su and Grace Su, husband and wife (Rept. No. 99-255).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. HELMS, from the Committee on Agriculture, Nutrition, and Forestry:

Richard E. Lyng, of Virginia, to be Secretary of Agriculture.

(The above nomination was reported from the Committee on Agriculture, Nutrition, and Forestry with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committtee of the Senate.)

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. STEVENS:

S. 2138. A bill to establish a National Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LUGAR (by request):

S. 2139. A bill to provide economic support for the Agreement Between the Government of Ireland and the Government of the United Kingdom, and for other purposes; to the Committee on Foreign Relations.

By Mr. DODD:

S. 2140. A bill to amend the Truth in Lending Act to require certain disclosures at the time of the initial application; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CRANSTON (for himself, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, and Mr. ROCKEFELLER):

S. 2141. A bill to prohibit the Administrator of Veterans' Affairs from carrying out certain proposed real estate transactions; to the Committee on Veterans Affairs.

By Mr. TRIBLE:

S. 2142. A bill to assure the proper budgetary treatment of credit transactions of Federal agencies and to reduce the Federal budget deficit; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 8, 1977.

By Mr. HELMS (for Mr. DOLE (for himself, Mrs. KASSEBAUM, Mr. ABDNOR, Mr. SYMMS, and Mr. KASTEN)):

S. 2143. A bill to make certain improvements to amendments made by the Food Security Act of 1985, and for other purposes; read the first time.

By Mr. NICKLES (for himself, Mr. ABDNOR, Mr. GRASSLEY, Mr. BOREN, and Mr. ANDREWS):

S. 2144. A bill to amend the Farm Credit Act of 1971 to provide credit assistance to certain borrowers of loans by institutions of the Farm Credit System, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. McCLURE:

S.J. Res. 288. Joint resolution to designate the month of May 1986, as "National Birds of Prey Month"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. STEVENS:

S. 2138. A bill to establish a National Fisheries Marketing Council to enable the United States fishing industry to establish a coordinated program of research, education, and promotion to expand markets for fisheries products, and for other purposes; to the Committee on Commerce, Science, and Transportation.

NATIONAL FISHERIES MARKETING AND PROMOTION ACT

● Mr. STEVENS. Mr. President, today I am introducing a bill to create a National Seafood Marketing Council. The Council would be established to conduct marketing research, consumer education, and promotion programs for U.S. fish products. This effort will

be funded exclusively by fees collected from foreign fishing operations in our 200-mile waters. Foreign fishing that has occurred, to a large extent, at the expense of the U.S. fishing industry. The legislation I'm introducing is similar to the seafood marketing bill I introduced in 1983, and which passed the Senate during the close of the 98th Congress.

Congressional establishment of marketing councils for food commodities is not uncommon. Agricultural products have long benefited from such marketing boards. Even foreign market development has been an important application for advertising of agricultural products. Congress has also authorized specific promotion programs to support marketing of individual food commodities. From the Egg Research and Consumer Information Act, for example, came the slogan "the incredible, edible egg" in promotion of its product. For fish, however, there exist no such marketing mechanism.

Like other food commodities, seafood needs effective marketing. With some exceptions, the fishing industry in the United States is made up of many small and independent companies who have found it nearly impossible to promote their product on a nationwide scale. There have been several State and regional efforts to market fish products, most notably the Alaska Seafood Marketing Institute in my State. These have been productive; however, small groups operating independently of each other have not been able to influence consumer purchasing patterns on a national scale. A national council to market seafood generically is necessary to assure that seafood is effectively promoted.

It is not a secret that seafood products do not make up a large part of the overall food consumption of most Americans. In the category of animal proteins, fish is a distant third behind red meats and poultry. There is obviously room, as well as obvious benefits, from increased consumption of fish products.

Many of us have known for years of the health attributes of eating fish. Increasingly, food nutrition research is documenting this fact. The New England Journal of Medicine published three articles in May 1985 reporting the special benefits to human health that is derived from the consumption of fish. The articles indicate that eating seafood significantly reduces the chances of coronary heart disease. Other researchers report that a diet rich in fish also seems to be important to good vision and brain function, particularly in the early stages of human development. Moreover, studies show intake of fish promotes changes in white blood cells that help guard against diseases. Other doctors hypothesize that even the risks of developing some cancers may be reduced by eating seafood. Education programs to inform present and potential consumers of seafood's nutritional value are valid public health roles for the Federal Government.

Mr. President, this legislation is critical for our Nation's fishing industry. Complete development of the processing sector will take aggressive marketing of nontraditional species of fish. Under the Magnuson Fishery Conservation and Management Act, the United States has jurisdiction over 15 to 20 percent of the world's fishery resources. Since passage of the Magnuson Act in 1976, domestic fishermen have greatly increased their harvest from our 200-mile waters. Despite this remarkable growth, the United States still faces a tremendous challenge to fully utilize our fishery resources. Foreign fleets, primarily Japanese and Korean, caught more than 1 million metric tons of fish in United States waters during 1985. Moreover, excluding halibut, over 90 percent of the domestic harvest of groundfish in the North Pacific was delivered to foreign floating processors.

Full domestic utilization of our fishery resources would mean an additional economic contribution of several billion dollars annually to our country and would lower the overall trade deficit. American processors are still struggling to break into these nontraditional fisheries, largely because of uncertain markets. Foreign markets, for example the large Japanese market, are often closed to United States processed products because of unconscionable trade barriers. Expanding exports, as well as increasing fish consumption at home, will be an important function of the National Seafood Marketing Council.

Recently our colleagues in the House passed legislation authorizing industry establishment of regional seafood marketing councils. The House is to be congratulated for their diligent work on this issue. My bill offers a different approach. I am looking forward to holding hearings to explore both proposals and, after reviewing all options, working on a complete package to better promote American seafood.

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

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

S. 2138

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 Fisheries Marketing and Promotion Act of 1986".

FINDINGS

SEC. 2. The Congress finds that—

(1) the commercial fishing industry of the United States significantly contributes to the national economy, and could make a greater contribution if fish resources within the United States Exclusive Economic Zone were more fully utilized;

(2) the commercial fisheries of the United States provide significant employment in coastal areas and in processing and distribution centers;

(3) fish contribute an important nutritional component to the American diet;

(4) due to the small and independent nature of the fishing industry and the regional diversification of harvesting and production, no one entity in the fishing industry is capable of securing the level of effort necessary to provide an effective generic marketing program for fish;

(5) Federally supported development programs for commercial fisheries are unable to meet present and future marketing needs;

(6) many fish species are underutilized by the United States fishing industry because of underdeveloped markets; and

(7) the United States fishing industry has the potential to expand greatly its contribution to interstate and foreign commerce, favorably affecting the balance of trade.

PURPOSE

SEC. 3. The purpose of this Act is to—

(1) strengthen the competitive position of the United States commercial fishing industry in the domestic and international marketplace;

(2) encourage the development and utilization of all species of fish available for harvest by the United States fishing industry;

(3) encourage the utilization of domestically-produced fish through enhancement of markets, promotion, and public relations;

(4) help the United States fishing industry develop methods to improve quality and efficiency in the marketplace;

(5) educate and inform consumers on the use of fish;

(6) develop better coordination of fisheries marketing and promotion activities with commercial fisheries research and development programs; and

(7) educate and inform the public about the nutritional value of fish in the diet.

DEFINITIONS

SEC. 4. As used in this Act, the term—

(1) "Administrator" means the Administrator of the National Oceanic and Atmospheric Administration;

(2) "Council" means the National Fisheries Marketing Council established in section 5 of this Act;

(3) "consumer education" means actions undertaken to inform consumers on matters related to the consumption of fish;

(4) "fish" means finfish, mollusks, crustaceans, and all other forms of marine and freshwater animal life used for human consumption, and products derived therefrom;

(5) "Fund" means the Fisheries Marketing Fund established in section 9 of this Act;

(6) "harvester" means any individual who is in the business of catching fish for purposes of sale;

(7) "importer" means any person who imports fish into the United States from another country for commercial purposes;

(8) "marketer" means any individual who is in the business of selling fish in wholesale, retail, or restaurant trade, but whose primary business function is not the processing or packaging of fish in preparation for sale;

(9) "marketing and promotion" means an activity aimed at encouraging the consumption of fish or expanding or maintaining commercial markets for fish;

(10) "member" means any person serving on the Council;

(11) "person" means any individual, group of individuals, partnership, corporation, association, cooperative, or any private entity organized or existing under the laws of the United States or any State, commonwealth, territory or possession of the United States;

(12) "processor" means any individual who is in the business of receiving or otherwise acquiring fish from a harvester, and of preparing or packaging such fish (including fish of the processor's own harvesting) for sale;

(13) "receiver" means any person who acquires fish for sale directly from a harvester;

(14) "researcher" means research activities related to the marketing of fish; and

(15) "United States" means the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands and any other territory, possession, or commonwealth of the United States.

ESTABLISHMENT OF THE NATIONAL FISHERIES MARKETING COUNCIL

SEC. 5. (a) There is established the National Fisheries Marketing Council.

(b)(1) The Council shall be composed of the Administrator (or the Administrator's designee), who shall be a nonvoting member, and fifteen voting members appointed by the Administrator.

(2) Nominations for appointees shall be submitted in a manner prescribed by the Administrator.

(c) The Council shall be comprised of regional representation from the Northeast, Southeast, Pacific, and Alaska regions. The Northeast region shall consist of the States of Maine, New Hampshire, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, Pennsylvania, Maryland and Virginia. The Southeast region shall consist of the States of North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana and Texas, the Commonwealth of Puerto Rico, and the territory of the Virgin Islands. The Pacific region shall consist of the States of Idaho, Washington, Oregon, California, and Hawaii, the territories of Guam and American Samoa, and the Commonwealth of the Northern Mariana Islands. The Alaska region shall consist of the State of Alaska.

(d)(1) The voting members of the Council shall be—

(A) three members who reside in or do substantial fishing industry business in the Northeast region;

(B) three members who reside in or do substantial fishing industry business in the Southeast region;

(C) three members who reside in or do substantial fishing industry business in the Pacific region;

(D) three members who reside in or do substantial fishing industry business in the Alaska region;

(E) one member-at-large from an organized labor union, with demonstrated expertise in the United States fishing industry; and

(F) one member-at-large with demonstrated expertise in fresh-water and inland commercial fisheries.

(2) Of the members appointed pursuant to each of paragraphs (1) (A) through (D) of this subsection, one shall be a harvester, one shall be a processor, and one shall be a marketer.

(e) Members of the Council shall be appointed for a term of 5 years. A vacancy in the Council shall not affect its ability to function. The Administrator shall appoint a new member within sixty days to fill a vacancy in an unexpired term. Any member may remain on the Council beyond that member's term until a successor is appointed.

(f) The Council shall annually elect a Chairman by a majority of those voting, if a quorum is present. Eleven members of the Council shall constitute a quorum, but a lesser number may hold hearings.

(g) The Council shall first meet within one hundred and eighty days after the date of enactment of this Act.

(h) Members of the Council shall serve without compensation, but shall be reimbursed in accordance with section 5703 of title 5, United States Code, for reasonable travel costs and expenses incurred in performing their duties as members of the Council.

FUNCTIONS AND DUTIES OF THE COUNCIL

SEC. 6. (a) The Council shall—

(1) prepare and submit to the Administrator, for the Administrator's review and approval, an annual marketing and promotion plan which contains descriptions of consumer education, research, and other marketing and promotion activities of the Council for the following year;

(2) prepare and submit to the Administrator, for the Administrator's review and approval, an annual budget of the anticipated expenses and disbursements of the Council, including probable costs of consumer education, research, and other marketing and promotion plans or projects;

(3) maintain accounting records of the receipt and disbursement of all funds entrusted to the Council;

(4) maintain such books and records as the Administrator determines appropriate; and

(5) prepare and submit to the Administrator from time to time such reports or proposals as the Administrator or the Council determines appropriate for furthering the purposes and policies of this Act.

(b) Each annual marketing and promotion plan shall be directed to—

(1) increasing the general demand for fish;

(2) encouraging, expanding, or improving the marketing and promotion and utilization of fish; and

(3) improving the dissemination of data collected by consumer education, research, and other marketing and promotion activities.

(c) Consumer education and other marketing and promotion activities of the Council shall contain no reference to a private brand or trade name and shall avoid use of deceptive acts or practices in behalf of fish or with respect to the quality, value, or use of any competing product or group of products.

(d) The Council may employ and determine the salary of an executive director, but such salary shall not exceed Senior Executive Service Level 6. The executive director shall have demonstrated expertise in the marketing and promotion of food products and may, without regard to the provisions of title 5, United States Code, with the approval of the Council, select and employ additional staff as necessary.

(e) The Council may enter into agreements to develop and carry out activities authorized under this Act.

DUTIES OF THE ADMINISTRATOR

SEC. 7. (a) The Administrator shall—

(1) review and approve the annual marketing and promotion plan and budget within sixty days after submission by the Council;

(2) administer the Fund and withdraw from the Fund such sums as are necessary to carry out the Council's approved marketing and promotion plan and budget;

(3) promulgate regulations necessary to carry out the purposes and policies of this Act;

(4) provide such administrative assistance as the Council may require for purposes of its initial organization and operation; and

(5) make all appointments to the Council within ninety days after the date of enactment of this Act.

VOLUNTARY PAYMENTS

SEC. 8. Any person may make voluntary payments to assist the Council to carry out its annual marketing and promotion plan and annual budget. The Administrator shall deposit such payments into the Fund.

ESTABLISHMENT OF MARKETING FUND

SEC. 9. (a) There is established in the Treasury of the United States a Fisheries Marketing Fund. The Fund shall be available to the Administrator and the Council for the purpose of making payments to carry out the annual marketing and promotion plan and annual budget of the Council under this Act.

(b) There shall be deposited in the Fund—

(1) subject to appropriations, from the fisheries loan fund established in section 4(c) of the Fish and Wildlife Act of 1956 (16 U.S.C. 742c(c))—

(A) $10,000,000 for fiscal year 1986;

(B) $5,000,000 for fiscal year 1987;

(C) $5,000,000 for fiscal year 1988; and

(D) $5,000,000 for fiscal year 1989;

(2) payments made voluntarily pursuant to section 8 of this Act; and

(3) revenues received from investments made under subsection (c) of this section.

(c) Sums in the Fund that are not currently needed for the purposes of the Fund shall be kept on deposit in appropriate interest-bearing accounts that shall be established by the Secretary of the Treasury, or invested in obligations of, or guaranteed by, the United States. Any revenue accruing from such deposits and investments shall be deposited in the Fund.

(d) Sums in the Fund shall be expended without further appropriations and without fiscal year limitations.

REPORT

SEC. 10. The Administrator shall, not later than March 1, 1989, submit to the Congress a report on the effectiveness of the implementation of this Act in achieving the purposes of this Act.●

By Mr. LUGAR (by request):

S. 2139. A bill to provide economic support for the Agreement Between the Government of Ireland and the Government of the United Kingdom, and for other purposes; to the Committee on Foreign Relations.

NORTHERN IRELAND AND IRELAND ASSISTANCE ACT

● Mr. LUGAR. Mr. President, by request, I introduce for appropriate reference a bill to provide economic support for the Agreement Between the Government of Ireland and the Government of the United Kingdom, and for other purposes.

This proposed legislation has been requested by the President and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point, together with a section-by-section analysis of the bill and the Message from the President to the Congress dated March 4, 1986.

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

S. 2139

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

SHORT TITLE

SECTION 1. This Act may be cited as the "Northern Ireland and Ireland Assistance Act of 1986".

STATEMENT OF PURPOSE

SEC. 2. The Congress finds that the Agreement Between the Government of Ireland and the Government of the United Kingdom dated November 15, 1985, is a clear demonstration of British and Irish determination to make progress concerning the complex situation in Northern Ireland. The Congress strongly supports the Agreement reached by these two governments and is particularly encouraged that these two neighbors, faithful friends of the United States of America, have joined together to rebuild a land that has too often been the scene of economic and human misery. In recognition of our ties of kinship, history, and commitment to democratic values, the Congress believes that the United States should participate in this renewed commitment to social and economic progress in Northern Ireland and affected areas of the Republic of Ireland. To that end, the Congress finds that through the end of fiscal year 1990, $250,000,000 of development and economic resources and authority available under the Foreign Assistance Act of 1961 should be used to provide support to carry out the purposes of the Agreement, which will be implemented through the Intergovernmental Conference of the Anglo-Irish Intergovernmental Council and other appropriate agencies.

PROVISION OF ASSISTANCE

SEC. 3. (a) In addition to other authorities contained in the Foreign Assistance Act of 1961 or any other Act, the following authorities may be used to provide support and assistance to carry out the purposes of section 2 of this Act:

(1) Section 108 of the Foreign Assistance Act of 1961 (regarding the Private Sector Revolving Fund);

(2) Section 221 through 223 of the Foreign Assistance Act of 1961 (regarding the Housing Guaranty Program);

(3) Title IV of Chapter 2 of Part I of the Foreign Assistance Act of 1961 (regarding the Overseas Private Investment Corporation) without regard to the limitation contained in clause (2) of section 231 of that Act; and

(4) Section 661 of the Foreign Assistance Act of 1961 (regarding the Trade and Development Program).

