

## SENATE—Friday, July 13, 1990

(Legislative day of Tuesday, July 10, 1990)

The Senate met at 8:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

## PRAYER

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

Let us pray:

The prayer this morning is the familiar beautiful prayer of St. Francis of Assisi:

"Lord, make me an instrument of Thy peace. Where there is hatred, let me sow love; where there is injury, pardon; where there is doubt, faith; where there is despair, hope; where there is darkness, light; and where there is sadness, joy.

"O Divine Master, grant that I may not so much seek to be consoled as to console; to be understood as to understand; to be loved as to love; for it is in giving that we receive; it is in pardoning that we are pardoned; and it is in dying that we are born to eternal life."

Amen.

## RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Without objection, the time of the two leaders will be reserved.

In my capacity as a Senator from the State of West Virginia, I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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 President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## MORNING BUSINESS

The PRESIDENT pro tempore. There will now be a period for the transaction of routine morning business not to extend beyond the hour of 8:50 a.m., with the Senator from Louisiana [Mr. BREAU] to be recognized for not to exceed 15 minutes, and the Senator from Nebraska [Mr. KERREY] to be recognized not to exceed 20 minutes. Mr. BREAU.

## TAX FAIRNESS

Mr. BREAU. Thank you very much, Mr. President. I may not use all the time allocated this morning, but I take the time to make my colleagues aware of a recent report that has been

done by the Progressive Policy Institute which looks at the last 10 years of this country's history with regard, particularly, to what has happened with the Tax Code.

I think it is very clear that the report indicates that what has happened is that over the last 10 years, the very rich in this country have, indeed, done very well. They have had their taxes reduced. The top rate has gone from something like 70 percent down to 28 percent.

It has not been done without cost. The costs have been borne basically by the middle income in this country, that median family income level of about \$30,000 or \$34,000. It generally is a family with two parents and maybe one or two children who they struggle to allow to go to school, perhaps to college. In many of these cases, we see a situation where both the husband and the wife are having to work in order to make ends meet.

What has happened over the last 10 years, according to the Progressive Policy Institute, and I will ask at an appropriate time that this be printed in the RECORD, is that they have been having their taxes increase while the very wealthiest among us have been having their taxes decrease.

Mr. President, that is not tax equity; that is not tax fairness. That is a very disturbing trend that I think all of us, as we meet in our budget summit, must bear in mind as decisions are being made as to how we reduce the deficit and bring about some kind of fiscal sensibility to our efforts as we try to govern.

The Progressive Policy Institute points out over the last decade the basic Federal tax burden on the average American family has increased. There is all of this talk about having our taxes reduced. Let me tell my colleagues, speaking on behalf of the average American family in this country, their tax burden has dramatically increased while the burden on high-income families has fallen.

Despite large supply side tax cuts in these subsequent tax reforms that we were all involved in—and there is enough blame to go around—a typical two-parent family of national median income paid its larger share of income in Federal taxes in 1988 than in the year 1980. The median family income saw 23.7 percent of its income go to the Federal taxes in 1980. By 1988, that had risen to 24.12 percent. If we look at the richest level of the families in this country, the highest 5 percent

wage earners in this country, you see their tax burden actually has fallen during that same period from 28.9 down to 25.7 percent.

It is interesting, when you look at all of these records and all of these statistics for the last 10 years, and now the numbers are in, now you can put it on a graph, now you can put it on a chart, it is very graphic as to what it will show the American people. For instance, a family with a median income of \$34,000 pays taxes at nearly the same rate as a family with an income of over \$200,000.

I suggest to my colleagues as we embark upon the budget negotiations, is that basic tax fairness? Is that tax equity? Is that what this country stands for when we talk about progressive taxes, when the wealthiest among us are obligated to pay more, to contribute more to the Government that we all benefit from? While the rich had their taxes cut, their incomes increased at five times the rate of middle-income families in this country. A large amount of that increase is the result of a dramatic decrease in the Tax Code that they are having to pay under.

I point out, Mr. President, that one of these reasons is that while the wealthiest among us have had their income tax dramatically reduced, we have had something like seven increases in Social Security taxes. Seven times during the last decade this Congress, and again I say there is enough blame to go around, has come in and increased Social Security taxes seven times. Where do those taxes fall most heavily? Obviously, on middle-income families because we have a cap after which no Social Security taxes are due.

So while the Social Security tax rates were increasing seven times during this 10-year period, we saw the income tax rates go from 70 percent down to 28 percent. There is no question at all why as we look at these charts and the graphs and see that the income for the median family income in this country has actually gone up substantially and the tax burden has gone up substantially.

It is interesting to note that if none of the tax changes in the Tax Code in 1977 had not occurred a family with a median income would be paying \$400 less in taxes this year. The family in the richest 1 percent, the wealthiest among the wealthy, would be paying something like \$40,000 more.

Mr. President, I will be speaking more in the coming days about what caused this. What are we doing in the leadership, what leadership was in the administration in the last decade that caused this change, and a rather dramatic change, to occur in the economic situation of the families in this country.

I think a final note should be made that all of us believe in fairness. If there are going to be tax cuts, if there are going to be changes in the Tax Code, I think the guiding principle in this decade is to look at what has happened in the last decade and use this as an opportunity to make the necessary corrections, for us to be able to go to the middle-income families of this country and recognize that they have become the forgotten generation, that they have become the forgotten group of people that Congress has, indeed, neglected and the last administration, I think, intentionally has ignored.

I think we have an opportunity this time to bring about tax fairness and tax progressivity that all of us can be proud of. It makes no sense while Congress pretends to take care of the poorest of the poor, and that needs to be done, it seems that the last decade in Congress we have concentrated on helping the richest of the rich.

I think this is the decade the Congress begins to pay attention to the middle income in this country. I think their tax burden over what has been indicated in the last 10 years has become unbearable. It is time the Congress acts. I hope the administration will consider these facts, and we will be bringing it to their attention over the next several days when we decide what to do with regard to the budget summit and how to correct some of the problems the last decade has brought us.

Mr. President, I ask unanimous consent that a copy of the Progressive Policy Institute report that I referred to be printed in the RECORD.

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

**THE TAX FAIRNESS INDEX: WHO PAYS FOR THE NATIONAL GOVERNMENT**

(By Robert J. Shapiro, Vice President, Progressive Policy Institute)

As President Bush and congressional leaders grapple over how best to raise new revenues for cutting the federal budget deficit, one fact should be paramount: Over the last decade, the basic federal tax burden on an average American family increased, while the burden on high-income families fell. Despite the supply-side tax cuts and subsequent tax reforms a typical two-parent family at the national median income paid a larger share of its income in federal taxes in 1988 than in 1980.

This is the principal finding of the Progressive Policy Institute's Tax Fairness Index, designed to measure the changes in the real federal tax burdens of average and high income families—the share of each family's total income paid out in federal

taxes. Based on the latest Internal Revenue Service data, the Index shows that a typical two-parent middle-class family found its basic federal tax burden higher at the end of the decade than at the beginning.<sup>1</sup> Including the income tax and both the employee and employer sides of the social security tax, 23.7 percent of the annual income of a typical two-parent two-parent family went to federal taxes in 1980; by 1988, the same family's Tax Index had risen to 24.1 percent.<sup>2</sup> In contrast, the richest five percent of American families saw their basic federal tax burden fall sharply, from 28.9 percent in 1980 to 25.7 percent in 1988.

**TAX FAIRNESS INDEX**

[U.S. families' Federal tax burden, in percent]

	Median income	Top 5 percent
Year:		
70	19.7	22.6
75	21.5	24.9
80	23.7	28.9
81	25.3	30.4
82	24.5	29.9
83	23.8	28.5
84	24.1	28.2
85	24.2	27.9
86	24.5	28.9
87	23.3	25.9
88	24.1	25.7

Note: Share of family income paid in Federal income tax and employee and employer side of payroll tax.

The Index documents the dramatic decline in the progressivity of federal taxes in the 1980s. Throughout the 1970s, a middle-class family's federal tax burden was substantially smaller than the burden on those in the top five percent. The share of an average, two-parent family's income claimed by federal taxes in 1970 was about 15 percent less than the share paid by a very affluent family, and by 1980 a middle-class family's federal tax burden was 20 percent less than that of the very well-to-do.

But by 1985, the gap had narrowed again to about 15 percent, and in 1988 the federal tax burdens for middle-class and rich families had nearly converged. In that year, the burden on a middle-class family was just 6.6 percent less than the burden on the very well-to-do: an average, two-parent family paid out more than 24 percent of its \$32,100 median income in federal taxes, while a family in the top five percent, at the \$182,000 income level, paid out less than 26 percent of its income in taxes.

**TAX PROGRESSIVITY INDEX**

[Percentage difference in Federal tax burden for median income families and those in the top 5 percent]

Year:	
70	14.7
75	15.8
80	21.5
81	20.2
82	22.0
83	19.7
84	17.0
85	15.3
86	17.6
87	11.2
88	6.6

The principal factor driving this regressive trend has been the sharp rise in the payroll tax, which for middle-class families more than offset cuts in income tax rates. During the 1980s, the social security tax rate was increased seven times while the income subject to the payroll tax remained

limited. As a result, the real burden of payroll taxes rose rapidly in the 1980s only for average Americans, whose incomes are always less than the limit, while most of the income of the well-to-do is exempt from the tax.