(b) Assistance made available to carry out the purposes of this Act may be provided, for the purpose of implementing this Act, notwithstanding any other provision of law.

SEC. 4. In addition to amounts otherwise authorized to be appropriated for the fiscal year 1987 to carry out the provisions of chapter 4 of part II of the Foreign Assistance Act of 1961, there are authorized to be appropriated $20,000,000 to carry out such provisions with respect to Northern Ireland and affected areas in the Republic of Ireland.

SECTION-BY-SECTION ANALYSES

The bill, the "Northern Ireland and Ireland Assistance Act of 1986", expresses Congressional support for the agreement reached by the Government of the United Kingdom and the Government of Ireland on November 15, 1985, which provides the promise of peace for the people of the area and commits those governments to a program to promote the economic development of Northern Ireland and affected areas of the Republic of Ireland. Section 2 of the bill sets forth a finding by the Congress that there should be a five-year program of economic assistance in support of that commitment, and that $250,000,000 of development and economic assistance resources and authority should be used for this purpose.

Section 3 authorizes use of AID's Private Sector Revolving Fund, the Housing Guaranty Program, activities of the Overseas Private Investment Corporation, and the Trade and Development Program as programs that could be used to provide economic assistance to Northern Ireland and Ireland. Economic aid appropriations and Export-Import Bank support for U.S. export sales to this area are also contemplated to meet this commitment. The actual amounts made available through each of the programs during the five year period will depend on future authorized levels of activity for each program and the number, size, and types of projects that are generated. Section 3(b) permits assistance authorized to carry out this Act to be used notwithstanding any other provision of law. This is not intended to affect the total amount of resources or credit authority available for the programs from which assistance will be provided.

In addition to these programs, Development and Economic Support Fund (ESF) assistance may also be provided. An additional $20 million of previously authorized Economic Support Fund assistance will be requested as a supplemental appropriation for FY 1986. Section 4 authorizes the appropriation of $20 million of ESF funds for FY 1987.

To the Congress of the United States:

I transmit herewith for the consideration of the Congress proposed legislation, entitled the "Northern Ireland and Ireland Assistance Act of 1986," to provide support of the United States to the Anglo-Irish Agreement on Northern Ireland.

This legislative proposal calls for a five-year program of $250,000,000 that would be taken from a number of existing economic programs including Housing Guarantees and the Private Sector Revolving Fund, which are administered by the Agency for International Development, the investment insurance program of the Overseas Private Investment Corporaton, and the Trade and Development Program.

In addition, the authorization of $20 million for the Economic Support Fund for 1987 is proposed, which will be within the total amount for that fund currently requested in the 1987 Budget. This would provide a cash contribution to an international economic development fund for Northern Ireland and the Republic of Ireland under the auspices of the Anglo-Irish Intergovernmental Council. A supplemental appropriation request for 1986 for an initial contribution to this Anglo-Irish fund is concurrently being transmitted to the Congress.

I urge the Congress to act without delay on this important legislation. I am confident our efforts, together with those of the Governments of the United Kingdom and Ireland, will help to promote economic and social development in Ireland, thereby constructing a durable framework that would provide a promise of peace for the people of Northern Ireland.

RONALD REAGAN,
THE WHITE HOUSE, *March 4, 1986.*●

By Mr. DODD:

S. 2140. A bill to amend the Truth in Lending Act to require certain disclosures at the time of initial application; to the Committee on Banking, Housing, and Urban Affairs.

CERTAIN DISCLOSURES ON SOLICITATION OF CREDIT CARDS

● Mr. DODD. Mr. President, today I am introducing legislation that would require credit card issuers to disclose the relevant terms and conditions for use of their cards in all solicitations to consumers.

Today, the only thing you need to own in order to receive a constant flood of solicitations for credit cards is a mailbox. Weekly, millions of Americans receive tempting offers of preapproved lines of credit. Unfortunately, too often the solicitations do not tell the consumer what the real costs of the card will be. Sometimes the letter will tell you what the annual fee or the annual percentage rate [APR] on unpaid balances will be. Sometimes the letter will tell you how long you have to pay off the balance in order to avoid a finance charge and sometimes they will even tell you the basis for calculating the finance charge. But almost never will they tell you all this information. And, by law, they don't have to—until they actually send you the card.

Obviously the key time for the consumer to have this information is when the card company is soliciting his or her application. The bill I am introducing today would assure that the card issuers make this information—the APR, any annual fee or transaction charge, the length of any grace period, and the method for calculating the balance on which the finance charge is computed—available to the consumer in intelligible language at the time of solicitation.

The bill reflects perhaps the one area of consensus that came out of the January 28 hearing of the Banking Committee's Financial Institutions

and Consumer Affairs Subcommittee. The hearing was held in response to an apparent lack of price competition in credit card interest rates. The subcommittee was considering two bills, S. 1603, introduced by Senator HAWKINS, and S. 1922, introduced by Senator D'AMATO, both of which would impose an indexed Federal interest rate ceiling on credit cards.

The hearing demonstrated that this is a complicated matter. On the one hand, bank profits are higher on credit cards than they are on any other form of loans. On the other hand, bank profits on credit cards over the past 10 years are lower than they are on other loans. Similarly, the five largest bank providers of credit cards have an interest rate cluster that would make the most accurate rifleman proud, but the sixth largest just reduced its rate by 2 percent, or some 10 percent. Moreover, a number of smaller banks are offering rates as low as 10.5 percent.

Unfortunately, even the apparent increase in price competition is not totally beneficial to the consumer, absent further information. For example, the bank that has a 10.5 percent APR has a $36 annual fee. Furthermore, some of the banks with low APR's have no grace periods, so the person who regularly pays off the balance within 30 days would be better off with a card that had a higher interest rate but a 30-day grace period.

In sum, the one thing that is abundantly clear in this area is that consumers lack adequate information to make informed purchases of credit cards. Absent such information, the marketplace cannot operate efficiently and competitively. I believe that the recent newspaper articles have helped spur some price competition and I believe that enactment of my bill will further enhance such competition.

Mr. President, I urge prompt action on this legislation and ask 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. 2140

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end thereof the following:

"(c) A card issuer shall clearly and conspicuously disclose either on initial applications for a credit card or on materials accompanying those applications—

"(1) the annual percentage rate applicable to extensions of credit by means of that credit card or, in the case of an extension of credit subject to a variable rate, the means for determining that rate;

"(2) any annual or other fee imposed for the issuance or use of that credit card;

"(3) the date by which or the period (if any) within which payment must be made to avoid additional finance charges, except that the creditor may, at his election and without disclosure, impose no such additional finance charge if payment is received after such date or the termination of such period; and

"(4) a statement of how the balance on which the finance charge is computed is determined.

The Board shall monitor disclosures under this subsection to assure that they are clear, conspicuous, and accurate.".●

By Mr. CRANSTON (for himself, Mr. MATSUNAGA, Mr. DECONCINI, Mr. MITCHELL, and Mr. ROCKEFELLER):

S. 2141. A bill to prohibit the Administrator of Veterans' Affairs from carrying out certain proposed real estate transactions; to the Committee on Veterans' Affairs.

PROHIBITING PROPOSED EXCESSING OF VA PROPERTY IN SOUTHERN CALIFORNIA

Mr. CRANSTON. Mr. President, as the ranking minority member of the Committee on Veterans' Affairs, I am today introducing, for myself and the Senators from Hawaii [Mr. MATSUNAGA], Arizona [Mr. DECONCINI], Maine [Mr. MITCHELL], and West Virginia [Mr. ROCKEFELLER], all of whom also serve on the Veterans' Affairs Committee, S. 2141, a measure to prohibit the Veterans' Administration from declaring as excess several parcels of land at VA medical centers in southern California and thereby permitting the property to be disposed of by the General Services Administration [GSA] under Government-wide disposal guidelines.

On February 5, the VA's acting Administrator, Everett Alvarez, in accordance with the provisions of section 5022(a)(2) of title 38, United States Code, advised the Committees on Veterans' Affairs of the Senate and of the House, of the VA's intention "to declare as excess to the needs of the Veterans' Administration certain land and improvements at the VA Medical Center, West Los Angeles, approximately 109 acres, and the VA Medical Center, Sepulveda, approximately 46 acres." The VA noted that GSA estimates that $360 million in revenues will be generated by the disposal of this acreage and this amount is reflected as savings in the President's fiscal year 1987 budget.

Under the provisions of section 5022(a)(2) of title 38, VA land cannot be transferred during the 180-day period following notice to the Veterans' Affairs Committees of the plan to dispose of it. Since notice was given regarding these properties on February 5, the land may be declared excess on August 4 unless Congress has by then enacted legislation prohibiting the excessing.

That is the purpose of the legislation I am introducing today.

Mr. President, the proposal for the excessing and disposal of this VA property is a bad idea for several reasons.

First, it is a phoney budget reduction as to fiscal year 1987. Even if the Government's title to the property were free and clear—which, as I will explain, it is not—and the GSA were free to bring disposal processes now, experience demonstrates that it would take at least 2 to 3 years for the Government to consumate a sale of the property.

Second, however, as I noted, the land cannot be declared excess to the VA's needs before August 4 and the Government's title to the portions of the land in question at the VAMC in West Los Angeles is not free and clear. According to the VA's General Counsel, the Government's title to the West Los Angeles land has a cloud on it that will depress the market price greatly unless and until it is removed. Litigation to clear up the Government's title could take years since the heirs—apparently more than 150 of them—of the donors of the land have publicly stated their opposition to a sale.

Much of the land at the West Los Angeles VAMC was deeded in 1888 to the National Home for Disabled Volunteer Soldiers—a predecessor of the VA—on the express written condition that it be used for a branch of the home. The VA General Counsel rendered an opinion on December 30, 1985, concluding that, despite the deed condition, the land may be legally disposed of. However, he noted that sufficient uncertainty exists regarding the effect of the deed condition as to make it extremely difficult to market the land, especially since the heirs of the grantors have made it known that they are prepared to sue to try to get the land back if the VA sells it. Thus, he recommended that the Attorney General be requested to file suit to obtain a judicial declaration removing any cloud from the VA's title to the land. In either case, the ensuing litigation could drag on in the courts for years.

Third, Mr. President, it is my understanding that the VA believes it needs the land and OMB is forcing the VA to give it up to be sold off. The GSA survey on which the proposed excessing is based was completed more than 3 years ago, yet was made available to the VA only in January of this year when the proposed excessing was forced on the VA by OMB in connection with negotiations surrounding the agency's fiscal year 1987 budget. Indeed, at the February 6 House Veterans' Affairs Committee's hearing on the VA's fiscal year 1987 budget, Acting VA Administrator Alvarez indicated that he agreed with that committee's chairman's statements in opposition to the excessing of these lands.

The land gives the VA latitude for possible expansion in the future. In the case of the West Los Angeles VAMC, the land could be used for the expansion of the adjacent national cemetery, which is closed to new burials, and the relocation onto VA land of the VA's regional office thereby avoiding the rent—about $4 million per year—the VA Los Angeles regional office, located in the nearby Federal Building pays to GSA. In the cases of both VAMC's, the land also provides a necessary buffer zone between the medical facilities and surrounding communities. In addition, it may be possible to devise a plan under which the land could be temporarily used for other purposes, with the VA developing leasing or sharing plans for such temporary use, retaining title, and collecting revenues.

Fourth, Mr. President, is the opposition in the community to the excessing and sale of the property. The neighbors, quite properly, strongly oppose the congestion and disruption from the resulting construction and development. All the major veterans organizations have expressed opposition to the proposal.

Fifth, there are a number of factors—in addition to the problems with the deed—that, at the present time, could prevent the property from being sold at a fair market price and thereby prevent the Government from realizing maximum proceeds from any disposition of the property. These include a current moratorium on new access cuts into Wilshire Boulevard in West Los Angeles which would necessarily restrict the use of the land by a developer. In addition, on one of the parcels of land in West Los Angeles, several structures—including one built in 1906—could conceivably be designated as historic buildings, thus impeding new development and effective use of the property. In the case of the land at Supulveda, there are existing leases with city and civic organizations that encumber the land.

Sixth, Mr. President, I believe strongly that not all land, especially not all land in already high density areas in and around residential neighborhoods, should be developed. The lands in question constitute important open spaces and buffer areas for the communities involved.

Finally, Mr. President, I note my very strong contention that, if any sales were to occur, the proceeds should be used for the benefit of veterans, not the U.S. Treasury, especially in the case of the West Los Angeles land which was deeded to the VA's predecessor agency expressly for the use of veterans.

Mr. President, I realize that this issue may appear to be solely a California issue and that some Senators may be tempted to dismiss it as a local matter. However, it is far from that. OMB is not following the law here. In 1983, Congress expressly changed the law as to VA land so that the Administrator, not GSA or OMB, would have the final word in determining whether land is no longer needed by the Veterans' Administration in carrying out its functions. In this case, OMB has substituted its judgment for the head of the VA's.

Major national veterans' organization—the American Legion, the Disabled American Veterans, and the Paralyzed Veterans of America—have spoken out in opposition to the Administration's proposal. On the House side, the chairman of the House Committee on Veterans' Affairs—Mr. MONTGOMERY—together with the chairman of that Committee's Subcommittee on Health and Hospitals—Mr. EDGAR—have introduced legislation, H.R. 4204, to accomplish the same objective as my bill. Neither of these gentleman represent California.

The OMB-forced proposal to excess this property—at the expense of our Nation's veterans—solely to achieve an artificial budget reduction is shortsighted and ill-advised. For the VA or any Federal agency to be required—against its better judgment—to dispose of valuable resources is simply wrong.

Mr. President, at this time, I ask unanimous consent that the text of my measure be printed in the RECORD at this point, together with the VA General Counsel's December 30, 1985, opinion.

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

S. 2141

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Administrator of Veterans' Affairs may not declare as excess to the needs of the Veterans' Administration, or otherwise take any action to dispose of, the land and improvements at the Veterans' Administration Medical Center, West Los Angeles, California (consisting of approximately 109 acres), and at the Veterans' Administration Medical Center, Sepulveda, California (consisting of approximately 46 acres), described in letters dated February 5, 1986 (and enclosed maps), from the Administrator to the Committees on Veterans' Affairs of the Senate and of the House of Representatives pursuant to section 5022(a)(2) of title 38, United States Code.

TITLE TO LAND OCCUPIED BY WADSWORTH VAMC

1. We have been asked for an opinion on the ability of the United States to dispose of all or part of the land now occupied by the Wadsworth VA Medical Center, Los Angeles, California.

2. The land in question, which consists of approximately 300 acres, was conveyed to the National Home for Disabled Volunteer Soldiers (NHDVS) on March 3, 1888, by John P. Jones and Arcadia B. deBaker. The deed recites that Jones and deBaker granted the land "in consideration that . . . (NHDVS) should locate, establish, construct and permanently maintain a branch of said National Home for Disabled Volunteer Soldiers . . . ." The habendum clause further states that NHDVS shall have and hold such land forever "for the purpose of such branch Home . . . to be thereon so located . . . and permanently maintained." The VA is the successor to NHDVS. (*See*: 38 U.S.C. § 5013).

3. The law of real property generally recognizes that land may be conveyed on the condition that a certain use either will or will not be made of such land. Depending upon how the conveyance was expressed, the grantor (and his heirs) may retain a future reversionary interest in the land in the event the condition is broken. California law generally recognizes such reversionary interests. *See:* 30 Cal. Jur., Estates, §§ 37-41.

4. The proper construction of the Jones-deBaker deed has been the subject of much discussion during the past approximately 20 years. In 1967 this office concluded that, in view of the language contained in the Jones-deBaker deed, the United States could not transfer the land in question "without danger to the Government's interests." On February 5, 1968, in response to an inquiry from VA, the Assistant Attorney General advised VA that "title to the subject land was vested in the United States in fee simple . . . . Therefore, it would appear that no title obstacle would preclude the Veterans Administration from disposing of the reservation, in whole or in part . . . ." More recently, in 1982, an attorney in VA's Los Angeles office prepared a draft opinion concluding that the questioned language in the Jones-deBaker deed was merely a personal covenant which did not create any future interest in the grantors or their heirs.

5. We have recently reviewed the Jones-deBaker deed and attempted to survey the law of California as may be relevant to this matter. We believe the answer is far from clear. First, we note that the 1968 opinion by the Department of Justice does not discuss the specific language in the deed or applicable California law. Rather, it simply concludes that the United States has fee simple title. This conclusion is of little help, since under California law a grantee of an estate on condition subsequent takes the entire estate of the grantor. Unless the grantee breaches the condition, he is in the same position as an owner in fee simple absolute. *Shultz v. Baers,* 245 P.2d 334 (Cal. Dist. Ct. App. 1952).

6. Under California law, no particular form of expression is required to create an estate on condition subsequent. Rather, "apt and appropriate language" clearly showing the intent of the parties is all that is required. *Shultz,* 30 Cal. Jur., Estates, § 39. Courts construing such deeds, however, should, whenever reasonably possible, interpret restrictive language in a deed as a covenant rather than a condition subsequent, as forfeitures are not favored in law. *Savanna School District of Orange Co. v. McLeod,* 290 P.2d 593 (Cal. Dist. Ct. App. 1955).

7. Thus, while we believe a case can be made for the position that the Government is free to dispose of the Wadsworth property, the interpretation that the courts will place on the Jones-deBaker deed is far from certain. We understand that the heirs of Jones and deBaker have retained legal counsel, and are prepared to litigate any disposition of the property which appears contrary to the intent of the original grant.

8. At this point, practical considerations are more relevant than legal technicalities. The language in the Jones-deBaker deed

could no doubt raise questions in the mind of an attorney examining title on behalf of a prospective purchaser of the Wadsworth site. A seller of real property has a duty to disclose adverse claims known to him. Thus the Government would have to disclose the claim by the Jones-deBaker heirs to any prospective purchaser. Accordingly, anyone interested in this land would quickly realize he was, in effect, purchasing a lawsuit. This would make the sale of this land almost impossible until the claims of the heirs were resolved. Such resolution would likely take several years. Although it may be possible for the Government to quitclaim the property to a speculator who was willing to assume the risk of any claim by the heirs, such sale would be at a fraction of the fair market value of the land.

9. The Attorney General of the United States is empowered to institute action in Federal District Court, if requested to do so by the President, to attempt to extinguish any adverse claims to land previously deeded to NHDVS. 38 U.S.C. § 5013. If it is determined to be in the best interests of the United States to dispose of part of the Wadsworth site, action should be initiated to have the White House request the Department of Justice to file suit to quiet the claims of the Jones-deBaker heirs. Depending upon the court calendar, and how far the heirs or the Government wish to appeal any adverse rulings, final resolution will no doubt take several years, unless the heirs are willing to accept a settlement.

10. We would further note that prior to any report of excess to GSA, the Administrator must report to the Congressional Committees on Veterans' Affairs any land transaction, including excessing, which involves property with an estimated value exceeding $50,000. 38 U.S.C. § 5022(a)(2)(A) & (B). Under this statute, VA may not enter into any such transaction until after the expiration of 180 days from the date the report is submitted to the Congress.

11. Accordingly, it is the opinion of this office that the questioned language in the Jones-deBaker deed is a covenant rather than a condition subsequent, and that the Government is free to dispose of the land. Notwithstanding our belief, however, enough uncertainty remains over the proper construction of the deed as to make marketing this land extremely difficult. Moreover, any attempted disposition would likely result in litigation. We therefore believe that, if a decision is made to declare this property surplus, the Attorney General should be requested to file suit under 38 U.S.C. § 5013 to quiet title to this property. Appropriate notice should also be given to the Congress under 38 U.S.C.§ 5022.

By Mr. TRIBLE:

S. 2142. A bill to assure the proper budgetary treatment of credit transactions of Federal agencies and to reduce the Federal budget deficit; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

LOAN ACCOUNTING REFORM AND DEFICIT REDUCTION ACT

Mr. TRIBLE. Mr. President, each year the Federal Government lends huge sums of money to selected borrowers. In 1985, for example, our Government made $53 billion in new loans. Projections by the Office of Management and Budget suggest that new Federal direct loans will average $37 billion per year over the next 3 years.

Federal direct loans are usually subsidized loans, conveying payments from taxpayers to assisted borrowers. These subsidies may be given through below-market interest rates, deferred or forgiven loan repayments, or through other noncommercial terms and conditions such as waiver or reduction of loan fees.

Given the huge sums involved, Congress and the American people need to know how much money is being spent in this way.

Unfortunately, Congress presently has no idea of the subsidies conveyed, and the costs incurred, when new loans are made. Yet these subsidies are substantial: OMB estimates that $9.8 billion in subsidies were distributed by new Federal loans during 1985, and that $9.2 billion will be given away this year.

Congress' stunning ignorance about loan program subsidies and costs makes it impossible for Congress to evaluate individual loan programs, to compare the tradeoff loan programs against other Federal expenditures, or to determine overall budget and loan policy in a rational manner.

Today, along with Representative BILL GRADISON in the House, I am introducing legislation to reform budget accounting for new direct Federal loans through loan sales. Our bill will provide Congress with the information it desperately needs concerning the true cost of such activities, and will bring those costs into the Federal budget. And because the current budget net lending overstates the true cost of new loans, selling loans and substituting an accurate cost measure will also reduce the budget deficit by up to $67.4 billion over the next 5 years.

To reform budget accounting for new loans in order to identify their true subsidy cost, and to reduce the Federal budget deficit, new loans made in the future would immediately be sold, without a Federal guarantee, to the high bidder in a competitive auction. The amount raised by selling a loan would be subtracted from the amount lent, and the difference—an objective measure of the subsidy cost of the loan—would be included in the Federal, and agency budgets.

Selling loans to identify subsidies was suggested by the Congressional Budget Office in its 1984 study, "New Approaches to the Budgetary Treatment of Federal Credit Assistance."

If our bill is adopted, Congress and the public will know, for the first time, what Federal loans truly cost. As a result, Congress will be better able to evaluate individual loan programs; to compare loans with other Federal spending programs, and to set overall budget and loan policy in a more intelligent way. In addition, because loan costs will be accurately reflected in the budget when loans are made, Congress will have a powerful incentive to use the cost information provided—an incentive it now lacks. The Federal deficit will be reduced immediately by loan sales, and pressure will be created to restrain long-term loan program giveaways.

"NET LENDING": THE NEED TO REFORM BUDGET CONCEPTS

Our bill would replace the current budget concept of "net lending"—which gives an inaccurate and misleading measure of the cost of new loans—with an accurate and informative measure of the subsidy cost of new lending. Correcting the current budget distortion would also reduce the budget deficit.

Present budget accounting uses a concept called "net lending" to portray Federal loan activity. As its calculation makes clear, "net lending" does not—and cannot—accurately portray the cost of new loans.

For an individual loan program, "net lending" is calculated as follows:

Net lending equals outlays for new loans made this year plus outlays to honor past guarantees on loans defaulted this year minus repayments of past loans minus receipts from sales of old or new loans.

To illustrate the calculation of "net lending," suppose a Federal agency makes new loans of $5 billion, pays $1 billion to honor prior guarantees on loans defaulted this year, receives $1 billion in repayments of old loans, and sells $1 billion in old loan assets. Its "net lending" would be $4 billion (=5+1−1−1), and this figure is the net outlay which would be shown in the agency's budget and in the agency's accounts in the Federal budget.

Since at least two of the four components of "net lending" refer to past credit activities, it is obvious that "net lending" cannot and does not measure the cost of new loans extended in the current year.

Using "net lending" as a budget measure is extremely misleading: It can make high cost programs look cheap, and make low cost programs seem expensive.

For example, a loan program with a large volume of new, heavily subsidized loans will appear inexpensive if its "net leading" figure is reduced by large repayments of earlier loans. Similarly, a new loan program with a moderate volume of unsubsidized loans can appear more expensive than it is, simply because there is are no offsetting repayments of earlier loans to reduce its "net lending" figure.

Thus, as a matter of budget principle, the concept of "net landing" should be rejected because it does not accurately reflect the cost of new Federal loan activity.

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LOAN SALES AND THE TRUE COST OF FEDERAL LOANS

To understand the accounting reform we are proposing, its is necessary to understand first what the true cost of a subsidized loan is, and, second, how loan sales can reveal that cost.

The cost of a subsidized loan is the amount lent minus the present value of expected future loan repayments. This difference is the loan's subsidy or cost:

Loan cost = amount lent − present value of expected future repayments.

If $50 million is lent, and repayments worth only $40 million are expected, the Government is effectively providing a $10 million subsidy, and incurring a $10 million cost.

If a loan is sold to the highest bidder at competitive auction, its sales price will approximate the present value of expected repayments:

Sales price = present value of expected future repayments.

Thus, once a loan is sold—and the present value of expected repayments is revealed by the market—the loan subsidy or cost can be simply determined as the difference between the amount lent and the loan's sales price:

Loan cost = amount lent − sales price.

As OMB states in this year's budget documents "the discount from the face value of the loan provides an unambiguous measure of the subsidy of the loan."

PROPOSAL: SELLING NEW LOANS

Budget accounting reform to reflect new loan subsidy costs would be achieved as follows: The Government would make new loans and incur loan outlays as it now does, but would then auction the loans to determine their value. Each loan would be sold to the highest bidder. For each loan, receipts from the loan sale would be "offsetting receipts" which would be subtracted from the principal amount lent on the lending agency's books. In this way, the agency's budget would include the subsidy cost of new loans. The annual total of such subsidies would be controlled by appropriations. During the year, the agency would make and sell loans—and incur subsidy costs—up to its appropriation.

By this procedure, all subsidies would be attributed to the appropriate loan program and agency, included in the Federal budget, and controlled by appropriations as other forms of direct spending are.

NEW LOAN SALES REDUCE THE DEFICIT

Our bill relies on sales of new loan assets to reform budget accounting. But loan sales also generate receipts which reduce the Federal budget deficit. Thus, a principled and needed accounting reform can incidentally contribute to deficit reduction, and can reduce the need for painful short-term budget cuts.

Congressional Budget Office analysts have tentatively estimated the budget impact of our proposal, assuming all new loans are sold starting in fiscal 1987. They find that loan sales would reduce baseline deficits by up to $67.4 billion over the next 5 years. This is an average annual deficit reduction of about $13.5 billion for the next 5 years.

Our proposal can be viewed in another way. Reforming budget accounting to eliminate the meaningless concept of "net lending," and substituting a proper measure of loan subsidy costs, would eliminate the present budgetary overstatement of the cost of Federal loans. This overstatement artificially inflates the Federal budget deficit. If left uncorrected by loan sales, this overstatement would force larger-than-necessary "Gramm-Rudman" budget cuts to balance the budget. While we certainly want to balance the budget, we have to make sure it is the true budget we balance, rather than a budget artificially inflated by faulty accounting.

WHAT OUR BILL DOES NOT DO

Our proposal would not change any Federal loan program. Loans could continue to be made as they now are, on the same terms and conditions as at present. Borrowers helped by Federal loan programs need suffer no loss of assistance, no change in eligibility for aid, and no change in repayment responsibilities.

The proposal simply generates timely and reliable information on program costs; it does not change the underlying loan programs.

Our proposal also differs from recent proposals to sell existing Federal loan assets with a Federal guarantee. Our bill is prospective only: We do not suggest selling existing loans, only future loans. And our bill requires loans to be sold without a Federal guarantee. Sales without guarantee are essential if the prime purpose of the bill—revealing the subsidy cost of Federal loans—is to be achieved.

We are opposed to selling existing loan assets with a Federal guarantee solely for the purpose of reducing the Federal deficit on paper. Sales with a guarantee are an inefficient and costly substitute for financing deficits through Treasury securities. And, as Martin Feldstein has noted, guaranteed loan assets sales "would be no different from the sale of more Government bonds * * * and would do nothing to lessen the burden of the deficit. They would preempt private savings every bit as much as a Federal sale of new debt of the same value."

Our proposal meets Feldstein's criticism. Our purpose is to correct an improper budget concept, and to provide Congress with needed information. This information on loan costs can create real pressure to reform and restrain future subsidies. That selling new loans incidentally generates deficit reduction is not a criticism of our proposal, since the current budget concept of "net lending" effectively overstates the true deficit by improper accounting. Our bill merely eliminates this distortion.

I urge my colleagues to support the Loan Accounting Reform Act.

By Mr. NICKLES (for himself, Mr. ABDNOR, Mr. GRASSLEY, Mr. BOREN, Mr. ANDREWS, and Mr. BOSCHWITZ):

S. 2144. A bill to amend the Farm Credit Act of 1971 to provide credit assistance to certain borrowers of loans made by institutions of the Farm Credit System, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

LANDOWNER PROTECTION ACT

Mr. NICKLES. Mr. President, last year, in the process of losing an unprecedented $2.7 billion, the Nation's largest agricultural lender, the Farm Credit System, foreclosed on thousands of farmers and ranchers, forcing them and their families off land which was in turn dumped on an already depressed market. Things need not be so gloomy.

Today, I am introducing the Landowner Protection Act of 1986, a bill designed to, first, offer debt restructuring for many Farm Credit System [FCS] borrowers who would otherwise be foreced off their land due to circumstances beyond their control; second, stop the rising tide of farm foreclosures initiated by the FCS; third, ease downward pressure on already depressed land values; fourth, reassert local control of the System; and fifth, minimize System losses which will benefit all FCS borrowers, bondholders, and the Federal Government.

It is my pleasure to be joined in introducing this legislation by my colleagues, Senator ABDNOR from South Dakota, Senator GRASSLEY from Iowa, Senator BOREN from Oklahoma, Senator ANDREWS from North Dakota, and Senator BOSCHWITZ from Minnesota.

Mr. President, the farm credit legislation which became law late last year was needed to restore and strengthen investor confidence in the Farm Credit System. Without it, FCS borrowers could be paying even higher interset rates than they are today. Yet, many farm and ranch borrowers throughout the Nation feel last year's credit legislation overlooked their specific problems.

During consideration of that legislation, the Farm Credit Amendment Act of 1985, I joined Senator BOSCHWITZ and others in an unsuccessful effort to provide an opportunity for agricultural borrowers to restructure loans from commercial lenders and Farm Credit System institutions. We offered the

Farm Credit Partnership Act in amendment form but were defeated on a 54 to 38 vote. Since that time, we have continued in our effort to gain support for credit measures designed to restructure existing agriculture debt.

Some of my colleagues may ask why the legislation we are introducing today, the Landowner Protection Act of 1986, is needed. Let me explain. Currently, Farm Credit System lending institutions are foreclosing on landowners, often taking a substantial loss, and reselling the acquired property to a new buyer, often at lower interest rates than were charged the original owner.

The problem lies in the fact that, in many cases, if the original owner could obtain a debt structure closer to that offered new buyers, he could make the payments and keep his family on the farm. Through the Landowner Protection Act, we are saying that rather than put the original owner off his land, further depress land values through additional sales, and take large losses on foreclosed property, why not try to keep the owner on the farm through debt restructuring.

Reducing principal or interest obligations of the original owner to a level which would allow repayment could result in a smaller loss to the FCS than costs which would be incurred through foreclosure.

Under the Landowner Protection Act, if the costs associated with foreclosure equal or exceed the cost of restructuring a loan in an amount which will enable the borrower to repay, the FCS lending institution would be required to restructure the loan.

The minimization of System losses, and objective of this bill, will increase the likelihood of the System lowering interest rates for all borrowers and will hold off the day when the Farm Credit System comes to Congress asking for Federal dollars.

Let me briefly describe how the Landowner Protection Act is structured. To be eligible for assistance, a borrower must be a stockholder of a Farm Credit System institution, be behind in the payment of principal or interest, and demonstrate the inability to make payments on time is due to circumstances beyond his control. Additionally, the borrower must have had gross annual sales of farm products in excess of $40,000 and derived 50 percent or more of his gross annual income from agriculture during at least 2 of the last 5 years.

Before foreclosing on a loan, an institution would be required to determine what costs would be incurred as a result of such action. This cost would then be compared with the cost of restructuring a loan in an amount that would allow the borrower to repay. If restructuring is cheaper than foreclosing the institution would be required to restructure the loan. The cost of foreclosure includes the difference between the principal owed and the value of the collateral securing the loan, the cost of maintaining the loan as a nonperforming asset, administrative and legal costs associated with foreclosing and disposing of property, and an estimate of the adverse impact the sale of foreclosed property would have on property securing other loans.

The bill has an appeal procedure built in if the institution makes an adverse determination toward the borrower. The appeals would be channeled to a credit review committee composed of members of the local board of directors which are elected by the borrowers. In the case of consolidated or merged institutions where the local board of directors no longer exists the credit review committee would be composed of members of a local advisory board which would be elected by the borrowers serviced by the merged or consolidated institution.

If the institution determined the borrower did not meet the eligibility requirements, the borrower could appeal to the credit review committee. If the institution determined the cost of restructuring exceeded the cost of foreclosing, the borrower could appeal to the credit review committee and could request an independent analysis of the cost of restructuring versus the cost of foreclosing. Also, if the institution notifies the borrower it will restructure the loan but the borrower feels the amount of restructuring is inadequate to allow him to repay, he may appeal to the credit review committee.

Rather than making a permanent change in the law, the Landowner Protection Act would be in effect for 1 year during which time the Farm Credit Administration would report to Congress, providing information about the legislation's impact on the Farm Credit System and making recommendations concerning its reauthorization.

Like other farm State Senators, I hope my colleagues will support efforts to bring farm credit legislation to the floor in the near future. I might point out to my colleagues that Senator BOSCHWITZ is circulating a letter to the majority leader, requesting his help in providing prompt and equitable credit relief to the Nation's agriculture producers.