The 1986 tax reforms are also an important, secondary factor, helping rich and poor families while doing little for those in the middle. Slashing the top income tax rate from 50 percent to 28 percent probably diminished progressivity, despite many accompanying reforms that reduced tax benefits for affluent taxpayers—notably, ending the preferential rate for capital gains. However, the 1986 Tax Act also increased progressivity for low-income families, as the expanded personal exemption removed millions of poor and near-poor Americans from the income tax rolls.

The real impact of the regressive trends in the tax burden was also intensified by a growing gap in the incomes of average families and the very affluent. In 1970, the average income of those in the top five percent was barely more than four times as great as the median income; by 1980, the very well-to-do made nearly five times as much as an average, two-parent family; and in 1988, the average income of the very affluent was nearly six times that of a typical, middle-class family.

**TAX FAIRNESS AND TAX POLICY FOR 1990**

The Tax Fairness Index provides substantial support for the view that the top priority for tax negotiators in the budget summit should be to restore tax equity, not simply to raise taxes. The summit offers progressivity the opportunity to champion the interests of average working families who received no real tax relief in the 1980s. Middle-class Americans should not now have to pay to clean up the fiscal mess that resulted, in large part, from tax cuts for the wealthy.

A progressive blueprint for tax equity should have four touchstones:

1. Cut social security taxes for average families. Under one approach, the current cap on wages and salaries subject to the payroll tax would be repealed, and the additional revenues would be applied to reduce the payroll tax rate for everyone. With this one reform, the social security tax rate could be cut from 15.3 percent to 13.4 percent, generate tax relief for more than 96 percent of all working families without increasing the budget deficit or the Social Security Trust Fund. This one change would provide about \$100 in tax relief for every \$10,000 in earnings for everyone with incomes of \$50,000 or less.<sup>3</sup>

2. Reject cuts in the capital gains tax, which would further reduce the tax burden on those who already are paying a smaller portion of their incomes in taxes today than they did in 1980, before the deficit ballooned. All credible economic evidence shows that a capital gains tax cut would provide windfall tax relief for the high-income families without generating any general economic benefits for most Americans.<sup>4</sup>

3. Raise new revenues by restoring progressivity to the tax system, with higher taxes for those whose tax burden declined while the deficit was growing. For example, \$42 billion could be raised over five years by adding a third, 33 percent rate to the income tax—more than \$100 billion if the third rate were set at 38 percent.<sup>5</sup> Revenues also could be raised by closing tax loopholes that benefit only the very affluent. For example, the current \$1,000,000 cap on mort-

Footnotes at end of article.



gates qualifying for an interest deduction could be cut back substantially, so that average families do not indirectly subsidize mortgages on mansions for the wealthy. Capping deductible interest at the level of a \$200,000 mortgage would raise \$8-to-\$10 billion over five years.<sup>6</sup>

4. Resist higher excise taxes or new value-added consumption taxes, that would raise taxes on middle-class families. A new analysis by the Congressional Budget Office shows that an increase in the federal tax on gasoline would be strictly regressive—costing proportionally less as family income rises—while a hike in the tax on alcohol would hit families in the middle the hardest and those at the top the least.<sup>7</sup> These measures should be debated only if new revenues are still needed after progressivity has been restored.

#### TAXES ON INCOME, VERSUS TAXES ON LABOR

These touchstones for progressive tax policy are based on three crucial tax and income trends in the 1980s, that determined the basic shape of the Tax Fairness Index.

First, almost every group's income, before taxes, rose in the 1980s; but while the average family's earnings grew only at one percent a year after inflation, incomes for the top five percent grew at five times that rate.<sup>8</sup>

#### FAMILY INCOME

Year:	Median income	Top 5 percent
70	\$9,867	\$42,611
75	13,719	59,246
80	21,023	90,789
81	22,388	108,589
82	23,433	119,094
83	24,674	129,599
84	26,433	140,104
85	27,735	143,424
86	29,458	161,114
87	30,853	171,619
88	32,191	182,124
89	33,587	192,629
90	34,762	206,162

As a result, in 1980, a middle-class family earned nearly one-fourth the income of a family in the top five percent; by 1985, it was less than one-fifth; this year, we estimate it will be barely one-sixth.

Against the background of these income developments, the actual burden of the federal income tax fell moderately for both average-income and affluent families in the 1980s.<sup>9</sup>

#### FEDERAL INCOME TAX BURDEN

[In percent]

Year:	Median income	Top 5 percent
70	10.0	20.8
75	9.3	22.2
80	10.9	25.4
81	11.4	26.7
82	10.5	26.2
83	9.9	24.8
84	9.7	24.4
85	9.7	24.0
86	9.8	25.1
87	9.0	22.0
88	9.1	22.0

However, since the before-tax incomes of affluent families grew much faster than those of average families, the distribution of after-tax income became less progressive during the decade. In 1980, a middle-class family's income after income taxes was equal to about 28 percent of the after-tax

income of a family in the top five percent; by 1988, the average family's after-tax income was equal to barely 20 percent of the after-tax income of that of a very affluent family.

And, as the federal income tax burden was being cut in the 1980s, social security tax rates and the burden of social security taxes on average families increased sharply—while the deficit began to absorb social security revenues to finance other programs.<sup>10</sup>

#### PAYROLL TAX BURDEN

[In percent]

Year:	Median income	Top 5 percent
70	9.6	1.8
75	11.7	2.8
80	12.2	3.5
81	13.3	3.6
82	13.4	3.6
83	13.4	3.7
84	14.0	3.8
85	14.1	3.9
86	14.3	3.7
87	14.3	3.6
88	15.0	3.7
89	15.0	3.7
90	15.3	3.8

#### PAYROLL TAXES VERSUS INCOME TAXES

The payroll tax burden is the most important single factor determining the shape of the Tax Fairness Index in the 1980s, because while virtually all of the income earned by a middle-class family is subject to this tax, only a small share of a wealthy person's income is similarly taxable. First, the tax applies only to wages and salaries, which account for virtually all of an average family's income but for less than half of the income of very affluent families. Furthermore, the cap on wages and salaries subject to the payroll tax covers all of a median family's income—but less than one-fourth of the total income of a typical family in the top five percent.

As a result, for a two-parent family earning the national median income, the full burden of social security taxes actually exceeds that of the income tax. In contrast, the payroll tax is a minor element in the finances of high-income families, for whom only the income tax presents a significant burden.

The combined impact of these tax and income trends is clear: the economic gulf between the average American family and a very well-to-do family has widened substantially. Throughout the 1970's, a typical two-parent family, after paying both income taxes and social security taxes, had income equal to about 25 percent of the post-tax income of a family in the top five percent. By 1985, the after-federal tax income of a middle-class family equalled barely 20 percent of the post-tax income of a very affluent family; and in 1988, an average family, after paying their federal taxes, had income equal to only 18 percent of the post-tax income of a family in the top five percent.

#### TAX FAIRNESS AND THE AMERICAN DREAM

These findings are consistent with recent conclusions of House of Representatives Committee on Ways and Means: In the 1980s, those who earned the most paid a declining share of their incomes in taxes, while almost everyone else paid a growing portion of their incomes in taxes.<sup>11</sup> For example, the Committee reported,

Chiefly because of increases in payroll taxes, the federal tax burden for at least 90

percent of all families is higher in 1990 than it was in 1977.

If none of the changes in the tax code since 1977 had occurred—including income tax rate cuts and payroll tax increases—a middle-income family's taxes would be \$400 less this year.

In contrast, the changes in the tax code since 1977 have reduced the 1990 federal tax bill for a family in the richest one percent by almost \$40,000.

The Tax Fairness Index data demonstrate a particular aspect of the regressive income and tax developments of the 1980s: the impact on two-parent families living on the national median income. The resistance of working families to another tax increase in 1990, as measured by numerous national opinion surveys, reflects the real experience of their rising federal tax burden over the last decade, along with growing awareness of the widening income gap between average families and the most affluent American.

In this context, the principles for progressive tax reform represent not a plan to "soak the rich," but rather a program for supporting the average American family while renewing the civic ethic of equal sacrifice.

#### SOURCES AND ACKNOWLEDGMENTS

<sup>1</sup> Social Security tax rates and annual tax liability caps are derived from tables in the 1990 *Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds*. The author's calculations for effective federal income tax rates are derived from Internal Revenue Service annual data on adjusted gross income and tax paid by joint returns of husbands and wives, for the years 1970, 1975, 1980, 1981, 1982, 1983, 1984, 1985, and 1986. Calculations for years 1987 and 1988 are based on preliminary Internal Revenue Service data for individual income tax returns as reported in the 1987 *Taxpayer Usage Study* and 1988 *Taxpayer Usage Study*, the resulting estimates for 1987 and 1988 effective rates should be considered preliminary.

<sup>2</sup> The effective federal tax burdens reported in this analysis reflect the combined burdens of the individual income tax and the payroll tax, and do not include federal excise taxes and estate and gift taxes. The analysis also does not include the corporate income tax, because of current uncertainty about the distribution of its burden. For the purposes of this analysis, the full burden of payroll taxes is assigned to employees, in accordance with the preferred practice of tax economics and of public authorities such as the Joint Committee on Taxation of the Congress.

<sup>3</sup> See, "1986 Tax Reform, The Sequel: Cutting Social Security Taxes Without Increasing the Deficit," Progressive Policy Institute, *Economic Outlook*, No. 5, May 14, 1990.