One aspect of the Landowner Protection Act I have not specifically addressed is cost. For a refreshing change, here is a bill that could be of tremendous benefit to agriculture producers while at the same time, by cutting Farm Credit System losses, reducing potential outlays which may be needed to keep the System afloat.

This is not a complicated bill. It simply instructs the Farm Credit System to do what they ought to be doing anyway, looking out for the best interests of all FCS borrowers by minimizing System losses. I urge my colleagues to join us in support of this legislation.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD following my remarks.

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

S. 2144

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Landowner Protection Act of 1986".

SEC. 2. LOAN FORECLOSURES AND RESTRUCTURING.

Title IV of the Farm Credit Act of 1971 (12 U.S.C. 2151 et seq.) (as amended by section 306 of the Farm Credit Amendments Act of 1985 (Public Law 99-205)) is amended by adding at the end thereof the following new part:

"PART G—LOAN FORECLOSURES AND RESTRUCTURING

"SEC. 4.40. DEFINITIONS.—(a) As used in this part:

"(1) The term 'borrower' means a person who meets the eligibility criteria prescribed in section 4.41.

"(2) The term 'Chairman' means the Chairman of the Farm Credit Administration.

"(3) The term 'committee' means a credit review committee selected from and by—

"(A) the local board of directors of the institution from which a loan originated; or

"(B) in the case of consolidated or merged institutions, members of a local advisory board elected by the stockholders serviced by the merged or consolidated institutions from which a loan originated.

"(4) The term 'cost of foreclosure' includes—

"(A) the difference between the outstanding amount of principal due on a loan made by an institution and the value of collateral used to secure the loan, taking into consideration the lien position of the institution;

"(B) the estimated cost of maintaining a loan as a nonperforming asset;

"(C) the estimated cost of administrative and legal actions necessary to foreclose a loan and dispose of property acquired as the result of the foreclosure;

"(D) estimated adverse impact of the sale of property acquired as the result of a loan foreclosure on the value of property held by other borrowers of institutions;

"(E) the estimated cost of changes in the value of collateral used to secure a loan during the period beginning on the date of the initiation of action to foreclose or liquidate the loan and the ending on the date of the disposition of the collateral; and

"(F) all other costs incurred as the result of the foreclosure or liquidation of a loan.

"(5) The term 'institution' means an institution of the Farm Credit System established under this Act.

"SEC. 4.41. ELIGIBILITY.—To be eligible to receive assistance under this part, a person must—

"(1) be a borrower of a loan made by, and a stockholder of, an institution who is delinquent in the payment of principal or interest, or both, on the loan on the date of enactment of the Landowner Protection Act of

1986 or during the 1-year period beginning on such date;

"(2) demonstrate to the institution that, due to circumstances beyond the control of the borrower (including depressed land values, high interest rates, and low prices for agricultural commodities), the borrower is temporarily unable to continue making payments of the principal and interest when due without unduly impairing the standard of living of the borrower;

"(3) during at least 2 of the 5 preceding taxable years, have gross annual sales of agricultural commodities (including livestock, poultry, and acquaculture) of at least $40,000; and

"(4) during at least 2 of the 5 preceding taxable years, have derived at least 50 percent of the gross annual income of the person from the production of the commodities.

"SEC. 4.42. LOAN DETERMINATIONS.—Before instituting a proceeding to foreclose a loan made to a borrower, an institution must determine—

"(1) the cost of foreclosure; and

"(2) the cost of restructuring the loan in accordance with this part.

"SEC. 4.43. LOAN FORECLOSURE AND RESTRUCTURING.—If an institution determines that the cost of foreclosure of a loan made to a borrower is equal to or exceeds the cost of restructuring the loan in accordance with this part, in lieu of foreclosure, the institution shall reduce the principal or interest, or both, due on the loan in an amount that would enable the borrower to make payments of principal and interest due on the loan without unduly impairing the standard of living of the borrower.

"SEC. 4.44. COLLATERAL.—No institution may—

"(1) require any borrower to provide additional collateral to secure a loan made under this Act if the borrower is current in the payment of interest on the loan; or

"(2) bring any action to foreclose on, or otherwise liquidate, any loan as the result of the failure of a borrower to provide additional collateral to secure a loan made under this Act if the borrower was current in the payment of interest on the loan at the time the additional collateral was required.

"SEC. 4.45. APPEALS.—(a)(1) If an institution determines that a person does not meet the eligibility criteria prescribed in section 4.41, the institution shall provide the person with a written notice of—

"(A) the determination and the reasons for the determination; and

"(B) the right of the person to appeal the determination before a committee.

"(2) If a person makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the person shall have the right to appear before the committee to contest the determination.

"(b)(1) If an institution determines that the cost of restructuring a loan in accordance with this part exceeds the cost of foreclosure of the loan, the institution shall provide the borrower of the loan with a written notice of—

"(A) the determination and the reasons for the determination;

"(B) the computations used by the institution to make the determination, including the estimate of the collateral value of the land used to secure the loan; and

"(C) the right of the borrower to appeal the determination before a committee.

"(2) If a borrower of a loan made by an institution makes a written request to a committee not later than 30 days after receipt of a notice to contest a determination referred to in paragraph (1), the borrower shall have the right to—

"(A) request the committee to arrange an independent appraisal of the cost of foreclosure of the loan and the cost of restructuring the loan in accordance with this part; and

"(B) appear before the committee to contest the determination.

"(3) If a borrower requests a committee to arrange an independent appraisal made under paragraph (2)(A), the committee shall—

"(A) arrange the independent appraisal, in accordance with regulations issued by the Farm Credit Administration; and

"(B) consider such appraisal when reviewing the determination of the committee.

"(4) If an independent appraisal is conducted under this subsection of the cost of foreclosure of a loan made by an institution to a borrower and the cost of restructuring the loan in accordance with this part, the cost of the appraisal shall be borne by—

"(A) the institution if the appraisal of the cost of restructuring the loan in accordance with this part is equal to or less than the appraisal of the cost of the foreclosure of the loan; or

"(B) the borrower if the appraisal of the cost of restructuring the loan in accordance with this part is greater than the appraisal of the cost of the foreclosure of the loan.

"(c)(1) If an institution determines that a borrower of a loan meets the eligibility criteria prescribed in section 4.41 and that the cost of restructuring the loan in accordance with this part is less than or equal to the cost of foreclosure of the loan, the institution shall provide the borrower with a written notice of—

"(A) the determination and the reasons for the determination;

"(B) the amount of the reduction in principal or interest, or both, the institution determines is adequate to enable the borrower to make payments in accordance with section 4.43; and

"(C) the right of the borrower to contest the amount of the reduction before the committee.

"(2) If a borrower makes a written request to a committee not later than 30 days after receipt of a notice to contest the amount of the reduction referred to in paragraph (1), the borrower shall have the right to appear before the committee to contest the amount of the reduction.

"(d) A borrower of a loan made by an institution under this Act shall have the right to appear before a committee to contest a determination or amount under this section if—

"(1) the institution and borrower enter into an agreement under which the institution agrees to restructure the loan in accordance with this part and the borrower agrees not to contest the determination or amount, as the case may be;

"(2) the institution does not restructure the loan in accordance with this part; and

"(3) the borrower makes a written request to the committee to contest the determination or amount, as the case may be, not later than 30 days after the date by which the institution agreed to restructure the loan in accordance with this part.

"(e) Promply after any review conducted by a committee, the committee shall provide the aggrieved person or borrower with written notice of the decision of the committee and the reasons for the decision.

"SEC. 4.46. REPORT.—Not later than 270 days after the date of enactment of the Landowner Protection Act of 1986, the Chairman shall submit a report to Congress on the operation of this part, including—

"(1) an analysis of the impact of actions taken under this part on losses suffered by institutions;

"(2) an analysis of the impact of the actions on property values;

"(3) an analysis of the accuracy of the cost of foreclosure determined by institutions under this part;

"(4) the number and amount of loans restructured in accordance with this part;

"(5) the number of current and estimated future delinquencies before and after the expiration of this part on loans made to borrowers; and

"(6) the recommendations of the Chairman concerning reauthorization of this part.

"SEC. 4.47. TERMINATION.—The authority granted by this part shall terminate 1 year after the date of enactment of the Landowner Protection Act of 1986 or 90 days after the date of the submission of the report required under section 4.46, whichever is later.".

Mr. ABDNOR. Mr. President, in December, Congress passed an aid package offering assistance to the struggling Farm Credit System. At that time, I had serious reservations with the bill and voted for it only after the legislation which I cosponsored was defeated in the Senate by a vote of 56 to 38. Despite the Senate-passed legislation's shortcomings, my hope was that it would at least improve the plight of system borrowers.

However, the bill Congress finally passed has yet to live up to my expectations and I'm now convinced there is a more efficient, cost-effective means of accomplishing our objectives. The legislation we passed in December was never aimed at assisting system borrowers—it was designed to rescue the system itself and to lessen Uncle Sam's exposure.

Moreover, the restructuring Congress proposed in the December bill is off to a slower-than-expected start. Failure by the administration to meet its January 23 deadline for appointment of a three-member board to oversee the Farm Credit Administration has undoubtedly delayed the process. Still, in my estimation, the viability of the December bill is in serious jeopardy simply because it focused on the symptoms of the problem rather than the root. The viability of a lending institution, public or private, is based on the ability of its borrowers to service their debts not on the institution's ability to dispose of assets after foreclosure.

In the distressed Omaha Farm Credit System District and in other system districts throughout the country, the number of foreclosure actions currently in process is unprecedented. The intention of the Farm Credit System to clean up its loan portfolio is economically sound and consistent

with prudent management practices. The tragedy is that the costs of foreclosure are often in excess of the cost of restructuring. And when that happens, it's the system, Uncle Sam, and the taxpayer who ultimately bear that excess cost.

The crisis faced by the Farm Credit System is, indeed, a grave one. Just recently, the system reported a loss of $2.7 billion in 1985, the largest annual deficit ever posted by a U.S. financial institution and over twice the loss of Continental Illinois in 1984. Further, the Farm Credit System's provision for loan losses in 1985 jumped ninefold to $3 billion. Loan write-offs nearly tripled to nearly $1.11 billion. At December 31, the system's reserve for future loan losses stood at $3.19 billion, almost three times the year-earlier level.

Further, the system's asset base has deteriorated rapidly. As of December 31, 1984, the system held $78.48 billion of the Nation's $210 billion in farm debt. On December 31, 1985, system debt comprised only $66.62 billion of the total farm debt. Since only $1.11 billion was written off over that period, it's clear that almost $11 billion worth of farm borrowers have fled the system to borrow elsewhere. The defectors are the good credit risks, those who can obtain financing elsewhere. Their defection leaves the system with a greater concentration of high-risk borrowers—invariably weakening its financial position.

Mr. President, I'm pleased to join my distinguished colleagues, Senators NICKLES and GRASSLEY, in introducing The Landowner Protection Act of 1986. I believe this bill provides a workable and fiscally sound approach to the crisis facing the Farm Credit System. More important, it's a farm/borrower-first proposal, a consideration we lost sight of in the December legislation.

The concept is simple. If the cost of foreclosure to the Farm Credit System exceeds the cost of restructuring, the system would be required to attempt to restructure the current borrower's debt. A borrower would qualify for restructuring if he can prove that his delinquency is based on circumstances beyond his control—declining land values, high interest rates, or low commodity prices. In the event the borrower is unable to prove his delinquency is a result of circumstances beyond his control and is consequently subject to an adverse decision from the system lender, a credit review committee consisting of member/borrowers would be established to rule on any appeal made by that borrower.

Clearly, when a lender's portfolio consists of nonperforming assets, he has two alternatives from which to choose, first, foreclosure, or second, debt restructuring. This bill simply says that if it is less costly to restructure than it is to foreclose and liquidate assets, the lender is required to restructure. This approach benefits not only the borrower in question but all Farm Credit System borrowers, its bondholders and the U.S. Government.

Mr. President, the Landowner Protection Act of 1986 is a practical, nuts-and-bolts, win-win solution to the plight of the troubled Farm Credit System and its member/borrowers. My staff blanketed the State during the January recess listening to the concerns of the citizens of South Dakota. One of the most pervasive themes vocalized in their meetings was that Congress must deal with the problems of the Farm Credit System in a fashion which focuses on the needs of the borrowers. Mr. President, this bill does just that. And at the same time, it minimizes taxpayers exposure. I trust that this body will join us in working toward its quick passage.

● Mr. GRASSLEY. Mr. President, today I am cosponsoring a bill, with my colleagues Senator NICKLES and Senator ABDNOR, which would protect many of our farmers from the counterproductive policies of the Farm Credit System. This bill requires the Farm Credit System to evaluate the high costs of foreclosures and liquidation and compare that with the cost of restructuring a farmer's debt. If the cost of foreclosure is higher than the cost of restructuring then the Farm Credit System is required to restructure that farmer's debt.

Surely the Farm Credit System considers this to be commonsense policy. Right? Wrong. Many of the Farm Credit System's institutions are spending a great deal of money on unnecessary attorney and legal expenses trying to foreclose on farmers who could survive with some restructuring.

Some Federal land bank and Production Credit Association borrowers have been, and are being, foreclosed on only to have their farms sold to someone else on terms which the original farmers could have afforded. Such terms may include: lower interest rates; lower prices; making the new buyer exempt from the requirement of buying Farm Credit System stock; and not requiring as high of a down payment as normal. Both the System and the farmer lose under this arrangement. The farmer loses his farm and the Farm Credit System loses money, due the high costs of foreclosure and liquidation.

When first hearing of this policy I could not believe it. I asked the president of the Farm Credit Banks of Omaha about this policy during a hearing I held on the Farm Credit System last fall. He did not deny the policy. In fact, much to my surprise and dismay he defended it by saying, "We do not want to leave the impression * * * that we are giving preferential treatment to the borrowers who are having financial difficulties." But we know that they are willing to give preferential treatment to nonstockholders of the system. The bill we are introducing today, the Landowner Protection Act of 1986, combines economic common sense with humanitarian principles. The economic sense is simple: foreclosures are expensive and should be avoided whenever possible. This bill will help avoid the unnecessary high cost of foreclosure, stop the dumping of farm assets on the market, and keep viable productive farmers on the land.

The humanitarian principles involved here are realistic and responsible. We must keep the farmer on his land if it is at all possible and give these farmers a fair chance of succeeding. We must constantly remind ourselves that many productive farmers are in trouble today because of circumstances beyond their control. Policies made here in Washington have had more to do with many of these farmer's problems than any decision they made individually. We must also remind ourselves that when a farmer loses his farm he loses his home, job, pride, way of life, future, and very often his past. With this in mind how can we condone not giving these Farm Credit System stockholders an equal opportunity of success as we would a new buyer.

Mr. President, no one would be happier than I if the Farm Credit System exercised this policy without this bill becoming law but I must say that I am not encouraged that will happen. I have had many conversations with Farm Credit Sysem officials trying to convince them that they should be more cooperative and respect the rights of their borrowers. Unfortunately, reports of abuses keep coming in from stockholders of Farm Credit System. It is for this reason it is necessary to include steps to give farmers a right to appeal to their peers and get third party evaluations of the costs involved with foreclosure and restructuring.

I strongly encourage my colleagues to support the Landowner Protection Act of 1986 and other measures which will help ease the crisis occurring in rural America.

I would also like to comment very briefly on a bill I intend to introduce which will give farmers a fair chance to stay on their land during the pendancy of bankruptcy proceedings. Soon I, along with Senator ZORINSKY, will introduce the Family Farm Reorganization Act, which allows a farm-debtor to provide adequate protection to creditors under the bankruptcy law by paying fair market value rent. This commonsense approach recognizes the economic realities of foreclosure. During the a time of depressed farm

values, the lender will usually be the high bidder at a foreclosure sale. If the lender cannot resell the property, it typically will rent the property at the market rate. It the debtor is allowed to pay market rent while he reorganizes, the lender will be getting what it would realistically get as a result of foreclosure. At the same time, we keep the farmer on the land.●

Mr. BOSCHWITZ. Mr. President, it is with great pleasure that I join with my distinguished colleagues in sponsoring the Landowner Protection Act. Senators NICKLES, ABDNOR, and GRASSLEY put many hours of work and thought in putting together this proposal. And while our plan may seem like simple common sense, sometimes those are the ideas that Washington has the most trouble with.

Mr. President, our proposal is really very simple. Basically the Landowner Protection Act is designed to repair some of the things we thought would be taken care of in the Farm Credit System package.

I supported that bill because I felt it would be used to pool the System's resources, and to then restructure as much of the troubled debt as possible.

Unfortunately, this isn't happening. Instead things have been pretty much business as usual for the local associations. And especially so in the Omaha, and Wichita districts. In those districts they are continuing to follow a policy of accelerating some loans, and foreclosing on others.

And what I find exceedingly distressing is that while they are foreclosing on some landowners, often taking a substantial loss, they are then turning around and reselling their properties at lower interest rates than the original owner had been paying.