<sup>4</sup> See, "Cutting Capital Gains Taxes: Deja Voodoo?", Progressive Policy Institute, *Economic Outlook*, No. 2, August 3, 1989.

<sup>5</sup> "Federal Taxation of Tobacco, Alcoholic Beverages, and Motor Fuels," Congressional Budget Office, Figure 4, p. xliii, June 1990.

<sup>6</sup> "Reducing the Deficit: Spending and Revenue Options," *A Report to the Senate and House Committees on the Budget*, Congressional Budget Office, p. 347, February 1990.

<sup>7</sup> "Reducing the Deficit: Spending and Revenue Options," pp. 357-58.

<sup>8</sup> Median family income as reported in *Economic Report of the President*, Table C-30, February 1990. Estimates for the average income for the top 5 percent of families based on Congressional Budget Office estimates for 1977, 1980, 1985 and 1990, as reported in "Tax Progressivity and Income Distribution," Table 10, Committee on Ways and Means, U.S. House of Representatives, March 26, 1990.

<sup>9</sup> Author's estimates based on Internal Revenue Service data; see note 1. For purposes of calculating federal income tax burdens, median income levels are adjusted to reflect the employer's share of social security taxes.

<sup>10</sup> In 1970, the cap on wage income subject to the payroll tax was \$7,800—less than the median

income. However, the typical median income family had 1.7 wage-earners in 1970, subjecting, on average, all of median wage income to the payroll tax, despite the cap.

<sup>11</sup> "Tax Progressivity and Income Distribution," Committee on Ways and Means, U.S. House of Representatives, March 26, 1990.

The author wishes to note the special contribution in the preparation of this report provided by Wendy Edelberg, as well as the helpful assistance of Mahesh Gehani and Dana Crosby.

The PRESIDENT pro tempore. Under the previous order, the Senator from Nebraska [Mr. KERREY] is recognized for 10 minutes.

#### HEALTH CARE: A HUMANITARIAN ISSUE

Mr. KERREY. I thank the Chair.

Mr. President, my comments connect rather well with the observation of the distinguished Senator from Louisiana on what has happened to working Americans in the 1980's. The decline they have experienced in earning power and their increased tax burden is well documented. I think it is important for our colleagues to pay close attention to the remarks the Senator from Louisiana just made.

I rise today to talk about health care as an issue that I think is closely associated with the decline in the standard of living and the difficulties that working-class Americans are having in purchasing the things that they need. I believe from my experience in Nebraska that health care is perhaps the most important issue that is facing the people of this country.

I believe, first of all, that health care and its availability is a humanitarian issue. It is an issue that is of great importance to all of us who are concerned about the humanitarian nature of the United States of America.

We simply have people who are not getting well because they do not have access to health care. We have people who are not taking their children to see the doctor because they do not have the means to pay for the doctor. We have older Americans who are similarly wondering whether or not they are going to become medically indigent merely because they do not have the capacity to provide that care for themselves.

Health care is an important humanitarian issue. It is an important factor as people try to move up the ladder of economic opportunity that the United States of America has always offered to its people. Yet it can, and in many instances, has become a significant barrier.

When this body debated the Welfare Reform Act 2 years ago, it was a central piece of that effort that we try to provide transitional health care benefits to people as they try to move off of welfare. We know that fear of loss health benefits can be an enormous barrier, particularly for working moth-

ers as they try to get back into the workplace and to move off welfare.

So it is a solid, humanitarian issue, Mr. President. But in addition to being a humanitarian issue, it is also an issue of American productivity. We are now devoting approximately 12 percent of our gross national product each year for health care. That percentage is not declining. It is going up.

Some predict that close to 15 percent of our gross national product will go to health care by the year of 2000 and instead of the \$650 billion which we expect to spend in 1990, we will be spending close to a trillion dollars by the year 2000. Yet, unless substantial changes are made, more Americans will be denied access to health care services than are today.

Something needs to be done. We have all seen the macronumbers. We have heard from business and labor about the need for fundamental reform. We all understand, it seems to me, there is a crisis in health care and something needs to be done. I rise today to offer a few suggestions that I think would be helpful.

Between June 1 and 3, the Senator from South Dakota, Senator TOM DASCHLE, and I held a series of rural health care hearings in South Dakota and Nebraska. These hearings were authorized by the distinguished Senator from North Dakota, Senator BURDICK, of the Appropriations Committee, and Senator BENTSEN of the Senate Finance Committee.

What Senator DASCHLE and I heard at the microlevel, from doctors, businesses, providers of all kinds, and patients, was that Americans are facing excessive paperwork and redtape, fear of malpractice claims, insufficient Medicare and Medicaid reimbursement, rising business costs and decreased coverage to employees. We even heard of a hospital that, as an employer, is finding itself faced with the need to decrease the amount of coverage provided to the people who work at the hospital to help the hospital make ends meet. We heard of preexisting medical conditions, that not only make it difficult for people to move from one job to the next, but make it impossible for people to find the coverage they need. As a consequence, disturbing numbers of people are finding themselves simply without the resources to meet their health care needs, forced to declare bankruptcy, forced to quit work, forced to go on to welfare. All of these consequences, it seems to me, are in direct conflict with other values we hold as a nation, and all in order to get the care they need for their children.

We also heard stories of how our system is set up to discourage the primary and preventive care services that research has told us is the lowest cost and most beneficial care we can pro-

vide to our people. We found examples of this in rural Nebraska, as I suspect exist in all rural parts of our Nation and too many nonrural areas as well. Many of these difficulties revolve around the availability of physicians and other primary care providers. In the decade of the 1980's, the National Health Service Corps was decimated. So that today, in the United States of America, we find underserved rural areas competing with underserved urban areas for approximately 100 National Health Service Corps physicians. That is about two per State, and I urge my colleagues, Mr. President, to observe that this is woefully inadequate to be able to serve underserved areas of this country.

I do not expect any health care system to be complaint free. I have been in hospitals enough as a patient as a consequence of being injured in the war in Vietnam to know you are always going to have complaints. It can never be perfect. The patient is always going to have problems, always going to have difficulties. I do not expect it to be complaint free. But the things I heard during our recent rural health hearings go far beyond ordinary complaints. These are symptoms of the serious problems with our Nation's health care system that I believe we must address.

I ask unanimous consent to include in the RECORD several different statements made over the course of the hearings from a variety of Nebraskans.

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

#### STATEMENT OF KAROL OSTERLOH

Mrs. OSTERLOH. My name is Karol Osterloh and I'm here to ask you to provide health care to all in memory of our children. I'm speaking to you in memory of my daughter Pam, her twin sons, and all who have suffered and/or died as a direct result of the present American health care system. The purpose is not merely for a grade in my English class, but to raise the awareness of my brothers and sisters so we may unite, change the system and prevent the tragic recurrence. God grant me the serenity to accept what I can't change, the courage to change what I can and the wisdom to know the difference. Pam's Prayer.

The power of the people can and will change our health care system that is failing miserably to care for our women, children, elderly and poor. Prevention is much more economical and humane than the expensive high-tech procedures that are employed to rescue those put into danger by lack of care. Prenatal care may be provided for as little as \$400 to prevent low-birth-weight infants which will cost the U.S. health care system from \$14,000 to \$30,000. The 11,000 low birth weight babies born each year in the U.S. and the cost of each of these infants may reach a cost of \$40,000. The 1987 death rate of American infants is 10.2 per 1000 live births compared to Japan's five per 1,000 live births in 1986. If the U.S. could match the Japanese rate, the 20,000 children saved would contribute \$2.6 billion in Federal income taxes in their life-



time. Programs designed and maintained to aid the needy are falling far short. The ones who need help are not being reached and others just don't meet the restrictive requirements. For every one dollar Reaganomic's budget cut from the health care programs, the defense dollar increase by \$4.15. The strength of our nation lies not only in the strength of its military defense, but in the health and well being of its women, children and all citizens. Does not our destiny rest in the hands of our offspring?

The Closest Thing to Heaven is a Child, sung by the Oakridge Boys tells the story. Our cradles are empty or too often occupied by weak, small inferior babies as compared to other nations. Some 40,000 American infants each year do not live to celebrate their first birthday. In 1986, 38 million Americans had no form of health insurance coverage and 36 percent of them were children, as stated by A National Health Program is Necessary. Without insurance, women seeking prenatal care are denied access to such care unless they can meet the payments demanded of them up front by the greedy medical profession and the greedy clinics. Medicine is big business operated on a grand scale with one goal in mind. Profit. According to a Children's Defense Fund report, babies of mothers who received late or no prenatal care are three times more likely to die in infancy than babies whose mothers receive early prenatal care. Reaganomics on women has brought this about as a direct result of Federal Health-care budget cuts. The Federal government cut programs and proclaimed a declining infant mortality rate, but it is misleading. The death of 11.3 per 1000 is not a result of better prenatal care or prevention, but to higher tech intervention in hospitals. The Children's Defense Fund notes that the death rate climbed in eleven states between 1981 and 1982. Mortality rates are as high as 59.5 per 1000 live births. This is higher than Guyana, Panama, Tobago, and other poorer nations.