I believe that the Farm Credit System should emphasize restructuring farm debt over foreclosures. In many cases, a foreclosure costs the lender more than restructuring a debt, so not only is restructuring more cost efficient, but it helps stabilize land values and prevents untold emotional hardships for farmers.

Mr. President, this bill has two basic purposes:

One, to encourage restructuring, and in turn prevent foreclosures by requiring the local association to show that it is less expensive to foreclose than restructure. No foreclosures could occur unless they met this test.

Two, to prevent the Farm Credit System from accelerating a loan when the borrower is current in his payments. While the values of all property in rural areas are falling, I feel that as long as a borrower is making good on his debt, the lender should not be pushing him toward foreclosure.

Mr. President I wish this legislation wasn't necessary. And it wouldn't be if the Farm Credit System was making an effort to work with their borrowers. However, because they are not, we find ourselves in the position where it has become a necessity.

Mr. President, I, along with others on this bill are also coauthors of another comprehensive farm credit proposal. We believe that passage of this bill, along with our more comprehensive credit proposal would go a long way toward easing the debt crisis in rural areas.

Our Farm Credit Partnership Act would deal with farm debt in two ways. The bill would allow lenders—Farm Credit System and commercial bankers—to reduce a borrower's principal by up to 30 percent. The lender then would have 10 years to write off the loss. The bill also would set up an interest rate buydown partnership. Under this program, a borrower's interest rate could be reduced by up to 5 percentage points. The Federal Government would buy 2 percent, the State 2 percent, and the lender 1 percent.

The program would be targeted to full-time farmers with high debt-to-assist ratios. To qualify, a farmer would be required to have $30,000 a year in gross sales from the farm, and a debt-to-asset ratio of more than 40 percent.

The difficulties of farm credit will not be solved easily. It requires a many-faceted program. The bill we are introducing today will protect many landowers, and when coupled with our earlier proposal will get us on the road to a more stable economy in rural America.

By Mr. McCLURE:

S.J. Res. 288. Joint resolution to designate the month of May 1986, as "National Birds of Prey Month"; to the Committee on the Judiciary.

NATIONAL BIRDS OF PREY MONTH

● Mr. McCLURE. Mr. President, today I introduce a Senate joint resolution designating the month of May as National Birds of Prey Month. This is in conjunction with the dedication of the Peregrine Fund's World Center for Birds of Prey in Boise, ID. The dedication will take place during the Birds of Prey Festival which will be May 12–18, 1986.

In 1981, the Snake River birds of prey natural area was set aside as a natural environment for the protection and habitat of birds of prey. This area is a unique national treasure because within its boundaries exist the greatest density and diversity of birds of prey in the world.

No other animals on Earth possess the inspirational qualities of birds of prey. Their grace, beauty, courage, and indomitable spirit have come to symbolize freedom. Millions of Americans from coast to coast enjoy observing birds of prey throughout the Nation. However, a substantial number of birds of prey that occur in the United States have been listed by State or Federal conservation agencies as endangered, threatened, or of concern. Since the Snake River birds of prey natural area was established in 1981, efforts have been made to increase the knowledge and protection of these majestic birds. The World Center for Birds of Prey and the Birds of Prey Festival are part of this effort. Dedication of the World Center during the Birds of Prey Festival represents the culmination of years of commitment to a facility for research and conservation of birds of prey.

The World Center for Birds of Prey will be available for use by biologists as well as visiting scientists and graduate and undergraduate students at Boise State University. In addition to its function as a research facility, the center will serve as an information and education center for the public. The importance of the center in the conservation of birds of prey cannot be overestimated.

Last year, in its first year of operation, the World Center for Birds of Prey released 140 peregrine falcons in Idaho, Utah, Montana, and Colorado. Eighteen additional falcons were placed in foster nests in Colorado. In October, 53 falcons were transferred to the Boise center from Ithaca, NY to be bred for release in Eastern States.

The Birds of Prey Festival in May will create an appreciation of these spectacular birds by focusing National attention on the new World Center for Birds of Prey and the Snake River Birds of Prey area. To celebrate and expand this interest and appreciation for birds of prey in Idaho, North America, and the world, I urge you to support this resolution designating the month of May as National Birds of Prey Month.●

ADDITIONAL COSPONSORS

S. 558

At the request of Mr. MOYNIHAN, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 558, a bill to amend the Internal Revenue Code of 1954 to permanently exclude educational assistance programs from gross income, and for other purposes.

S. 719

At the request of Mr. DURENBERGER, the name of the Senator from North Dakota [Mr. ANDREWS] was added as a cosponsor of S. 719, a bill to provide assistance to agricultural producers.

S. 837

At the request of Mr. HEINZ, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 837, a bill to amend the Social Security Act to protect beneficiaries under the health care programs of that act from unfit health care

practitioners, and otherwise to improve the antifraud provisions of that Act.

S. 869

At the request of Mr. MITCHELL, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 869, a bill to provide that the pensions received by retired judges who are assigned to active duty shall not be treated as wages for purposes of the Social Security Act.

S. 1562

At the request of Mr. GRASSLEY, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 1562, a bill to amend the False Claims Act, and title 18 of the United States Code regarding penalties for false claims, and for other purposes.

S. 1686

At the request of Mr. MATSUNAGA, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1686, a bill entitled the "Renewable Energy/Fuel Cell Systems Integration Act of 1985".

S. 2046

At the request of Mr. MCCONNELL, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 2046, a bill to provide limits and procedures in certain civil cases.

S. 2059

At the request of Mr. QUAYLE, the names of the Senator from Oklahoma [Mr. BOREN], and the Senator from Georgia [Mr. MATTINGLY] were added as cosponsors of S. 2059, a bill to control franking costs.

S. 2108

At the request of Mr. KASTEN, the names of the Senator from Connecticut [Mr. DODD], the Senator from Utah [Mr. GARN], the Senator from South Dakota [Mr. PRESSLER], and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 2108, a bill to provide that Federal tax reform legislation shall not take effect before January 1, 1987.

S. 2109

At the request of Mr. CHILES, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 2109, a bill to amend title II of the Social Security Act and the Internal Revenue Code of 1954 to exempt from Social Security coverage retired Federal judges on active duty.

S. 2115

At the request of Mr. THURMOND, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 2115, a bill to recognize the organization known as the 82nd Airborne Division Association, Incorporated.

S. 2129

At the request of Mr. KASTEN the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 2129, a bill to facilitate the ability of such organizations to establish risk retention groups, to facilitate the ability of such organizations to purchase liability insurance on a group basis, and for other purposes.

SENATE JOINT RESOLUTION 143

At the request of Mr. GORE, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from Ohio [Mr. GLENN], and the Senator from Alabama [Mr. DENTON] were added as cosponsors of Senate Joint Resolution 143, a joint resolution to authorize the Black Revolutionary War Patriots Foundation to establish a memorial in the District of Columbia at an appropriate site in Constitution Gardens.

SENATE JOINT RESOLUTION 266

At the request of Mr. DENTON, the names of the Senator from North Dakota [Mr. ANDREWS], and the Senator from Connecticut [Mr. WEICKER] were added as cosponsors of Senate Joint Resolution 266, a joint resolution to authorize and request the President to designate the month of June 1986 as "Youth Suicide Prevention Month."

SENATE JOINT RESOLUTION 267

At the request of Mr. HEINZ, the names of the Senator from Georgia [Mr. NUNN], the Senator fom Ohio [Mr. GLENN], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Joint Resolution 267, a joint resolution designating the week of May 26, 1986, through June 1, 1986, as "Older Americans Melanoma/Skin Cancer Detection and Prevention Week."

SENATE JOINT RESOLUTION 273

At the request of Mr. HATCH, the names of the Senator from Vermont [Mr. STAFFORD], the Senator from Florida [Mrs. HAWKINS], the Senator from Michigan [Mr. RIEGLE], the Senator from Alabama [Mr. DENTON], the Senator from Missouri [Mr. EAGLETON], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Nebraska [Mr. EXON], the Senator from Kentucky [Mr. FORD], the Senator from Ohio [Mr. METZENBAUM], the Senator from New Jersey [Mr. BRADLEY], the Senator from South Carolina [Mr. THURMOND], and the Senator from California [Mr. CRANSTON] were added as cosponsors of Senate Joint Resolution 273, a joint resolution to designate the week of March 9, 1986, as "National Developmental Disabilities Awareness Week."

SENATE JOINT RESOLUTION 275

At the request of Mr. D'AMATO, the names of the Senator from Hawaii [Mr. MATSUNAGA], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 275, a joint resolution designating May 11 through May 17, 1986, as "Jewish Heritage Week."

SENATE JOINT RESOLUTION 280

At the request of Mr. HEINZ, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Joint Resolution 280, a joint resolution designating the month of November 1986 as "National Alzheimer's Disease Month."

SENATE JOINT RESOLUTION 285

At the request of Mr. GRASSLEY, the names of the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Maryland [Mr. MATHIAS] were added as cosponsors of Senate Joint Resolution 285, a joint resolution to designate the week of May 11, 1986, through May 17, 1986, as "National Osteoporosis Awareness Week."

SENATE CONCURRENT RESOLUTION 111

At the request of Mr. CRANSTON, the name of the Senator from Nebraska [Mr. ZORINSKY] was added as a cosponsor of Senate Concurrent Resolution 111, a concurrent resolution to express the sense of the Congress that any tax reform provisions relating to tax-exempt municipal bonds take effect no earlier than January 1, 1987.

SENATE RESOLUTION 105

At the request of Mr. MATTINGLY, the names of the Senator from Georgia [Mr. NUNN] the Senator from Tennessee [Mr. GORE], the Senator from New Jersey [Mr. BRADLEY], the Senator from Mississippi [Mr. COCHRAN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Michigan [Mr. RIEGLE], the Senator from Alabama [Mr. HEFLIN], the Senator from Oklahoma [Mr. NICKLES], the Senator from Indiana [Mr. LUGAR], and the Senator from Indiana [Mr. QUAYLE] were added as cosponsors of Senate Resolution 105, a resolution to designate March 21, 1986 as "Henry Ossian Flipper Day."

SENATE RESOLUTION 362

At the request of Mr. KENNEDY, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Illinois [Mr. SIMON], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of Senate Resolution 362, a resolution expressing the sense of the Senate that the United States should support the Caraballeda message of the Contadora Group.

AMENDMENTS SUBMITTED

DAVIS DAM FLOODWAY

DECONCINI AMENDMENT NO. 1643

(Ordered referred to the Committee on Environment and Public Works.)

Mr. DECONCINI submitted an amendment intended to be proposed

by him to the bill (S. 1696) to establish a federally declared Floodway for the Colorado River below Davis Dam; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following: That this Act may be cited as the "Colorado River Floodway Task Force Act of 1986".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that—

(1) there are multiple statutory uses and purposes for the dams and other control structures administered by the Secretary of the Interior on the Colorado River;

(2) the maintenance of the Colorado River Floodway is essential to efficient operation of control structures, such as Hoover Dam, on the Colorado River to the benefit of all users of the river or the water of the river;

(3) that present development in the floodway may affect the efficient operation of the river; and

(4) that property damage occurred in 1983 in the floodway and damage may occur again in the future.

(b) The purpose of this Act is to—

(1) establish a task force to study and report to Congress on possible solutions to the problems caused by the 1983 flood along the Colorado River Floodway and the problems of development along the floodway;

(2) make recommendations as to whether individuals affected by the 1983 flood should be compensated or relocated outside the floodway by the United States; and

(3) authorize the Secretary of the Interior to implement the recommendations made pursuant to clause (2).

ESTABLISHMENT OF TASK FORCE

SEC. 3. (a) There is established the Colorado River Floodway Task Force (hereafter in this Act referred to as the "Task Force").

(b) The Task Force shall be composed of 44 members as follows:

(1) the Secretary of the Interior or his designee, who shall act as Chairman;

(2) representatives from each of the five Indian reservations in which the Colorado River Floodway is located—the Yuma Indian Reservation, the Colorado River Indian Reservation, the Chemehuevi Valley Indian Reservation, the Fort Mohave Indian Reservation, and the Cocopah Indian Reservation;

(3) representatives from each of the seven counties in which the floodway is located—Yuma County, Mohave County, and La Paz County in Arizona, Clark County in Nevada, San Bernardino County, Riverside County, and Imperial County in California;

(4) representatives from each of the municipalities in which the floodway is located—Yuma, Parker, Lake Havasu City, Bullhead City, Riviera, Topock, Lake Ranch-eros, Bermuda City, Bermuda Plantations, and Golden Shores in Arizona, Laughlin in Nevada, Winterhaven, Blythe, and Needles in California;

(5) one representative from the following Federal agencies:

(A) Bureau of Reclamation;

(B) Bureau of Land Management;

(C) Fish and Wildlife Service;

(D) Army Corps of Engineers;

(E) Federal Emergency Management Agency; and

(F) Department of Agriculture;

(6) two private citizens from each State appointed by the Governors of Arizona, Nevada, and California;

(7) the Governor, or his authorized representative, from Arizona, California and Nevada;

(8) one representative from the Colorado River Wildlife Council; and

(9) one representative of all law enforcement agencies on the Colorado River.

(c)(1) A vacancy in the Task Force shall be filled in the manner in which the original appointment was made.

(2) Members of the Task Force shall be appointed to serve for the life of the Task Force.

(3)(A) Each member of the Task Force who is not an officer or employee of the United States shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, for each day (including traveltime) during which such members are engaged in the actual performance of the duties of the Task Force. All members of the Task Force who are officers or employees of the United States shall serve without additional compensation.

(b) While away from their homes or regular places of business in the performance of services for the Task Force, all members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under sections 5702 and 5703 of title 5, United States Code.

(d)(1) Twenty-three members of the Task Force shall constitute a quorum, but a lesser number may hold hearings.

(2) The Task Force shall meet at the call of the Chairman or a majority of its members.

(e)(1) The Chairman of the Task Force, without regard to the civil service laws, rules, and regulations, is authorized to appoint and fix the compensation of a staff director and such other additional personnel as may be necessary to enable the Task Force to carry out its functions.

(2) Any Federal employee may be detailed to the Task Force without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(3) The Task Force may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for GS-18 of the General Schedule under section 5332 of such title.

(f)(1) The Task Force may, for the purpose of carrying out this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Task Force considers appropriate.

(2) The Task Force may secure directly from any department or agency of the United States information necessary to enable the Task Force to carry out this Act. Upon request of the Chairman of the Task Force, the head of such department or agency shall furnish such information to the Task Force.

(3) The Task Force may accept, use, and dispose of gifts or donations of services or property.

(4) The Task Force may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(5) The Administrator of General Services shall provide to the Task Force on a reimbursable basis such administrative and support services as the Task Force may request.

DUTIES

SEC. 4. (a) The Task Force shall—

(1) review past operation of the dams along the Colorado River in terms of flood control, power generation, and water storage;

(2) examine damage to property in the floodway during 1983 and assess the potential for damage in the future;

(3) make recommendations to Congress on—

(A) the size of the floodway below Hoover Dam, broken up into the various reaches of the river;

(B) future construction and Federal expenditures within the floodway;

(C) development of recreation facilities and fish and wildlife enhancement within the floodway to replace existing development or in place of future development;

(D) the necessity for additional floodway management legislation at local, State, and Federal levels; and

(E) the necessity of an emergency plan coordinating the activities of all public safety agencies to expedite aid and assistance to victims of future floods; and

(4) make recommendations to the Secretary of the Interior on—

(A) any compensation that would be appropriate to be paid by the Secretary to individuals living within the floodway who suffered economic losses as a result of the flooding along the Colorado River Floodway in 1983 and a procedure for paying such compensation; and

(B) relocation of any individual living within the floodway that would be appropriate as a result of the consequences of the 1983 flood or in anticipation of possible future floods and procedures for handling such relocations including the possibility of land exchanges.

(b)(1) Based on the recommendations of the Task Force under subsection (a)(4)(A), the Secretary of the Interior is authorized to compensate individuals who suffered economic losses caused by the flooding along the Colorado River Floodway in 1983. Such compensation shall be paid within two years after the date of enactment of this Act. Any individual receiving compensation under this paragraph shall waive all right to any additional compensation from the United States.

(2) Any individual who suffered economic losses as a result of the flooding along the Colorado River Floodway in 1983 who has not waived any right to compensation pursuant to clause (1) may bring an action in the United States Court of Claims for claims against the United States based on the 1983 flood any time two years after the date of enactment of this Act and prior to three years after the date of enactment. Jurisdiction is conferred on the Court of Claims to hear, determine, and render judgment upon such claims and award damages arising out of economic losses suffered as a result of the 1983 flood.

(c) Based on the recommendations of the Task Force under subsection (a)(4)(B), the Secretary of the Interior is authorized to relocate any individual living within the floodway who was either adversely affected by the 1983 flood or who is in jeopardy of flooding in the future.

FINAL REPORT

SEC. 5. Not later than one year after the date of enactment of this Act, the Task Force shall transmit to the President and to the Congress a report containing a detailed statement of the study conducted by the

Task Force under this Act and the recommendations of the Task Force with respect to the matters specified in section 4, including any recommendations for legislation the Task Force considers appropriate.