Washington, D.C. loses more nonwhite infants than Cuba or Jamaica. Also no or late prenatal care results in endangering the mother's life. This sad fact has brought the predicament of pregnant women home to me in the death of my 25 year old pregnant daughter. Pam was a vital, energetic, and positive person. Behind every cloud she saw the silver lining. She always seemed to be an adult, for even as a small child she visited the older people on our block. She was ambitious, working every summer during her high school years. Pam and Marvin Breeze, fell in love, married, and were a truck driving team for five years. She always wanted to see the country and she saw it through the windshield as they trucked coast to coast. We worried about her on the highway all those hours, but Breeze and Pam won several safe driving awards. The miles took their toll on the truck and the maintenance bills climbed faster than the revenue. Thus, they dreamt and saved for a new eighteen wheeler.

In December of 1989 a brand new 1990 Peterbilt rolled off the assembly line with their name on it. A dream come true. Yes, it took every cent they could muster up, but it will soon return a good revenue. Pam also found out she was expecting their first child. Breeze will now wheel the eighteen wheeler and I'll have my daughter close, as they bought a little house just across the street from me. Having Pam home and the added blessing of another grandchild on the way was an answer to my prayer. Pam is my middle child with two older sisters and two

younger brothers. Connie and Shelley are married with two and three children, respectfully. They are busy with their own little tribes, just as they should be. Scott and Brad, Pam's brothers, also have lives and interests as all young men. That left Pam and I as she had no children to occupy her time and Breeze was on the road a lot. Pam would pop in for a few minutes nearly every day or give me a jingle on the land line. The only cloud on the horizon was the new trucking concern that had leased the truck failed to keep Breeze rolling. He would be laid over for two or three weeks at a time, yet the truck payments were rolling around. Shelley had a baby the same year as Pam became pregnant and she told Pam how very much she liked the woman doctor.

On January 10th Pam had her first visit with the doctor. At this time it was revealed that unlike Shelley, Pam had no insurance. Apparently the fee for prenatal care would have to be paid up front before Pam's next visit. Pam made the appointment for February 28 extending it to the very end of the month thinking, of course, that by this time the new truck would easily have returned the \$800 she needed. It didn't happen. March, Pam tried again and made another appointment. At this time she had \$400, half the fee. The door once again was slammed in her face. Pam was poor, white and proud. She thought she could handle it all by herself, and God forgive me, I thought she could, too. I thought I was doing the right thing by raising my kids to be independent and not interfere. Pam landed a couple of part time jobs, but the money she earned always had another destination. Pam painted furniture for the baby's clothes, removed paneling and painted, converted their office into a nursery. She called me to come see how nice it looked. I had to smile to myself as I watched her prepare her nest. Sometimes Pam would complain a little about getting up a lot at night and her feet began to swell. She had a little cold and her sister Connie, who at this time was pregnant and also seeing the lady doctor, had a cold as well. Pam wouldn't take anything for her cold fearing it may harm her baby. Connie and Pam went shopping and Connie told her what the doctor had told her to use for her cold and so Pam did the same. The doctor would see Connie, for she had insurance. Pam also stopped eating salt hoping this would prevent the swelling. The swelling kept getting worse and everyone was becoming concerned. Shelley told the doctor when she treated Shelley's son's broken finger that she is really worried about her little sister, she is really swelling up and becoming numb on one side. The doctor said, when you are large, pregnant and lay on one side all night, this may happen. This doctor's visit took place on March 19, 1990. Pam told me she didn't feel well and was sometimes sick to her stomach. She still had a little cold. Pam's words will echo forever in my mind, "As old as I am, when I'm sick, I want my Mom."

One night Pam popped in for a moment to show me her hair. She had put a rinse on and it turned a bit orange. Pam's crowning glory is her pretty, thick long blond hair. She was good at cutting hair and after high school attended beauty school. She thought if she fixed her hair she'd feel better. I always feel the same thing, it just makes a woman feel better. On this visit Pam said the doctor would not return her calls and since Pam wanted to see only this woman doctor, I suggested she tell them it is an

emergency. You need fluid pills, I told Pam. I had previously suggested Pam call our old family doctor and explain her predicament; seven months pregnant, her physician would not see her, and ask him for a prescription for fluid pills. This is the last time I saw my daughter alive. We chatted on the phone the last time on Friday, April 6th and Pam told me she had the money and an appointment with the doctor on April 9th. I asked why she didn't see her on Friday and Pam replied, she isn't in. Why don't you see her Saturday then, I inquired. Again Pam replied, "She isn't in but I'll see her Monday."

Sunday, April 8th, after Pam did not return Connie and my phone calls, Connie and I went to check on her. We found our Sunshine lying on the floor, dead and no chance to save her or the twins she carried. The doctor Pam had not been able to see was contacted on the day of Pam's death by the investigating officer. He obtained her unlisted phone number and here is what she told him, "I have had no messages from Pam." Connie and Shelley had both expressed their concern for Pam's welfare to this very doctor. Pam's phone bill listed four calls from Pam's to the doctor's office from April 3 through the 6th, at which time Pam managed to make an appointment. Some doctors claim the high cost of medical treatment is caused by the high cost of malpractice insurance. It looks to me as though the medical profession's incompetency and neglect of their patients is a very real contributing factor. Insurance companies say the high settlements they are required to pay out are the reason for the high rates. They have gone so far as to print guidelines for doctors to follow so as to prevent claims. Insurance companies instructing the medical profession on how to conduct their business? Are the doctors so lax in their care that it has come down to the responsibility of the insurance companies? No one expects the medical profession to work without compensation but how much is enough? Why not the sliding rule to include people such as Pam, who just don't have the means, at the time, to meet the high costs of medical care? I have three daughters and all three went to the same clinic and the same woman doctor for prenatal care, and Pam is the only one denied prenatal care after her initial visit. She is also the only one not covered with insurance. The doctor claims she has nothing to do with the front office policy on admitting patients, yet another M.D. working for the same clinic says he makes sure his patients get in for their prenatal visits, regardless of ability to pay or insurance. He also said because of Pam's weight and the fact that she is a smoker, she was a high-risk.

JUNE 8, 1990.

Senator BOB KERREY,  
Regional Office, Scottsbluff, NE.

DEAR SENATOR KERREY: We are writing with deep concern of the medical situation in the panhandle. For the past six months we have had a critical care child and these are some of the situations in which we have encountered during her illness.

In February our daughter Molly spent nine days in Omaha's Children's Hospital and the insurance company reimbursed these doctors in full, however when we returned to Scottsbluff and had to hospitalize her again Blue Cross/Blue Shield would only reimburse our pediatrician for approximately half of his charges. After further inquiry, we were told that Dr. Baisch's

charges were over normal and customary charges for Scottsbluff. We feel very strongly that we are being penalized by Blue Cross/Blue Shield for living in a rural area and having a child who demands the need for a specialized pediatrician.

To begin with the lack of qualified pediatricians in the panhandle is frightening. To compensate for this shortage the physicians are allowing their nursing staffs to call in prescriptions without even seeing the patient and charging for this phone call a fee ranging from \$10-\$14. It is quite disturbing when you can't get your sick child into the doctor's office because the doctor is too busy and full responsibility of the child's well being is placed in the hands of the nursing staff. When a child is sick they need to be examined by their doctor, this way the doctor not only hears but sees the symptoms thus, eliminating guessing over the phone and at the same time adding that reassuring feeling to the parents and patient.

We would also like you to know that the elderly are not the only victims of unfair medical reimbursement. Insurance companies are automatically throwing out large portions of our claims stating that they are in excess of, "usual customary or maximum benefit amounts", their normal and customary charges however are not based on what we have to pay for medical services in the Scottsbluff area. We pay the same premiums as do the rest of the people in the State of Nebraska's insurance plan but end up paying hundreds of dollars out of our pocket because physicians in our area charge more.

We have enclosed a copy of a letter and the 200 signatures of the concerned parents. These signatures represent only a small percentage of parents that are deeply concerned with the pediatrician situation in our area.

Thank you for your time and consideration into these matters.

Sincerely Yours,

BRAD AND MICHELE GOERKE.

SIDNEY, NE, June 30, 1990.

Senator ROBERT KERREY,  
Hart Senate Office Building,  
Washington, DC.

DEAR SENATOR KERREY: I am writing you to follow up on our conversation of June 3rd in Scottsbluff regarding two issues in particular, CLIA 88 (Clinical Laboratory Improvement Act of 1988) and the over regulation of rural hospitals and physicians.

CLIA 88 has to be the most intrusive, most meddlesome, most irritating, most inflationary, poorly conceived, and most unnecessary piece of legislation that has been developed in a long time. This legislative bill started out to solve a problem with Pap Smear Mills with poor quality control. Most Nebraska physicians did not use these services since we like to know the Pathologist who is reviewing our Pap Smears and use him as a consultant in problem areas. How this bill was expanded to include all Physician Office Laboratories, I will never know. However, it has the potential of disrupting the office practices of nearly all primary care physicians and the cost of the regulations, as now drafted, are astronomical (\$2,000.00 for a license and \$750.00 to \$1,000.00 for proficiency testing, none of which will be covered by Medicare). Virtually all physicians use hospital or clinical laboratories to verify results of the office laboratory many times per month. In our office we cross check results with Metro Laboratory in St. Louis, one of the largest and best

equipped clinical laboratories in the country. Even with their "state of the art" technology I still find results that do not fit clinically and on retesting are not confirmed. Testing an unknown specimen from time to time does not guarantee any more accurate results than we are currently providing but it sure does increase the busy work and the cost. The cost figures I cited above are the outside costs only and do not include the "in-house" costs for reagents and nurses' time for running the unknowns. We do controls on our computerized machine daily and reprogram the procedure if the control doesn't check out satisfactorily.

The categories of Laboratories listed in the current regs are ridiculous. There are only 3 levels of laboratories, the waived lab, the Level I, and the Level II. If the regulation is necessary, which I don't believe it is, then there ought to be at least a dozen levels of laboratories with only those reference laboratories, the ones who sell laboratory services to other labs, hospitals, clinics, and physicians, should be required to have an on site Pathologist. There are not anywhere near enough Laboratory Technologists to fill the vacancies on hospital and reference laboratory staffs now, let alone be available for every physician's office. I used to employ a laboratory technologist in my office and found that she couldn't drink coffee alone—she had to take one of the office nurses with her, which created a real personnel shortage. The current equipment which we have in our office can be operated by any intelligent high school girl, although it is operated by our registered nurses. If the Secretary wants to check the companies who manufacture the equipment, he can do so without CLIA 88. At least half of the capability of our equipment will be shut off by the current regs because the procedures are on the laundry list of Level II laboratories requiring a registered technologist and a pathologist on site.

The disruption that this law will create is unbelievable and will interfere with the care of most of the patients of primary care and rural physicians. It is my feeling that this mess should be repealed and that the Pap Smear problem be solved in an intelligent manner without disrupting the entire practice of medicine as CLIA 88 promises to do as presently drafted. Is it possible to forestall this whole mess by an emergency bill? The Medical profession and the patients we serve would be in your debt if this could be accomplished. Office laboratory service is the most cost effective service available.

The second matter we discussed briefly was that of the possibility of exempting rural hospitals and rural physicians from a lot of the current Medicare regulations. As you are aware, most of the regulations are drafted with the 200 bed hospital and the urban physician group practice in mind. Unfortunately the fiscal intermediaries treat all hospitals and all physicians alike, which make the regulations excessively burdensome for small hospitals (most Nebraska hospitals are 50 beds or less) and for small medical practices of 1-5 physicians. The constant flow of new regulations or new interpretations of old regulations results in monthly letters or small booklets with the accompanying threats of Federal Sanctions, fines, or imprisonment which Federal regs seem to have to include. This paper blizzard is too much to keep up with even if you make an honest effort to do so and these rules constantly get in the way of caring for patients and for getting paid for the services you render in good faith. The Medicare

problem is further compounded by the arbitrary division of physicians into those who accept assignment and those who do not. Many of us refuse to accept assignment on the principle that we provide services to patients and expect payment from the person who receives the service regardless of the type of insurance he may or may not have. This is the principle of free enterprise and we happen to think that this is what has made this country great. All physicians accept assignment on persons with demonstrated need and Medicare requires us to accept assignment for all laboratory services we provide. The reimbursement for laboratory services is based on the lowest cost that laboratory services can be obtained from large laboratories on a "batch" testing basis (the cost per test if you do 30, 40, or 100 tests all at the same time). Office laboratory services are provided for the most part on a "stat" basis, the provision of the service at the time it is needed in the care of a particular patient. We seldom do more than 1 or 2 tests of the same type at any one time and frequently will do only one test of a particular kind (plus a control) in a given day. The current tactic in the Medicare program is to portray physicians who do not accept assignment on all patients as second class citizens and money grubbing practitioners and most of the EOB's (Explanation of Benefits) sent to patients of physicians not accepting assignments have a statement telling the patient that he could have saved "X" number of dollars had he gone to one who accepts assignment. They also publish a list of the "favored" so that their practices can be promoted at the expense of the "other guys". Those of us whose practices have large numbers of Medicare patients (older and mostly rural physicians) would be unable to shift the Medicare shortfall to non Medicare patients if we accepted assignment.

As I presented in Scottsbluff, the real problem facing rural Americans is a shortage of qualified physicians who will choose to practice in the over regulated, under reimbursed areas and this spells real danger for the next generation. It is also a concern for me. Who will care for me after I retire? Will I have to leave rural Nebraska, which I dearly love, in order to get the Medical care which I may need some day? This is a real and frightening possibility. Rural practice might be able to compete for physicians if incentives could be offered—namely decreased regulation and increased reimbursement in Federally funded programs.

We in rural Nebraska are looking to you for help, not just for ourselves but for the patients we have served so long, so well, and so faithfully these last many years. The exodus of rural physicians from rural Nebraska is creating a crisis of access to necessary health services and threatens the survival of all our small rural hospitals since the hospital cannot function without a medical staff of physicians.

Thank you so much for your continuing interest in these very important matters. If I can be of service to you at any time, please don't hesitate to call on me. Thank you for coming to Western Nebraska to see first hand the problem we face. We hope to see and talk with you in the future as our Senator.

Sincerely,

C.J. CORNELIUS, Jr., MD.



## STATEMENT OF TERRY NULL

Mrs. NULL. Thank you. Terry Null, 2202 Avenue O, Scottsbluff.

I would like to address that twofold issue as a patient's perspective on health care for rural Nebraska.

The first being the care that is received. The second being the filing and collecting under insurance.

I am Terry Null, and I have multiple sclerosis. I was diagnosed 19 years ago. My particular type of MS is a chronic progressive disease. I depend upon Home Health through Regional West Medical Center not only for my care but for insurance filing with costs being reimbursed through insurances.

I require skilled nursing care and physical therapy weekly. Home Health shines in these two departments, and I receive excellent care. The area that I am most concerned about is attendant care. Certified nursing attendants required so many hours of training which is provided by the hospital, and those attendants are paid minimum wage. After training and some working experience these attendants find it more lucrative to go out and work privately on their own.

Therefore, we are understaffed at our hospital. There are not enough attendants to care for individuals. I do require daily attendant care, and I am not receiving it. I cannot get out of bed, toilet, bathe, and dress myself without assistance. Without attendant care, I have been forced to give up so many things I enjoy and love doing.

The main focus on home health care now is either children or the elderly. I am neither so I fall into a gap. I depend on the Handi-Bus service for transportation providing I go between the hours of 8 a.m. and 4 p.m. and not on weekends.

Having a catastrophic disease is a big financial burden. I cannot afford to privately pay for attendant care or transportation. I need a lift van and cannot afford one. I cannot depend upon my husband because of his physical limitations, and he works out of town. I feel that I am too young to go to a nursing home, yet I am not well enough to live independently by myself.

I am not only speaking for myself but for other handicapped individuals. We fall into the gap. What can we do about it? How can we change it? How can we make the system work for us?

The second issue I would like to address is the filing of insurances. This is a monthly task. This is difficult and timely and filing with Medicare is literally a paper battle. I do the best I can and have to employ an individual from Home Health that does nothing but Medicare filing. She has to call on me at my home several times a month for proper filing, and I am only one individual receiving care from them.

Home Health Medicare tells me they are my secondary insurance carrier. My primary insurance carrier is covered through my husband's employer. I first file my Home Health care costs with my primary carrier, and under the policy I am allowed so many visits per calendar year. This insurance covers 80 percent and Medicare covers 20.

My primary carrier rarely correctly processes my claim. I have constant written correspondence, requests, and long distance phone calls to straighten out proper payment. The Home Health clerk does the same thing. Then we have to follow up with payment verifications in the billing department.

In turn Medicare is then filed. The barrage of paper with Medicare is overwhelming. On my lap I have a folder of pending paper work that I am waiting to hear on. Medicare paid on my first claim of June 1989. In May of 1990 Medicare is backlogged 12 months in processing claims.

I filed an equipment claim for a wheelchair purchased in November of 1988 with Medicare twice because Medicare said those papers were lost. The third filing was sent registered mail. Medicare denied payment. The claim was resubmitted, and Medicare requested additional forms. This claim is still pending upon filing of Medicare.

I never know where my claims might go. It might be Iowa, Texas, Kansas City, or Minneapolis. I also find Medicare denying every first claim. Why is this so? Why does a patient have to file, refile, resubmit every claim with Medicare? Think of the hours of manpower logged to this process. It is most difficult for me to keep up with this paper battle. I simply do not know what some handicapped people do for their coverage, and I cannot fathom our senior citizens doing this kind of paper work, and people must give up and like me go ahead and privately pay the balance.

We need to make some revisions on Medicare payment when certain aids or equipment is needed. I find it hard to believe that a shower bench or a chair or grab bars around the toilet are not covered by insurance, because they are not considered necessary but cosmetic.

I feel like I have a good perspective on this situation, and I feel that I can speak not only for myself but for a lot of other handicapped individuals. We need to be concerned about the care we receive or the care we do not receive simply because we fall into the cracks. How do we correct this? What do we do for those of us that need attendant care? We that need equipment or transportation. We cannot privately pay for it on our own, yet we have insurance, and it is not being covered.

We are being bogged down with paper work, and yet we cannot collect. It is a burden financially with those of us with chronic progressive disease; however, let us not forget that we are members of families. We have spouses and children. We have to provide homes, children to raise and educate, and provide all the basic necessities of everyday living. When we have a financial burden of this kind, why it is such a problem that we take away from our families our basic or individual needs. What are the answers and how do we fix it? I thank you for your attention to my concerns, and I hope that together we can find some answers.