TERMINATION

SEC. 6. The Task Force shall terminate one year after the date of enactment of this Act.

AUTHORIZATION

SEC. 7. (a) For fiscal years 1987 and 1988, there are authorized to be appropriated $2,000,000 to carry out the provisions of this Act except for subsections (b) and (c) of section 4.

(b) For fiscal years 1987, 1988, and 1989 there are authorized to be appropriated such sums as are necessary to carry out the provisions of subsections (b) and (c) of section 4.

REGULATION OF MANUFACTURE OF ARMOR-PIERCING BULLETS

SYMMS AMENDMENT NOS. 1644 AND 1645

(Ordered to lie on the table,)

Mr. SYMMS submitted two amendments intended to be proposed by him to the bill (S. 104) to amend chapter 44, title 18, United States Code, to regulate the manufacture and importation of armor piercing bullets; as follows:

On page 5, line 21 after the word "uranium" insert the words "and intended for use in a handgun".

NOTE: This language amends the definition of "armor-piercing ammunition." The sentence, as amended, would read as follows:

"(B) The term armor-piercing ammunition means solid projectiles or projectile cores constructed from tungsten alloys, steel, iron, brass, bronze, beryllium copper, or depleted uranium and intended for use in a handgun."

On page 5, line 21, after "uranium" insert "which may be used in a handgun".

On page 10, after line 7, add the following:

SEC. 10. For purposes of section 921(a)(17)(B) of title 18, United States Code, as added by the first section of this Act, "handgun" means any firearm including a pistol or revolver designed to be fired by the use of a single hand. The term also includes any combination of parts from which a handgun can be assembled.

BENTSEN (AND NICKLES) AMENDMENT NO. 1646

(Ordered to lie on the table)

Mr. BENTSEN (for himself and Mr. NICKLES) submitted an amendment intended to be proposed by him to the bill S. 104, supra; as follows:

Following the definition of "armor piercing ammunition" contained on page 5 of S. 104, add the following full sentence following the word "purposes." on line 25:

"The term shall not include any other projectiles or projectile cores which the Secretary finds are intended to be used for industrial purposes, including, but not limited to, charges used in oil and gas well perforating devices."

FOOD SECURITY IMPROVEMENTS ACT

HARKIN AMENDMENT NO. 1647

Mr. HARKIN (for himself, Mr. ZORINSKY, Mr. MELCHER, Mr. EXON, Mr. GRASSLEY, Mr. BUMPERS, Mr. HART, Mr. DANFORTH, Mr. BURDICK, Mr. DIXON, and Mr. BOREN) proposed an amendment to the bill (S. 2143) to make certain improvements to amendments made by the Food Security Act of 1985, and for other purposes; as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . (a) It is the sense of Congress that the Secretary of Agriculture shall carry out a program authorized by section 424 of the Agricultural Act of 1949. Such program shall provide for the following:

(1) Advance resource loans shall be made available only to those producers of a commodity who are unable to obtain sufficient credit elsewhere to finance the production of the 1986 crop of that commodity, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes (as determined by the Secretary) in the community in or near which the applicant resides. A producer who has received a commitment or been furnished sufficient credit or a loan for production of the 1986 crop of a commodity shall not be eligible for an advance recourse loan to finance the production of that commodity for such crop year.

(2) Advance recourse loans shall be made available to producers to a commodity at the applicable nonrecourse loan rate for the commodity (as determined by the Secretary). Within the limits set out in paragraphs (5) and (7), advance recourse loans shall be available—

(A) to producers of wheat, feed grains, cotton, and rice who agree to participate in the program announced for the commodity on an amount of the commodity equal to one-half of the farm program yield for the commodity multiplied by the farm program acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary;

(B) to producers of tobacco and peanuts who are on a farm for which a marketing quota or poundage quota has been established on an amount of the commodity equal to one-half of the farm marketing quota or poundage quota for the commodity, as determined by the Secretary; and

(C) to producers of other commodities on an amount of the commodity equal to one-half of the farm yield for the commodity multiplied by the farm acreage intended to be planted to the commodity for harvest in 1986, as determined by the Secretary.

(3) An advance recourse loan under section 424 shall come due at such time immediately following harvest as the Secretary determines appropriate. Each loan contract entered into under section 424 shall specify the date on which the loan is to come due.

(4)(A) The Secretary shall establish procedures, when practicable, under which a producer, simultaneously with repayment of his resource loan, may obtain a nonrecourse loan on his crop (as otherwise provided for in the Agricultural Act of 1949) in an amount sufficient to repay his recourse loan.

(B) In cases in which nonrecourse loans under such Act are not normally made available directly to producers, the Secretary shall establish procedures under which a producer may repay a recourse loan at the same time the producer receives advances or other payment from the producer's disposition of his crop.

(5) Advance recourse loans shall be made available as needed solely to cover costs involved in the production of the 1986 crop that are incurred or are outstanding on or after the date of enactment of this section.

(6) To obtain an advance recourse loan, the producer on a farm must—

(A) provide as security for the loan a first lien on the crop covered by the loan or provide such other security as may be available to the producer and determined by the Secretary to be adequate to protect the Government's interests; and

(B) obtain multiperil crop insurance, if available, to protect the crop that serves as security for the loan.

If a producer does not have multiperil crop insurance and is located in a county in which the signup period for multiperil crop insurance has expired, the producer shall be required to obtain other crop insurance, if available.

(7) The total amount in advance recourse loans that may be made to a producer under section 424 may not exceed $50,000.

(8) An advance recourse loan may be made available only to a producer who agrees to comply with such other terms and conditions determined appropriate by the Secretary and consistent with the provisions of section 424.

(b) The Secretary shall carry out the program provided for under section 424 through the Commodity Credit Corporation, using the services of the Agricultural Stabilization and Conservation Services and the county committees established under section 8(b) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h (b)) to make determinations of eligibility with respect to the credit test under subsection (a)(1), and determinations as to the sufficiency of security under subsection (a)(6). The Secretary may use such committees for such other purposes as the Secretary determines appropriate in carrying out section 424.

(b) REGULATIONS.—It is further the sense of Congress that the Secretary of Agriculture shall issue or, as appropriate, amend regulations to implement the program provided for under section 424 as soon as practicable, but not later than 15 days after the date of enactment of this Act. Loans and other assistance provided under such program shall be made available beginning on the date such regulations are issued or amended.

DIXON AMENDMENT NO. 1648

Mr. DIXON proposed an amendment to the bill S. 2143, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . Section 17 of the United States Warehouse Act (7 U.S.C. 259) is amended—

(1) by striking out "That" and inserting in lieu thereof "(a) Except as provided in subsection (b),"; and

(2) by adding at the end thereof the following new subsection:

"(b)(1) Notwithstanding any other provision of this Act, if a warehouseman because

of a temporary shortage lacks sufficient space to store the agricultural products of all depositors in a licensed warehouse, the warehouseman may, in accordance with regulations issued by the Secretary of Agriculture and subject to such terms and conditions as the Secretary may prescribe, transfer stored agricultural products for which receipts have been issued out of such warehouse to another licensed warehouse for continued storage.

"(2) The warehouseman of a licensed warehouse to which agricultural products have been transferred under paragraph (1) shall deliver to the rightful owner of such products, on request, at the licensed warehouse where first deposited, such products in the amount, and of the kind, quality, and grade, called for by the receipts or other evidence of storage of such owner.".

MELCHER AMENDMENT NOS. 1649 AND 1650

Mr. MELCHER proposed two amendments to the bill S. 2143, supra; as follows:

AMENDMENT No. 1649

At the end of the bill, add the following new section:

SEC. . Title II of the Act of April 4, 1985, entitled "An Act Making urgent supplemental appropriations for the fiscal year ending September 30, 1985, for emergency famine relief and recovery in Africa, and for other purposes", Public Law 99-10, is amended by striking out "the Administrator" and all that follows through "Africa" and inserting in lieu thereof the following: "the President certifies that the use of such funds is essential to famine relief in Africa. The Administrator of the Agency for International Development shall prepare and submit to Congress before April 15, 1986, a plan specifying how such additional funds for African famine relief would be used. The plan shall ensure, among other things, that the funds from the reserve, if utilized, shall be available to cover all costs for inland transportation of food only as are necessary for its timely delivery."

AMENDMENT No. 1650

At the end of the bill, add a new section as follows:

SEC. . Section 416(b)(10)(B) of the Agricultural Act of 1949 is amended—

(a) by inserting before the period at the end of the second sentence the following: "or, in the case of fiscal year 1986, prior to March 31, 1986"; and

(b) by inserting before the period at the end of the third sentence the following: "or, in the case of fiscal year 1986, March 31, 1986".

MOYNIHAN AMENDMENT NO. 1651

Mr. MOYNIHAN proposed an amendment to the bill S. 2143, supra; as follows:

In section 10 (relating to increased milk assessments to meet deficit reduction requirements), insert "(a) Increased Milk Assessments.—" before "Effective".

In clause (1) of section 10, strike out "subparagraph (E)" and insert in lieu thereof "subparagraphs (E) and (F)".

At the end of section 10, insert the following new subsection:

(b) APPORTIONMENT OF MILK ASSESSMENTS.—Effective March 1, 1986, section 201(d)(2) of the Agricultural Act of 1949 (as amended by subsection (a)) is further amended by adding at the end thereof a new subparagraph (F) as follows:

"(F) Notwithstanding the foregoing provisions of this paragraph, the Secretary is authorized to adjust and apportion the amount of the reduction under subparagraph (A) in the price of milk received by producers on a State or regional basis taking into consideration the level of purchases of milk and the products of milk by the Commodity Credit Corporation in such State or region during the fiscal year ending September 30, 1985, to support the price of milk under this subsection.".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. DOLE. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, March 5, 1986, in order to receive testimony concerning the following nominations:

U.S. CIRCUIT JUDGE

J. Daniel Mahoney, of New York, to be U.S. circuit judge for the second circuit.

U.S. DISTRICT JUDGE

Barbara K. Hackett, of Michigan, to be U.S. district judge for the eastern district of Michigan.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOLE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, March 5, in closed session, to conduct a hearing on the fiscal year 1987 intelligence budget authorization.

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

SUBCOMMITTEE ON GOVERNMENTAL EFFICIENCY AND THE DISTRICT OF COLUMBIA

Mr. DOLE. Mr. President, I ask unanimous consent that the D.C. Subcommittee of the Committee on Governmental Affairs be authorized to meet during the session of the Senate on Wednesday, March 5, to hold a hearing on the oversight of D.C. courts.

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

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. COCHRAN. Mr. President, I ask unanimous consent that the Committee on Agriculture be authorized to meet during the session of the Senate on Wednesday, March 5, 1986, to conduct a business meeting in order to report the nomination of Richard E. Lyng to be Secretary of Agriculture.

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

ADDITIONAL STATEMENTS

CALL TO CONSCIENCE ON SOVIET JEWRY

● Mr. GLENN. Mr. President, with the brightening of prospects for positive developments at the Geneva arms talks, it is essential that we not lose sight of another important obstacle to better United States-Soviet relations—the plight of Soviet Jewry. The release of Anatoly Shcharansky from the Soviet Union is a positive development. However, the Soviets have a very long way to go if they wish us to believe that they are reversing their inflexible position on Jewish emigration.

Freedom of emigration is a basic human right guaranteed by a number of internationally accepted documents such as the Helsinki Final Act. Clearly, the Soviets are not living up to these agreements.

The case of Gennady and Natasha Khassin of Moscow is an example of Soviet intransigence. The Khassins first applied to emigrate from the Soviet Union in August of 1976. Their visa requests have been refused repeatedly since then. In addition, the Khassins have been relentlessly harassed by Soviet authorities for their work on behalf of Jewish prisoners of conscience.

Gennady and Natasha Khassin are like so many thousands of refuseniks trapped by a system that persecutes them and attacks their religious and cultural heritage, yet denies them the opportunity to emigrate and be reunited with their families.

As Americans, we must continue to speak out on the plight of Soviet Jewry. We must make it clearly understood by the Soviets that improvement in emigration policy for Soviet Jews is a vital precondition for the establishment of better United States-Soviet ties. The plight of Soviet Jewry simply cannot be ignored.●

EDUCATION COMMISSION OF THE STATES NATIONAL TEACHERS FORUM

● Mr. PRYOR. Mr. President, the Nation's capital plays host this week to the Education Commission of the States [ECS] National Teachers Forum. Fifty-six finalists from across the country were selected from among 400 candidates to participate in the 3-day forum. These teachers will share their views on a number of issues including: The state of education in America today, the quality of worklife in the teaching profession, the impact of State policies affecting teaching, and future steps policymakers might take to ensure teaching effectiveness.

One of the 56 education professionals participating in this historic meet-

ing is the 1986 Arkansas Teacher of the Year, Mrs. Kerry Lockwood Owen. Mrs. Owen, an English teacher at Hot Springs High School, is an active member of the Arkansas Council of Teachers of English, the Arkansas Speech Communication Association, and the Conference of Arkansas Theatre. During the past 2 years, Mrs. Owen has participated in a number of conferences sponsored by "Wingspread," a nationwide movement to promote drama as a certified teaching field. Her dedication to the profession, the enthusiam she brings to her classes, the love she demonstrates for her students—these are the qualities that make Kerry Lockwood Owen so beloved at Hot Springs High. She is truly deserving of the Arkansas Teacher of the Year honor, and I am proud that my State can claim such an outstanding educator.

I know my colleagues join me in saluting Mrs. Owen and each of the other National Teachers Forum participants as they turn their attention to the fundamental concerns of teachers throughout the Nation.

THE BELFAST CURLING CLUB

● Mr. MITCHELL. Mr. President, it is a great pleasure for me to report to you today on the cause of great excitement in Waldo County, ME. The Belfast Curling Club is only one victory away from winning a national championship.

Belfast's Club has arrived at this point after it won the Grand National Curling Association mixed-team competition which was held in Belfast last month.

The proud Belfast team, which will be competing next week in the United States Curling Association Mixed Championship at St. Paul, MN, consists of skip Jeff Dutch, who lives in Belfast, mate Peg Moser of Northport, second stone Bill Pieske of Morrill, and first stone Cheryl Pieske, also of Morrill.

The sport of curling involves sliding heavy, smooth stones along a sheet of ice with the object being to accumulate stones within a circular house, while preventing opponents from doing so. Curling originated in Scotland, and was passed to the United States by our Canadian neighbors. Where the intricacies and traditions of the game have become known, curling has flourished, especially, I might add, in those fair regions of our country where snowy winters stimulate imagination and quicken the human spirit.

The Belfast Curling Club was founded in 1957 under the leadership of the late Dr. Norman E. Cobb. Although its membership and facilities have grown steadily, the club entered the Grand National district's mixed-team competition for the first time this year, defeating teams from Schenectady, Rochester, Boston, and Philadelphia, to become champions of the northeast.

I see no reason, Mr. President, why the Belfast team should not continue to be the giant killer in the upcoming national championships in St. Paul, where it will compete with nine other district winners.

Jeff, Peg, Bill, and Cheryl, are to be commended for their recent, unexpected, success. They travel to Minnesota with the affection and support of this Senator, and of all the people of Maine.●

COPE-O'BRIEN CENTER ANNIVERSARY

● Mr. LEVIN. Mr. President, I would like to call attention to a special organization and a special anniversary. This month the COPE-O'Brien Center will be celebrating 15 years of outstanding service to Washtenaw County and all of Michigan. The center works with delinquent and disadvantaged youth by providing support services. At a time when domestic spending is being cut, the COPE-O'Brien Center stands out as a successful, cost-effective program.

This innovative center has worked to lessen barriers for young men and women to employment by offering skill training and placement into unsubsidized employment or entry into more advanced vocational or educational programs. The program provides daytime counseling, recreation and alternative educational services for troubled and needy adolescents. Emergency shelters, foster care, and life skill training are also a part of the program.

As an alternative to institutional placement, the program saves money by working with families and the juvenile courts to resolve the long-term needs of youngsters. Temporary emergency shelter is used to provide the necessary time to work out these problems. This shelter is given by adults who are qualified and willing to take "children in crisis" into their own homes for short periods.

For their fine work in youth support services, Mr. President, I would like to ask my colleagues to join with me in congratulating the COPE-O'Brien Center on its 15th anniversary of working with our most valuable resource, our youth.●

DEATH OF CHARLES A. HALLACK

● Mr. QUAYLE. Mr. President, on March 3 in Lafayette, IN, Charles Abraham Halleck died at the age of 85. As a former Congressman from Indiana who served his constituents and the Republican Party during a 33-year career, Charlie Halleck will be remembered with affection and respect.

Charles Halleck served as an effective and able politician during an exciting period of 20th century change and growth for our country. He served as majority leader of the House of Representatives in the late forties and early fifties and as minority leader through the midsixties. Charlie Halleck helped to shape the course of the Republican Party and this Nation as the country strived to overcome the ravages of the Depression, steel itself for participation in World War II, flourish in post-war prosperity, and face the tensions of the cold war and involvement in Vietnam.