## STATEMENT OF DR. RICHARD RAYMOND, FORMER PRESIDENT, NEBRASKA MEDICAL ASSOCIATION

Dr. RAYMOND. Thank you, Senator. My name is Dick Raymond. Not only am I immediate past President of the Nebraska Medical Association and speaking here on their behalf, but I have also been in family practice in O'Neill, Nebraska for 17 years. I may be able to connect with Senator Daschle more than the other speakers as I'm just 40 miles from the border. I spend a lot of weekends at Francis Case Lake.

Several of the speakers have already touched on some of the subjects I wanted to bring up, and that as Kate mentioned, is the Canadian experience of paying rural physicians more. Dr. Wright mentioned the number of towns looking for physicians. I would like to point out just a little bit,

though, to give you a sense of urgency to the problem, not only have 19 counties lost physicians in the last three years and 19 counties currently have no physicians, but 24 doctors have left rural Nebraska in the last 10 months. O'Neill, community I have practiced in for 17 years, one year ago had five physicians. As of today, they have one. We set up two satellite clinics, Kate, many years ago, perhaps one of the first ones in Nebraska. And they are both now closed because there is no one to staff them.

Dr. Waldman and the dean from Creighton University did a study for the Medical Association, or with us, a year or two ago to try to determine why the applicant pool is declining, and they found 67 percent of freshmen and sophomore medical students were advised by their family physician not to go into medicine. That's the amount of disgruntlement that is out there with current policy.

The reasons I would like to underscore why physicians are no longer staying in rural Nebraska or going to rural Nebraska are many factors. A lot of it is just the bureaucracy and regulations of the MAAC's, PRO's HCFA, liability. Another major reason disproportionate high percentage of Medicare Medicaid patients what we have in rural areas, that that's an elderly population there are so many rules that Medicare makes effects us perhaps two times more than an urban physician. Many of our residents of rural Nebraska are self-employed, particularly farmers and ranchers, and have no insurance so payment is more difficult for them.

When a student graduates from medical school with a hundred thousand dollar indebtedness, he looks at how he is going to pay off—he or she looks at how he is going to pay off that indebtedness and they look to the other specialties that may reimburse them at higher than family practice. If they do go into family practice, they look at where they can make the most money to service that debt, and that is in the urban areas, as has been mentioned many times today because of the disparity which I would like to talk about a little later.

Currently for those in the audience who do not know, there are 237 geographical payment areas in the United States. That's 237 areas that have different payment schedules for the same procedure, and of those 237 payment areas, rural Nebraska is number 236, next from the bottom. I don't know how anybody practices in rural Nebraska. Medicare is the only insurance company that I know of that has a uniform premium throughout the United States. Every Medicare patient pays the same premium regardless of where they live but the reimbursement is based on where they live, not on their needs or on their wealth. In Nebraska 32 rural physicians participate in Medicare. Therefore, our patients have to pay more out of pocket to see the physician because Medicare reimbursement to the patient is second lowest in the nation. Therefore, our senior citizens are being tapped twice. It is socialized medicine. They are supporting health care in Miami and Los Angeles and New York City and it's just not fair. The only explanation I have for it is there are more votes in those populated areas.

There are 237 categories we are told through the Medical Association and HCFA is based on 1973 charge data which is not available for Nebraska. We have tried for years to get a hold of that charge data and it cannot be found. In 1973 I did not prac-

tice medicine but I was still punished by the fee schedule of 1973, and at that time health care was cheaper in rural areas and health care was less adequate in rural areas also. Rural physicians now at rural hospitals are expected to deliver the same quality care as they get in the cities and to deliver that quality of care costs a lot more money than it used to but we cannot raise our fees to compensate for that. Our costs include higher skilled personnel such as nurses, lab techs, X-Ray techs and quite often takes more money to hire them in rural Nebraska than it would if you live in an urban area. We have no group purchasing of supplies with a one or two man clinic. The equipment will be underutilized and we have one or two doctors using one X-Ray machine and doesn't get used as much if you have a ten doctor group using that X-Ray machine and takes longer to pay it off.

Insurance is often higher for physicians in rural Nebraska because in rural Nebraska we do obstetrics. If I lived in the city, I may not do obstetrics. I could lower my malpractice premium. I have no choice in a small town.

Office space is not cheaper in rural Nebraska. In fact, in rural Nebraska you either rent from the only person that owns the clinic or you take out a mortgage and build your own clinic. You do not have a choice of where you practice. Continuing education costs more money because you have to take a day off to come and testify at meetings like this. You don't get continuing education, you cannot drop across town for a two-hour course and gas costs more. The Texas Medical Association has done an in-depth study of cost differences between rural and urban practices and they reported to PPRC, Physician Payment Review Committee, about that and found that rural costs are 15 to 30 percent higher for rural practice of medicine than urban.

American Medical Association also did studies that coincided well with Texas Medical Association studies that showed rural physicians having more patient contact with older, sicker patients, working longer hours with less cross coverage and they also found that in rural areas the average family physician, 60 percent of his patients are Medicare, where as in urban areas that 30 percent are Medicare.

The Physician Payment Reform had promise to solve this problem. However, Section 4001 of HR 3299 states that, quote, Beginning in 1992, the relative value for each physician's service is based on the sum of three components, general practice expenses, malpractice expenses and physician work. The general practice expense component is defined the same way as the practice expense component was defined for earlier years, except that malpractice expenses are now excluded.

It goes on to define that each urban and each rural area within each state as those areas are defined for payment purposes now will be used in prospective payment system.

We have tried to contact the PPRC to testify and we have not obtained any satisfaction with them. Currently PPRC is investigating the GPCI, Geographical Practice Cost Index factor. This uses 1980 census data for labor, input prices and assumes one national price on supplies and equipment.

They have three current options the PPRC is considering recommending to Congress in July. One would maintain the current 237 areas as they are. One would go statewide which would be a help but they say they cannot do that because of states

like California, the large metropolitan areas of L.A. versus the rural areas. So the one they currently put in this book as their one they will probably recommend will actually add areas. Call it the Metropolitan Statistical Areas slash Rural. There will now be 365 geographical payment areas. Nebraska, if you go statewide, will be paid at a ratio of 0.90 which would be second lowest in the country. Senator Daschle, South Dakota, incidentally, would be 0.91, they would be a step above us now. In they go MSA slash Rural, which is most likely, and that uses the current Hospital PPS system, Omaha will receive payment of 0.93, Lincoln will receive 0.91 and all the remainder of Nebraska will receive 0.88.

Rural South Dakota will receive 0.89, there will be a five percent differential between rural Nebraska and Omaha, and back to my main point, as long as there is a five percent differential, why won't that young doctor stay in Omaha where he does not have to take as much emergency call at night, has more contact with other professionals and can get continuing education easier and has a better social life. For five percent difference, he will stay in Omaha. He will not come out to the rural areas. We need help in getting rid of that disparity in Medicare reimbursement because it affects us in rural areas even more than it affects the doctors in the city because we see a larger percentage of Medicare patients. The Nebraska Medical Association's House of Delegates has gone unanimous vote twice to be in favor of a one-tier payment system for Nebraska. Omaha and Lincoln doctors do realize what's fair and what they need to do for rural Nebraska. We need your help. Thank you for allowing me to testify.

Senator KERREY. Thank you. The thing at the end, the House of Delegates voted unanimously because of the fact that Lincoln and Omaha doctors will take a vote on this reimbursement and are willing to do it principally because, as you say, it's unfair. It's a significant thing. There is an awful lot of people that say, that may be unfair but if I have to give up something in order to get fairness, I may not be willing to do it. It's a very strong example, I think, of how unfair the current system is in that House of Delegates vote. And we will try and set up through Senator Exon's office, a meeting with the Nebraska Medical Association at HCFA.

Dr. RAYMOND. We have traveled to Washington, D.C. and have representatives of Finance Committee to set up, also representatives of HCFA and your office and Senator Exon's office, and that's why I ran for this job two years ago, to try to maintain access to rural health care, try and solve this one problem.

Senator KERREY. Make any progress?

Dr. RAYMOND. I got into Senator Exon's office and I met your health aide.

#### STATEMENT OF DR. LESLIE SCHLAKE

Dr. SCHLAKE. Senators, first of all, I would like to express appreciation for being invited here. I have been sending letters to Washington for a long time and I didn't know if anybody is listening. I'm glad there is somebody there.

You have heard over and over again, I'm sure, from much of the practicing rural physicians their interpretation of the cause of hard times in rural medicine. I would just like to point out I'm not here to complain about my income. My partner and I have generous incomes. I do, however, wish to point out that my partner and I work 80

hours a week in order to generate that income and make a living. I don't want rural health care issues to be minimized as simply a bunch of winning physicians wanting more money. What we're really demanding is a little bit of respect, a little less paperwork and an improvement in our lifestyles. As Dr. Raymond read—already brought up how many physicians have already left the area, I don't think there is much prospect of them coming back and being replaced in the near future. There has to be a reason for this. Some of it is certainly monetary, and, I think, the Congress owes it to rural physicians to at least pay them an adequate wage. They need to realize that in giving us an adequate wage, it doesn't mean we are going to get rich.

What I would like to do is have reimbursement levels that are fair and competitive so that I can attract another physician to my community and in so doing I can cut my 80 hours a week down to 60 hours a week. 60 hours a week I can participate in the rest of the life of the community.

Right now I'm not involved in anything, not rotary, not sports, not school events not even the upbringing of my children. I think that is the heart of the rural health care dilemma. We don't have a life there. Physicians are placed at an economic disadvantage. They make up for that by spending more hours working. Soon they are burned out, disgruntled and they opt for the city where they make a good living and have a personal life. The result, rural areas go shortchanged.

Another dilemma facing rural physicians is the excessive paperwork brought on by HCFA and PRO's. And I agree that they have to have some cost containment and have to do that on skilled physicians. However, the current system is inadequate to do either. It generates paperwork whether you are a good physician or a bad physician. They just keeping firing papers at you and they don't know what's going on.

So far the PRO's identified two practicing physicians in the state of Nebraska and singled them out for discipline. That's out of 2,400 physicians. They have harassed every single one of those physicians in the process. They expended millions of dollars in the review process and generate a lot of benefit—or very little benefit for what they have done. Money could be spent better elsewhere. These agencies cannot really tell from their process whether you are doing good or bad, whether you are practicing economically or not. Persistence seems to be total arbitrary, haphazard and I don't think there is any method in the madness.

Unfortunately, these institutions were designed as cost savers but they have not realized any success there either. Rather than concentrating just on physician reimbursement, I think we need to concentrate on broader issues and that is the survivability of our health care system in general. Right now it is threatening to either consume the entire national product or destruct itself due to lack of finances. It's at a crossroads. We need to get an organized system nationwide which can be fair and equitable not only to rural physicians but to urban physicians. We need to talk about a one-tier system in this country with universal health care.

The working class taxpayers are footing the bill right now, either he's paying his taxes and the government is dispensing it or he's paying his insurance premiums and the insurance companies are dispensing it, but in any case, he spends 40 cents of his dollar



administering the cost and only 60 cents on medical care. We need to rectify that. If we could utilize the administrative money in actual care of people, there would be plenty for all. The government needs to recognize that there are limitations as to what the medical system can give to anybody. We are not capable of giving everything to every person. No matter how much we expend on any individual, that individual will eventually die. It's a God given fact that we are born into this world and we are going to die. We need to set realistic goals as to what an individual can expect from health care and then have a one-tier system which is capable of enforcing those limitations.

Right now no such limitations exist. With a haphazard approach to financing medical care, no one can say enough to anyone. In the current system says the physician is in charge of saying no. When the Gramm Rudman hits and there is a decrease in the budget by 10 percent, I do not have the ability to say no to 10 percent of the heart attack victims. I will not be able to say no to a fracture victim and I will not be able to say no to a delivery. I simply have to take care of them.

In closing, bookkeeping techniques in the real world of medicine is impractical and yet that is the system we have. It is grossly unfair and right now is hitting the rural sector harder than it is elsewhere. Our system is becoming bankrupt. We have only HKFA and PRO which cannot address these problems. They have placed the physician against the patient, the patient against the hospital and generated ill feeling. There isn't a day that goes by that I do not admit a patient to the hospital that expresses fear of being rejected by Medicare. There is a definite fear in this country of losing all health care. In the rural areas I think this fear is justified, much more so than the urban areas. It is the current system and regulations that brings this fear. You as the leaders of this country need to address that fear. Medical care is a necessity in life and is a commodity which most people feel is a right. You need to do what you can to guarantee that right not only for urban centers but for rural areas and for everyone, rich or poor. We need to set realistic limitations as to what people can expect. Not everybody should receive \$200,000 worth of medical care. We need to build a system which this country can afford, setting standards at a level that most people can accept as legitimate. You must build disincentives into the system that not only the physician has to enforce but also the patients themselves. A co-payment system would be a good disincentive. And you really need to consider it in the next Congress. In the meantime, if reimbursement levels could be made a little more fairer, that would certainly help the bird of crisis in the rural areas. With the flight of physicians in these areas there will soon be no hospitals, no physicians, no clinics nor other facilities to worry about except in five years we can come back and establish them at three times the cost.

I'm charging you with the duty to go out and devise a survivable system which guarantees adequate levels of service to everybody, to guarantee reimbursements to physicians and hospitals to guarantee their survival and to do it quickly. If you do that, I'll quit bitching and you won't hear from me again.

If you do not, you will be hearing from me as well as a patient, anyone I can bend an ear on. I believe there is a general fear in

rural population of losing health care and they will not be silenced. When the health care goes out of rural America, so does the business and industry, so do the schools. You will see a collapse in rural culture. You have a great responsibility before you. Good luck in seeking a compromise with your colleagues of these problems but you must seek it quickly.

Senator KERREY. Well, we are at the end of the hearing—oh, I'm sorry, one person left, Jim Dietloff, Goldenrod Hills Community Action Council, Wisner, Nebraska.

Mr. KERREY. During the hearings, we heard from a doctor in Broken Bow who argued forcefully for a plan to take care of all Americans in a way that is fair and equitable to both the patients and providers of health care.

We heard a poignant presentation by Mrs. Karol Osterloh who had three daughters who were pregnant at approximately the same time. Two of her daughters had health insurance. The third was the wife of a self-employed businessman and did not have health insurance during her pregnancy. As a consequence this daughter was unable to obtain the basic prenatal care services her sisters received. She suffered complications during her pregnancy and tragically died as a result of complications that could have been prevented or minimized with adequate and timely preventive care.

We heard from rural health care providers, family practitioners who said, instead of being reimbursed \$14.80 for an office visit, which is what Medicare says they will be reimbursed, they only give you \$8. It is different than if the reimbursement were \$1400 for a special procedure. If you are going to chase \$800, you can afford to do it. But when you are chasing \$6, it is simply not cost efficient. We are punishing the very physicians and health care professionals we are trying to encourage to come into our rural communities.

We heard from a multiple sclerosis patient in Scottsbluff, NE, who is trying to receive home health care and is simply unable to get it. The family is struggling to provide the quality care she deserves and simply is not able to get the job done.

We heard from an insurance agent who brought us a document that he hoped would remain confidential of a pricing that he had just given a small business for \$740 a month for family coverage for health insurance.

We heard from a hospital administrator in Valentine, NE, a small rural community, complaining, on the one hand, about the woefully inadequate reimbursement that rural communities receive from Medicare, a terrible condition throughout all of the rural communities we are reimbursing in Nebraska at the lowest rate in the Nation. At the same time, he is concerned about this reimbursement there is the possibility he might lose

primary care physicians and may not be able to keep his hospital open. He recently priced his health insurance, and found employees who are paying over one-third of their income for health insurance. It seems to me incomprehensible that we do not reach a conclusion in the face of that kind of evidence that something needs to be changed.

I have a list of recommendations. Many of the recommendations that I have that would help rural communities immediately have already been identified by some of my colleagues. Senator EXON, the senior Senator from Nebraska, has long been an advocate of a proposal by Senator BENTSEN to immediately eliminate the urban-rural hospital payment differential under Medicare. It simply must be done. Otherwise, we are not going to be able to have equity and fairness in rural communities and we are not going to have hospitals to provide services. Unless we make that one fundamental change, it is going to be difficult for us to have equity and get the kind of distribution of health care that we need in rural communities.

The State Offices Rural Health Act is also important. Under this act, State offices of rural health such as the one in Nebraska, can receive some additional assistance, some modest amounts of funding to help improve the rural health care delivery system. The Health Objectives 2000 Act that Senator HARKIN has introduced is also an important piece of legislation. Mr. President, again, this legislation enables States to coordinate the establishment of essentially preventive health care objectives and to obtain some Federal assistance in helping them to get that done. The Rural Nursing Incentive Act that Senator DASCHLE of South Dakota has introduced is also a very important effort to provide opportunities for innovation in the delivery of rural health care services. And the revitalization of the National Health Service Corps that Senator KENNEDY has introduced is also very important as I stated earlier.

We simply must revitalize and strengthen the National Health Service Corps. Two physicians per State is simply not enough. It is unfortunate that we find ourselves in fact with rural and urban communities competing for an inadequate supply of physicians in the rural health service corps.

Mr. President, I have reached some other conclusions about what our Nation's health care system ought to provide. I would simply say that I intend later this year to introduce a more detailed proposal.

I would, however, like to share with my colleagues some general principles that might perhaps help them sort out some of the many confusing elements

in health care in America. It is not a simple issue. There are a lot of competing influences, a lot of competing elements, and a lot of people out there trying to tell us what ought to be done.

Let me suggest a few principles that I have personally concluded and about which I feel very strong. We should have one program for all. The complexity of the current competing programs inescapably leads to cost shifting and the kinds of difficulties in providing and receiving proper care that we have heard over and over again from many people.

I find it difficult to go home and say that, as a consequence of being a U.S. Senator, I am better able to decide what health care should be provided the person who is working delivering health care. We ought to have one health care plan for all.

We ought to debate it. I believe health care is a right, but I do not believe it is an absolute right. I do not believe we have the right to have everything we want.

We have put a Federal system in place that was put in place during the the Presidency of a conservative President, Ronald Reagan. In fact, I think that is part of the problem. So I urge all to consider that nationally financed does not necessarily mean that it is federally delivered.

We should restore the relationship between the physician and the patient. We should concentrate on producing a system that poses fewer administrative problems for the provider. I think we must deal with the question of malpractice, and right along with that deal with the question of a true system of isolating those physicians who are not competent.