Charles Halleck was born in Demotte, IN in 1900 and was destined for a political life as early as high school when he focused his ambitions to serve in public office. He served in the Army in World War I, graduated from Indiana University and its school of law, and served as a county prosecutor for 10 years. In 1935, he ran in a special election to represent the Second District of Indiana after the death of Representative Frederick Landis, the only Indiana Republican at the time. That election was followed by 16 more successful House terms.

In his 33 years in Congress, Charlie Halleck served seven different Presidents. He nominated his fellow Hoosier Wendell Willkie for President at the 1940 Republican Convention, and his close friend, Dwight Eisenhower in 1956. He was considered as a potential running mate for Thomas Dewey in 1948 and many political historians speculate that his presence on the ticket may have been the factor which would have prevented Truman from carrying the farm States and win the election for Dewey.

His legislative accomplishments are no less significant. Halleck assisted in drafting the Taft-Hartley Act. He supported the Marshall plan for economic recovery of Europe and the Truman Doctrine to aid Greece and Turkey. He supported all major civil rights measures and is credited with revising the landmark 1964 civil rights bill when its passage was stalled. In 1965, Halleck was defeated for the minority leader position by Gerald Ford. In 1968, he did what most politicians find hard to do with grace and dignity, he went home, back to Indiana.

Charles Halleck enjoyed widespread affection from his former colleagues, his neighbors, and his constituents. He had an unequalled record of faithful public service and he will remain an example for all who follow in his footsteps. I speak for many when I say that Charles Halleck will be missed by Indiana and by the Nation. We extend our condolences to his family.●

WESTINGHOUSE SCIENCE TALENT SEARCH

● Mr. MOYNIHAN. Mr. President, each year, the Westinghouse Science Talent Search recognizes the Nation's gifted young scientists. I always look forward with special anticipation to the announcement of the winners, for there are inevitably many fine young New Yorkers among them.

This year, we are especially proud that a young student from Brooklyn Technical High School, Mr. Wei-Jing Zhu, tied for first place in this prestigious competition. His project involving algebraic number theory earned him a $20,000 college scholarship.

In addition to Mr. Zhu, two other New Yorkers were among the top 10 finalists. They are Mr. George Jer-Chi Juang of Benjamin Cardozo High School in Queens (fourth place) and Ms. Jessica Louise Boklan of Roslyn High School in Roslyn Heights (sixth place). All told, 15 New York students were finalists in the annual Westinghouse contest, and 149 New Yorkers (nearly half of the National total) were named to the Talent Search Honors Group.

Mr. President, the names of the winners and finalists and descriptions of some of their projects appeared in two recent articles in the New York Times. As part of the tribute I mean to pay these exceptional young people today, I ask that the articles be printed in the RECORD.

The articles follow:

[From the New York Times, Jan. 26, 1986]

15 FROM NEW YORK ARE AMONG FINALISTS FOR SCIENCE AWARDS

(By Larry Rohter)

Fifteen high-school students from New York State, including three each from the Bronx High School of Science and Benjamin N. Cardozo High School in Queens, were among the 40 national winners named last week in the Westinghouse Science Talent Search.

Thirteen of the New York State winners came from New York City public high schools, more than from any other city or state. Fourteen other states, including Connecticut, also provided finalists in the competition, sponsored annually since 1942 by the Westinghouse Electric Corporation.

The 40 finalists, all seniors, were selected from a group of 300 semifinalists. They are competing for $140,000 in scholarships and cash awards to be announced in Washington on March 3.

Ten scholarships, ranging from $7,500 to $20,000 will be granted to students judged the most outstanding after interviews with eight scientists. The 30 other finalists will each get $1,000 in cash.

Continuing a trend that has become increasingly noticeable in recent years, one-quarter of the winners this year were born in foreign countries, including China, Japan, Vietnam and South Korea. In contrast with the usual pattern, in which private schools have been heavily represented, all but one of the finalists this year attend public high schools.

Winners were chosen largely on the basis of individual science projects, which many of them had worked on for months. The finalists carried out original research in such fields as biology, mathematics, chemistry, physics, medicine and oceanography.

These are the New York State winners and their high schools:

Jessica L. Boklan, 17, East Hills, L.I; Roslyn High School, Roslyn Heights, L.I.

George Jer-Chi Juang, 17, Bayside, Queens; Benjamin N. Cardozo High School, Bayside.

Chris John Katopis, 17, Hollis Hills, Queens; Bronx High School of Science, Bedford Park.

Mark Huan-Fu Kuo, 17, Whitestone, Queens; Bronx High School of Science.

Leonard J. Landesberg, 17, Rockville Centre, L.I.; South Side High School, Rockville Centre.

David M. Lazoff, 17, Bayside; Hillcrest High School, Jamaica, Queens.

Jung-Pu Lin, 18, Elmhurst, Queens; Forest Hills High School, Queens.

Eli Muraidekh, 17, Little Neck Queens; Benjamin N. Cardozo High School.

Andrew Henry Oliff, 17, Kingsbridge Heights, Bronx; Bronx High School of Science.

Carl Hyun-Suk Park, 17, Woodside, Queens; Stuyvesant High School, Manhattan.

Serap Ayse Savari, 17, Bayside; Benjamin N. Cardozo High School.

Manu Sanlay Saxena, 17, Rockaway Park, Queens; Beach Channel High School, Rockaway Park.

Mariann Meier Wang, 17, Jackson Heights, Queens; Stuyvesant High School.

Mark A. Winograd, 17, Flatbush, Brooklyn; Midwood High School, Flatbush.

Wei-Jing Zhu, 16, Bay Ridge, Brooklyn; Brooklyn Technical High School, Fort Greene.

The Connecticut winner is Mary Elizabeth Meyerand, 17, of Glastonbury, a student at Glastonbury High School.

[From the New York Times, Mar. 4, 1986]

CITY STUDENT IN TIE FOR SCIENCE PRIZE

(By Barbara Gamarekian)

WASHINGTON, March 3—For the first time since 1978 two high school students, a boy from New York and a girl from Florida, tied for first place in the annual Westinghouse Science Talent Search competition, each winning a $20,000 college scholarship.

New York State students were awarded 3 of the top 10 prizes in the 45th annual contest for high school seniors, one of the most prestigious in the nation for teen-age scientists.

Wei-Jing Zhu, a 16-year-old senior at Brooklyn Technical High School was born in Canton, China, shared first place with Wendy Kay Chung, 17, a senior at Miami Killian Senior High School in Miami.

Their victories underlined what contest officials said was a noticeable trend in recent years: the success of students born in Asia or of Asian parentage. The top five prizes were awarded to these students this year.

"STRONG FAMILY SUPPORT"

"In the early years of the search, the winners tended to be sons and daughters of Jewish refugees," noted C. C. Newton of the Westinghouse staff. "Now we are finding that they are the sons and daughters of immigrants from Asia."

The top 10 finalists were announced at a dinner at the Mayflower Hotel tonight.

The other top-10 finalists from the metropolitan area were: George Jer-Chi Juang, 17, of Benjamin N. Cardozo High School in Queens, who placed fourth, winning a $10,000 scholarship for his physics project examining the use of ferric oxhydroxide colloids in phase conjugation devices; Jessica Louise Boklan, 17, of Roslyn High School in Roslyn Heights, L.I., sixth, winning $10,000 for devising an algorithmic approach to the construction of reversal products, and Mary Elizabeth Meyerand, 17, a student at Glastonbury High School in Glastonbury, Conn., eighth, winning a $7,500 scholarship for creating an underwater energy conservation device.

EXHIBITING RESEARCH

Yoriko Saito, 18, of Homewood, Ala., who arrived in the United States from Japan three years ago, placed third, winning a $15,000 scholarship for a project in biochemistry.

The other top 10 winners were Anh Tuan Nguyen-Huynh, 17, of Chagrin Falls, Ohio, who came from Vietnam five years ago, who placed fifth; William Edward Bies, 17, of Pittsburgh, seventh; Andrew Lawrence Feig, 18, of Los Angeles, ninth, and Allen Wallis Inglig, 17, of Delaware, Ohio, 10th.

Not since 1978 had the Bronx High School of Science and Stuyvesant High School failed to place in the top 10, a Westinghouse official said.

Mr. Zhu, whose project concerned algebraic number theory, arrived in the United States in the summer of 1980. His parents, both optical engineers, had introduced him to mathematics at an early age.

"When I was very young, preschool," he said, "they brought me puzzles and arithmetic problems—anything that was related to thinking scientifically and mathematically."

Miss Chung was awarded her first prize for her research into the behavior of the Caribbean fruit fly.

About her interest in science, she said: "Throughout the history of man there have been questions about what makes things work, how things tick. It's just a natural curiosity."●

PRESIDENT'S COUNCIL ON HEALTH PROMOTION AND DISEASE PREVENTION

● Mr. HEINZ. Mr. President, today I wish to address the Senate concerning an issue of great importance to Americans, young and old alike. That issue is the urgent need for better information about the benefits and costs of health promotion and disease prevention. For this reason I am joining with my distinguished colleagues, Senators HATCH, LUGAR, and KENNEDY, in cosponsoring S. 2057, a bill that establishes a "President's Council on Health Promotion and Disease Prevention."

Mr. President, the time has come for us to expand our definition of health care to include health promotion, disease and disability prevention. I am confident that the President's Council, as proposed in S. 2057, will work to give new emphasis to this broader view of health in both public and private sector policy. The Council would prepare an inventory of the Federal, State, local, and private health promotion programs and use this inventory to assess the availability, appropriateness and need for health promotion

and disease prevention services. The Council would also recommend to the President ways to increase the availability of information about health promotion and disease prevention to the public.

As chairman of the Special Committee on Aging, I am deeply concerned about the rising costs of health care and the forces at work which may be diminishing health care quality for older Americans. It is vital, therefore, that we study the role of health promotion and disease prevention in providing for better health in old age at less cost.

More Americans are living longer than ever before. For many, however, health problems are merely delayed, not eliminated. As a consequence, there is an ever larger number of very old—age 85 plus—Americans who suffer from chronic, debilitating illnesses. For these chronically ill elderly, the goal often is to obtain the highest level of functional capacity and independence, not to cure the disease. We have the opportunity to alter the paths of some future older citizens away from chronic disease toward good health in old age. To grasp this opportunity, we must act now because prevention requires that action occurs before disease strikes. The President's Council will provide us the information we need to improve the health habits of today's and tomorrow's older Americans.

Mr. President, one of the most dramatic examples of a health benefit from behavior change occurs when a person stops smoking. Cigarette smoking is a major risk factor in cardiovascular diseases and selected cancers. When a person of any age stops smoking, the benefits to the heart and the circulatory system begin right away. The risk of heart attack and stroke drops and circulation to the hands and feet improves. Nonsmokers also have lower risk of contracting influenza and pneumonia, diseases that can sometimes be life-threatening for older persons.

Other health habits such as diet, exercise, and stress reduction are also worthy of attention because of their demonstrated positive effects. Appropriate and timely intervention also fosters a sense of well-being, enhances personal health, and can even promote social interaction for America's elderly.

To date, research efforts on health promotion and disease prevention have largely excluded older persons. The role of health promotion and education for good health in old age must be investigated. We must recognize the need to include older persons in activities aimed at preventing future diseases and disability, and address the serious lack of scientific data needed to direct our future activities in health promotion for the elderly.

Mr. President, I congratulate my colleagues for their leadership on this issue. As America continues to grow older, we must continue to reassess our goals and activities in health care to ensure continued improvements in the health and well-being of our Nation. The establishment of the President's Council on Health Promotion and Disease Prevention is a positive step on the road to redefining health care to meet the needs of our changing society.●

S. 2137, A BILL TO PROVIDE FOR A PILOT PROGRAM OF LOAN ASSET SALES

● Mr. MOYNIHAN. Mr. President, yesterday, I was joined by my distinguished colleague from New Jersey, Senator LAUTENBERG, in introducing S. 2137, legislation that would establish a pilot program of loan asset sales. I urge my colleagues to consider carefully this proposal, and ask that the bill be printed in the RECORD.

The text of this bill follows:

S. 2137

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Secretary of Agriculture (hereinafter referred to as the "Secretary") shall carry out a pilot program for the sale without recourse during each of fiscal years 1986, 1987, and 1988 of direct loans under title V of the Housing Act of 1949 to one or more investors on an overcollateralized basis.

(b) For the purpose of this section, the phrase "on an overcollateralized basis" means that the sale of loans by the Secretary, in consultation with whatever investment counsel he deems necessary, shall be collateralized by a pool of Government-owned loans. The amount of loans to be designated for inclusion in the pool shall be determined by the Secretary of Agriculture, in consultation with whatever investment counsel he deems necessary. Loans designated to serve as collateral will be eligible for acquisition in the event that any loans purchased are delinquent for 30 days or more. Upon any such delinquency, the delinquent loans shall be reacquired when the Secretary substitutes a new loan in place of the delinquent loan, and all cash proceeds from the delinquent loan, including interest income and principal repayment revert to the Federal Government.

(c) The loan sale under this section shall be designed and implemented to yield not less than $8,000,000,000 during each year of the pilot program.

(d) Loan sales under this section shall be made pursuant to contracts specifying the use of predesignated collateral, shall be viewed by a prospective purchaser as an adequately collateralized purchase as would occur between any two private sector entities, and may not be construed by a prospective purchaser or other interested party as a Federal guarantee of any form.

(e) To the extent specified by subsequent legislation, net proceeds of loans sold under this section during any fiscal year will be deposited in the rural housing insurance revolving fund and may be used for funding new loans under title V of the Housing Act of 1949.

(f) In all instances, the terms and conditions of the Housing Act of 1949 shall apply to the servicing of loans sold or subsequently acquired under the pilot program under this section.●

THE IMPORTANCE OF THE NEXT APPOINTMENT TO THE TENNESSEE VALLEY AUTHORITY BOARD OF DIRECTORS

● Mr. HUMPHREY. Mr. President, a few weeks ago, Mr. Richard M. Freeman resigned his post as one of the three members of the board of directors of the Tennessee Valley Authority [TVA]. Because of the structure of the Tennessee Valley Authority, a vacancy on the board of directors offers one of the few opportunities for the public and the Congress to influence policy at this agency. As chairman of the Subcommittee on Regional and Community Development, which has oversight responsibilities for TVA, I have great concern over developments at the agency. In my view, the next appointment to the TVA board will make a great difference in the future direction to the entire Senate, which must give consent to the next appointee.

I plan a series of statements for the RECORD in which I will outline the structure of TVA, the issues facing the agency today, and the agenda that the next board member should bring with him to the board of directors of the Tennessee Valley Authority.

THE STRUCTURE OF TVA AND THE BOARD APPOINTMENT PROCESS

Under the Tennessee Valley Authority Act of 1933, the President nominates and the Senate confirms the three members of the board of directors. Each member of the board serves for 9 years. Under the TVA Act, the board of directors is given extraordinary authority in conducting the affairs of what has become the Nation's largest electric utility.

In hearings before the Subcommittee, on Regional and Community Development held last summer, members heard testimony to the effect that under the TVA Act, the board of directors are not directly accountable to anyone. As one witness, William U. Chandler, author of "The Myth of TVA," told the subcommittee:

Accountability is a key feature of the American system, and it is an essential element of both our marketplace and our Government. When a company like Coca-Cola makes a mistake, it has to face the market which then forces a correction. When politicians make mistakes, they have that day of reckoning when they face the electorate. But TVA is not accountable to the marketplace—it is a monopoly. It is not accountable to the electorate—its directors do not owe their jobs to the people they serve, and neither do the politicians who appoint them. Its makers wanted it "clothed with the power of government but possessed of the flexibility and initiative of private en-

terprise." Its directors are appointed for 9-year terms by a President who may or may not understand the problems of the Valley, and reviewed by a Senate Committee that at present does not include a representative of the Valley. When directors make mistakes, their jobs remain secure. If the Committee on Environment and Public Works notices, it has little power to correct the underlying causes of the mistakes.

Thus, because the board is entrusted with such powers, because they serve for 9 years, and because they are not required to answer directly to anyone, the board appointment process takes on enormous importance.

However, in the past, even the small window of accountability of the board appointment process has proven unsatisfactory. After the last board vacancy occurred in 1983, a coalition of 43 organizations from within the seven State TVA service area was formed as the TVA Board Appointment Coalition. The coalition sought to influence the board appointment process. Their efforts ultimately failed.

In testimony before the Committee on Environment and Public Works of July 31, 1984, James M. Price, of the TVA Board Appointment Coalition, underscored the importance of the board appointment process:

The importance of this appointment to the citizens of the Tennessee Valley is magnified when we recognize that the appointment process is about the only chance citizens have to submit input in guiding TVA's overall direction. We cannot appeal to our public service commission for oversight of TVA policies. Thus, the TVA Board Appointment Coalition was formed to assist in this decision in recognition of what TVA had once been and what, for good or bad, it can become.

Mr. Price puts the matter succinctly, appointments to the TVA board take on enormous importance because they, more than anything else, will help to define where the agency should go from here. It is that subject that I will address in my next speech on this matter.●

CHOR-BISHOP FEGHALI HONORED

● Mr. LEVIN. Mr. President, April 6, 1986, will be a very special day in the lives of Chor-Bishop Joseph C. Feghali and the members of St. Maron Maronite Church in Detroit, MI.

On that day, Chor-Bishop Feghali will celebrate the 40th anniversary of his ordination into the priesthood and, coincidentally, the 35th anniversary of his arrival in the United States.

Chor-Bishop Feghali is a very special person; this was recognized early in his life, and on the day he was ordained in Lebanon, a witness to the event, quoting from the Bible, said that he was the man "taken from among men and made their representative before God."

In the 1950's, Chor-Bishop Feghali earned the reputation of a good will ambassador between Lebanon and the United States. He initiated charter flights to Lebanon and as a result he conducted many pilgrimages to Lebanon. It is because of him that hundreds of visitations have taken place. It is because of his leadership in unifying his people here and abroad that he was honored by both the Governments of the United States and Lebanon.

In 1964, he was elected Maronite Man of the Year. His devotion and dedication to his parishioners and his community did not go unnoticed.

Chor-Bishop Feghali has been a close associate of Danny Thomas and is involved with him in the projects at St. Jude Hospital in Memphis, TN. He was a founder of Alsac [Aiding Leukemia Stricken Children].

People of many faiths and ethnic origins respect the leadership and humanity exhibited by Chor-Bishop Feghali.

Chor-Bishop Feghali first came to Detroit in 1976. He left Michigan for a few years, but he came back to St. Maron's Church in 1984. His parishioners are grateful to have him back, and the entire community benefits from his presence and leadership.

I want to congratulate Chor-Bishop Feghali on reaching this milestone in his pastoral life, and I am happy to be able to send him best wishes for a long, healthy, and productive life.●

LINCOLN'S SPIRIT AND TODAY'S GOP

● Mr. LEVIN. Mr. President, our distinguished colleague, PAUL SIMON, who is also widely known as a Lincoln scholar, recently wrote an article entitled "Where is Lincoln's Spirit in Today's GOP?" It was published in the February 12, 1986 Boston Globe.

Senator SIMON's excellent piece compares Republican positions early in the party's history to today's party stands. I was intrigued by the comparison of Lincoln's stand on issues such as racial justice, women's rights, and the budget with modern day republicanism. SIMON also compares Lincoln's foreign policy of restraint to the more interventionist pattern of his party several generations later.

Abraham Lincoln was a great American statesman who is increasingly referred to by today's Republicans. One hopes they will truly seek to reflect his beliefs and his accomplishments.

I include the full text of Senator SIMON's article at this point in my remarks.

WHERE IS LINCOLN'S SPIRIT IN TODAY'S GOP?

(By Paul Simon)

WASHINGTON—It is the time of the year when Republican speech-makers around the nation invoke the name and assume the mantle of Abraham Lincoln.

But the mantle does not fit well today.

Lincoln would not feel completely at home with Democratic speech-makers, but the Republican leadership in the executive branch today stands for causes and a direction he would find strange in a party he once led.

RACIAL JUSTICE

The issue that brought Lincoln to national attention was his deep hatred of slavery. Today the head of the Civil Rights Division of the Justice Department from Lincoln's party generally opposes significant minority claims. The record of the Civil Rights Commission under President Reagan is equally dismal.

This administration's appointees in almost all departments except the Department of Labor are fairly consistent in dragging their feet on civil rights issues; Lincoln was fairly consistent in leading.

On some issues Lincoln followed public opinion, but on the issue of slavery he led public opinion. Those who try to paint a different picture of Lincoln by taking a few statements out of context miss the strong thread that ran through his life.

As a state legislator who had just reached his 28th birthday, he took the unusual step of filing a formal protest along with fellow legislator Dan Stone, to a pro-slavery resolution adopted by the Illinois General Assembly.

As he wrote in 1860 to John Scripps, he had pretty much given up politics "when the repeal of the Missouri Compromise aroused him as he had never been aroused before." That repeal permitted the introduction of slavery into the new states, and its passage stirred Lincoln's blood.

WOMEN'S RIGHTS

Thirty-six years before Susan B. Anthony was arrested for trying to vote for Ulysses S. Grant for president, Lincoln, a young state legislator in Illinois seeking his second term, stated in a letter to the Sangamo Journal that he favored suffrage for women. That was in 1836, 84 years before women's suffrage became national policy.

More than a century before most religious groups permitted women clergy. Lincoln indicated he favored appointing a woman chaplain to the First Wisconsin Heavy Artillery Unit, but Secretary of War Edwin Stanton turned the suggestion down "on account of her sex, not wishing to establish a precedent."

The appointment of Sandra Day O'Conner to the US Supreme Court fits with the Lincoln tradition, but the Reagan's administration's opposition to affirmative action and the Equal Rights Amendment, and the small number of significant female appointments, do not fit the Lincoln pattern of attempting to move forward.

GENEROSITY OF SPIRIT TO FOES

In the midst of the most bitter war in which this nation has ever engaged, a war that divided families and churches and communities, Lincoln gave his second inaugural address that showed a generosity of spirit unmatched by any other president. His speech did not compromise on the question of slavery, but in a nation filled with hatred toward the South, this leader concluded his inaugural message with these words: "With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us bind up our nation's wounds . . . [let us] do all which may achieve and cherish a just, and a lasting peace, among ourselves, and with all nations."

In the past year, President Reagan has hinted of a shift closer to that attitude, but his overall record of harshness toward foes has been anything but Lincolnesque. President Reagan told the National Association of Evangelicals in Orlando on March 8, 1983, that Soviet leaders reign over an "evil empire." When he did that he pleased the domestic audience, but failed the test of statesmanship that Lincoln passed so superbly.

CENTRAL AMERICA

Drawing parallels between dissimilar situations is dangerous. But Lincoln showed great restraint in foreign affairs. In his fourth Annual Message to Congress, Lincoln noted: "Mexico continues to be a theater of civil war. While our political relations with that country have undergone change, we have, at the same time, strictly maintained neutrality between the belligerants."

As a member of the US House almost two decades earlier, Lincoln had opposed the war with Mexico. It is difficult to believe he would favor aid to the contras, or military involvement in Angola. Quiet diplomacy in an effort to avoid military involvement was the Lincoln pattern; it has not been the Reagan pattern.

HELP FOR THE LESS FORTUNATE

From his days as a state legislator to the final days of his presidency, Lincoln showed a strong sympathy for the oppressed, whether slave or free.

As a state legislator Lincoln introduced a measure to make any interest charge greater than 12 percent illegal; he supported programs for the handicapped. Throughout his career he showed the same strong identification with those who struggled.

In one speech he noted, "Inasmuch [as] most good things are produced by labor, it follows that such things of right belong to those whose labor has produced them. But it has so happened in all ages of the world, that some have labored, and others have, without labor, enjoyed a large proportion of the fruits. This is wrong, and should not continue. To [secure] to each laborer the whole product of his labor, or as nearly as possible, is a most worthy object of any good government."

Lincoln's sense of kinship with the less fortunate comes through again and again, and that is not notable in the current administration. Withdrawing a helping hand from those needing help would not be Lincoln's way.

THE RELIGIOUS RIGHT-WING

President Reagan frequently finds himself the hero and spokesman for the most conservative elements in the religious community. Lincoln, who did not affiliate with any denomination but attended services with his Presbyterian wife, found himself the object of attack from the most conservative religious element.

Lincoln generally avoided entanglements on religious questions, showing great tolerance, but when Rev. Frederick A. Ross wrote "Slavery Ordained of God" and headed national clerical efforts on behalf of slavery, Lincoln responded that the Christian rule of charity is "Give to him that is needy" while the slave-owner takes "from him that is needy." As to Ross calling slavery a good thing for some people, Lincoln noted, "As a good thing, slavery is strikingly peculiar, in that it is the only good thing which no man ever seeks the good of, for himself."

Those who use the name of religion to defend causes that harm the poor would find no ally in Abraham Lincoln.

THE BUDGET

In one area Lincoln would undoubtedly be both shocked and sympathetic with the problems of President Reagan: budget matters.

He would be amazed by $200 billion deficits, but during the Civil War the federal government also ran deficits, though the figures were much smaller. In his final Annual Message to Congress in 1864, receipts totaled $865 million, but about $100 million of the receipts were loans to the government.

Lincoln would, of course, be stunned by the size of the nation and size of government, as well as the remoteness of a modern President from many of the details that Lincoln had to handle personally.

But it is also appropriate to note that the first Republican president would find himself ill at ease with the policies and the political philosophy of the latest Republican president. We can only conjecture on what he might say, but it is not conjecture to suggest that most of the Lincoln Day GOP dinners will invoke the name of Abraham Lincoln this week, but not the spirit of the great man.●

TECHNICAL CORRECTIONS TO THE FARM BILL

● Mr. DURENBERGER. Mr. President, like many in this body who represent farm States, I was disappointed with the program the Secretary announced for 1986. By bringing the loan rate down as low as the law provides, and by freezing farm program bases and yields at an artificially low level, the Secretary has reduced farm income more than Congress contemplated.

But what really bothers me about the 1986 farm program is that the Office of Management and Budget forced the Department of Agriculture to delay the sign up period from mid-January to this week, the first of March. That delay means that loan rates, target prices and other payments will be subjected to the 4.3-percent Gramm-Rudman cut, and that means a cut in Minnesota farm income of $80 million. In addition, this delay has forced farmers to put off making important planting decisions while Congress makes up its mind on how to mitigate the impact of the administration's actions.

The farm program which the Department of Agriculture has implemented is not the 1985 farm bill. The bill we are considering today regrettably does not solve all of the problems created by the administration, but it will make three significant improvements.

The first change we are making relates to farm program yields. In the past, farm yields were based on either the county average or an individual's proven or established yields. I was not the only Member of Congress who was under the impression that, in passing the farm bill, we were freezing yields at the individual producer's proven 1985 yields. But such was not the case, with the Department of Agriculture ruling that the farm bill froze yields at the average of the previous 5 years program yields, as opposed to proven, throwing out the high and low years. The net effect is to reduce the yield for program crops nationwide, and hits the very efficient farmers the hardest.

The legislation before us would compensate farmers for any loss incurred by this change by providing CCC commodities to farmers who experience a greater than 3-percent reduction in proven yields for 1986, and in excess of a 5-percent reduction in 1987. It also puts a 10-percent limit on the amount by which the program payment yield for 1986 crops can be reduced when determining yields for 1988 and beyond.

The second change we are making relates to the underplanting provisions. In an effort to reduce outlays for program crops, such as corn, wheat, rice, and cotton, the farm bill allows farmers to plant nonprogram crops, such as dry edible beans, alfalfa, sunflowers, and wild rice, on one-half their program base, and still qualify for payments on 92 percent of their permitted acreage. However, the effect is to provide subsidies for farmers participating in the program at the expense and in direct competition with nonprogram farmers.

Today we are revising this provision to limit production to conservation crops unless the Secretary determines that production of specified nonprogram crops will not increase the cost of price support programs and will not adversely affect farm income. It also given States the option to allow haying and grazing on unseeded acreage.

Finally, this legislation will correct a serious oversight in the dairy program. Last year we agreed that the dairy program should contribute its fair share of the savings under Gramm-Rudman, but that these savings should be achieved through an increase in the 40-cent per hundredweight assessment on milk production provided for in the farm bill.

However, in the rush to adjournment, the conference committee on Gramm-Rudman failed to address this matter. Because the dairy program operates differently than do all other commodity programs, dairy farmers are looking at a cut of about 55 cents in the effective price support level. This is a substantial and inordinant cut for Minnesota and other midwestern dairy farmers.

By replacing the Gramm-Rudman reduction in purchase prices with an increase in the assessment, the dairy industry will contibute its fair share to deficit reduction while spreading the

burden equally among the country's dairy farmers.

Mr. President, this legislation is not perfect by any stretch of the imagination. I am not comfortable with raiding the Targeted Export Assistance Program. This could become one of USDA's most effective programs, and enjoyed the support of this Nation's soybean growers. I would strongly encourage USDA to use the $50 million to effectively sustain vital markets.

I would have also liked to see this legislation address another issue which is of vital importance to me and the farmers of Minnesota—farm credit. But the administration has made it known that any changes of additions would invite a veto of the whole package. So I will hold off. But I want my colleagues, and my constituents, to know that I remain seriously concerned about the farm credit situation and am encouraged by the majority leader's commitment to take up farm credit legislation in the very near future.

Mark Twain said, "Never put off till tomorrow, what you can do the day after tomorrow." Unfortunately, it appears that this has become an unofficial motto around this place, especially when it comes to agricultural policy.

I urge my colleagues to put their bickering aside so we can move forward with this legislation and have final action before our farmers see the light of day tomorrow.●

TAX AMNESTY DESERVES A CHANCE

● Mr. LAUTENBERG. Mr. President, I advocate the implementation of a Federal tax amnesty, coupled with a program of increased tax enforcement and compliance activities, as a means of increasing revenues and reducing the Federal budget deficit.

I have introduced legislation, S. 2100, that would establish an amnesty plan. It would encourage States, like New Jersey, to follow suit.

A Federal tax amnesty could raise $7 billion, according to one estimate. On the State level, it is estimated that New Jersey might raise $100 million. By coordinating a State program with the Federal program, the message to tax delinquents would be loud and clear: Pay up now, or regret it later.

Efforts to reduce the Federal budget deficit will, unavoidably, impose cutbacks on the States. For New Jersey, an amnesty would help cushion the impact of any cuts.

Mr. President, the Star-Ledger of Newark, NJ, has editorialized in favor of a tax amnesty. I ask that the editorial, of March 4, 1986, be printed in the RECORD.

The editorial follows:

[From the Star-Ledger, Mar. 4, 1986]

TAX AMNESTY MERITS TRIAL

Collecting taxes is a necessity for government, but also one of the most difficult of undertakings, given the traditionally low favor in which this function is held by many citizens. Tax evasion and fraud, it follows, are problems that have become institutionalized.

Penalties are routinely invoked by government, not only for the purpose of punishing tax cheats, but also for the deterrent effect they might have on others who may be entertaining thoughts of illegally avoiding their tax obligations.

There may be another way, one that is being extensively used. Eighteen states, most recently New York, have adopted a more compassionate strategy, granting a period of amnesty for tax evaders. This year, New York recouped about $200 million with its amnesty program. All told, $500 million has been collected by states offering amnesty.

Aware of the success other states have had with amnesty programs, New Jersey is considering a similar plan. Assemblyman Karl Weidel (R-Mercer) has sponsored a bill that would grant a 90-day penalty-free period for persons and businesses to pay taxes they have avoided. After the amnesty period, fines and interest would be increased on delinquent taxes.

There are varying estimates on the amount of money New Jersey would recover under an amnesty plan, ranging from $100 million to $200 million. The low figure was cited by state Tax Director John Baldwin, calculated on an "underground economy" that might generate between $400 million and $500 million on which taxes are not being paid.

Mr. Baldwin has strong moral reservations about an amnesty. He believes it would reward the lawless. However, amnesty offers forgiveness, and that virtue makes it a morally acceptable alternative to sanctions.

On fiscal grounds alone, a tax amnesty deserves a full trial in New Jersey. Not only will it mean recouping substantial lost revenues, but it will return errant taxpayers to the tax rolls. It is a form of penance that would have a therapeutic effect on transgressors.●

ORDERS FOR THURSDAY

RECESS UNTIL 10:45 A.M.

Mr. COCHRAN. Mr. President, I ask unanimous consent that once the Senate completes its business today, it stands in recess, until 10:45 a.m. on Thursday, March 6, 1986.

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

RECOGNITION OF CERTAIN SENATORS

Mr. COCHRAN. Following the recognition of the two leaders under the standing order, I ask unanimous consent that there be special orders in favor of the following Senators for not to exceed 15 minutes each: Senator PROXMIRE, Senator BUMPERS, Senator CHAFEE, and Senator KASSEBAUM.

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

ROUTINE MORNING BUSINESS

Mr. COCHRAN. Following the special orders just identified, I ask unanimous consent that there be a period for the transaction of routine morning business not to extend beyond the hour of 12 noon, with Senators permitted to speak therein for not more than 5 minutes.

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

PROGRAM

Mr. COCHRAN. At the hour of 12 noon, by a previous unanimous consent, the Senate will turn to the consideration of Calendar No. 254, S. 104, armor piercing bullets under a time agreement. Rollcall votes can be expected during the day on Thursday.

By unanimous consent, at 2 p.m., the Senate will begin consideration of Senate Joint Resolution 225, the constitutional amendment calling for a balanced budget.

RECESS UNTIL 10:45 A.M. TOMORROW

Mr. COCHRAN. Mr. President, I ask unanimous consent that, in accordance with the previous order, the Senate stand in recess until the hour of 10:45 a.m. on Thursday, March 6.

There being no objection, the Senate, at 9:41 p.m., recessed until tomorrow, Thursday, March 6, 1986, at 10:45 a.m.