We should allow innovation in delivering health sciences. We ought to allow innovation at the State level so States can develop and implement approaches that address their very specific and unique needs. We should put a high priority on health care.

We can set up a system where the money flows through approved institutions. I believe the United States of America has been successful in many areas because we have stressed innovation. Now, we need to similarly stress innovation in health care.

Mr. President, I think we should place greater emphasis on preventive care—making sure that we are putting our dollars early on in young children, making sure that we are putting dollars in the areas where we are apt to prevent much more expensive health care as a consequence of individuals being negligent toward themselves.

Finally, as I referenced earlier, I think health care should be a right to all Americans, but I do not believe it is an unlimited right. It is a relative right. It will be constrained by our own judgments, both objective and

subjective—judgments about what ought to be included and what we ought to be paying for, not just a debate on what we are going to pay for people with lower incomes.

It ought not to be just a debate on what we are going to pay providers under Medicare and Medicaid. That should not be the debate. The debate should be what we are going to provide for all of us.

We should not be sitting here arguing on the floor of the Senate how much are we going to cut veterans benefits next year. We should be talking about what our health care is going to be—about what the Members of Congress health care benefits are going to be in the next fiscal year.

We very simply have no mechanism at the moment to even begin that kind of debate.

I close by urging my colleagues to see health care again not just as a humanitarian issue, but as an issue of American productivity. It is an issue where people who are concerned about the welfare of Americans can come together with people who are concerned about the competitive status of America, and reach a common solution.

We cannot continue delivering health care and financing health care in the way we are doing it right now. There are too many Americans who are not covered, and the costs continue to rise as well.

I appreciate and thank the distinguished President pro tempore, also the chairman of the Appropriations Committee, for authorizing the hearings that Senator DASCHLE and I had in June. It was a very informative hearing for me. It gave me increased enthusiasm to make change.

There will be losers in this proposition. There will be people who will have to give up some things. There may be some people that are in business that will not like what we are proposing. There may be Members in this body who will get less coverage as a consequence of bringing all people in. There may be losers, Mr. President, but I think the United States of America will be the overall winner if we can come to grip with this problem, both as I said for humanitarian reasons consistent with the overall values that this country has, but also for economic reasons as well.

So I thank the Chair for the time. I yield the floor.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Massachusetts.

Mr. KENNEDY. I understand we are still in morning business; is that right?

The PRESIDENT pro tempore. The time for morning business has expired under the order.

Mr. KENNEDY. Mr. President, what is the business before the Senate?

The PRESIDENT pro tempore. Under the order, the Senate is to go to the conference report on S. 933, but the Chair is advised that the conference report is not at the desk.

Mr. KENNEDY. I ask unanimous consent to be able to proceed for 7 minutes as in morning business.

The PRESIDENT pro tempore. Without objection, the Senator from Massachusetts is recognized for not to exceed 10 minutes as in morning business.

#### THE ADA CONFERENCE REPORT

Mr. KENNEDY. Mr. President, today we reach a major milestone in our Nation's history. We begin a new era of opportunity for the 43 million disabled Americans who have been denied full and fair participation in our society. By approving the Americans with Disabilities Act, the Congress affirms its commitment to remove the physical barriers and the antiquated social attitudes that have condemned people with disabilities to second-class citizenship for too long.

For generations, society has viewed people with disabilities as citizens in need of charity. Through ignorance, we tolerated discrimination and succumbed to fear and prejudice. But our paternalistic approach did no more to improve the lives of people with disabilities than labor laws restricting women in the workplace did to protect women. Today we are shedding these condescending and suffocating attitudes—and widening the door of opportunity for people with disabilities.

The Americans with Disabilities Act—and the many disabled Americans who have worked tirelessly for its passage—have opened the eyes of Congress and the country to the realities and consequences of disability-related discrimination. Again and again in testimony on the Act, our Committee heard eloquent testimony that disabled citizens suffer more severely from being denied access to society than from their disabilities.

People with disabilities are here today to remind us that equal justice under the law is not a privilege—but a fundamental birthright in America.

In the 1960s, Martin Luther King, Jr., spoke of a time when people would be judged by the content of their character and not the color of their skin. The Americans with Disabilities Act ensures that millions of men, women, and children can look forward to a day when they will be judged by the



strength of their abilities and not misconceptions about their disabilities.

Disabled people are not unable. When this legislation is passed by the Congress and signed into law by President Bush—we will live in a stronger, better, and fairer America.

But this journey has not been easy or quick. It was only in the past 2 years, as the Nation approached the 25th anniversary of the Civil Rights Act of 1964—that it became clear that the time has finally come to address the unfinished business of civil rights for those with disabilities.

In 1988, the National Council on Disabilities—appointed by President Reagan—released its report entitled "Toward Independence," calling for comprehensive and comparable civil rights for people with disabilities. Shortly after that report, Senator HARKIN, Senator Weicker, and I introduced the original Americans With Disabilities Act and the Senate Labor Committee held its first hearings.

At the outset of this Congress, the committee began working extensively with the White House and the Justice Department on the Act. The committee held four hearings on the legislation and heard testimony from a wide array of witnesses. Last August, the committee unanimously approved the bill, with the full and enthusiastic endorsement of President Bush.

One month later, the Americans With Disabilities Act overwhelmingly passed the Senate by a vote of 76 to 8.

The measure received 2 days of full and fair debate on the floor of the Senate—some of which was heated, much of which was conciliatory. Several amendments were added to the legislation on the Senate floor, all of which have been maintained by the Managers and are an integral part of the conference report before you today.

Since that historic day in the Senate, the Americans With Disabilities Act has been considered by four full committees in the House and numerous subcommittees. The House committees held more than 20 hearings. On May 22, 1990, the full House of Representatives passed the act by a vote of 403 to 20.

During the process, the House made a number of modifications in the Senate bill to clarify certain aspects of the legislation and to allay the opposition of the business community. The House has been productive in its deliberations and has included the disability community in shaping its refinements. Senate conferees have accepted almost all of these clarifications.

Earlier this week, the Senate again returned to consideration of the ADA in order to clarify two issues—coverage of Congress, and coverage under the act of individuals with infectious and communicable diseases in food handling positions.

In adopting the Hatch-Dole amendment, the Congress has sent a decisive signal that this Nation will not tolerate discrimination based on prejudice and misperception. We have reaffirmed our commitment to the fundamental premise of the act—that disabled Americans should be judged on the basis of facts and not fear. People with HIV infection deserve no less.

The ADA marks an important and compassionate step in this Nation's response to the HIV epidemic. The ADA will improve the quality of life for persons confronting AIDS. It will allow Americans to seek AIDS counseling and treatment—without fear of re-creation and rejection.

Finally, we could not have reached this moment without the help of thousands of individuals with disabilities who worked tirelessly to shape and pass this legislation.

Facing adversity in their own lives, these remarkable individuals have shown us how to reach out, to help others, and to take action. As we move forward to become a more compassionate society, we would do well to remember these examples of courage and commitment.

This landmark legislation—passed overwhelmingly by the House last evening and, which we send to the President today—is the product of more than 2 years of cooperation between Democrats and Republicans, the Senate and the House, the Congress and the President, and the disability and business communities.

All sides have worked closely together. We have negotiated in good faith and everyone has compromised.

There are many, many good parts of this legislation. But this is one case where the whole is greater than the sum of its parts.

Americans with disabilities deserve more than good intentions. They deserve emancipation from generations of prejudice and discrimination, some of it well meaning but all of it wrong-minded. After decades of being asked to wait for their full rights as Americans. People with disabilities should not wait any longer.

By passing this legislation now, the Senate can ensure that, in the theme of National Rehabilitation Week, we will be turning a disability into a possibility—for 43 million Americans.

Mr. President, I want to take this opportunity to thank Senator HARKIN for his tireless efforts in pursuit of this landmark legislation. He has been a determined advocate willing to persist against the odds for people with disabilities. His subcommittee staff director, Bob Silverstein has been an invaluable asset.

I would also like to thank Senator ORRIN HATCH, who believes strongly in this legislation and who worked vigorously to see it through this long process. Earlier this week, Senator HATCH,

once again, stood up for public health and for social justice, and I am proud to have him as our ranking minority member.

His staff and mine have always worked closely together. I would like to thank Mark Disler, Steve Settle, Nancy Taylor, and Kris Iverson.

I would also like to thank STENY HOYER who was willing to pick up this bill and run with it in the House. He shepherded the ADA through four committees and is undoubtedly one of the driving forces behind our success. His staff member, Melissa Schulman, is to be commended for her efforts.

But where would an initiative for people with disabilities be if it were not for Pat Wright. For years, she has given of herself far beyond the call of duty, in order to expand opportunities for people with disabilities. Pat is indispensable, and we are proud to have her on our team.

We all owe a great deal to Pat Wright and to DREDF, for their commitment to and passion for civil rights.

I would also like to thank HI Feldblum, Tom Sheridan, Liz Savage, Paul Marshon, and the entire CCD coalition.

There are several members of my Senate staff who also must be given special recognition for their effective and tireless work on the ADA. Carolyn Osolinik and Michael Iskowitz have had principal responsibility for the ADA. Their work was exceptional, and I am very proud to have worked side by side with them for more than 2 years on this landmark legislation. Carolyn and Michael, and Terry Beirn and Deborah Vonzinkernagel, of our Health staff and Nick Littlefeld, our Human Resources Committee, staff director, have my special thanks for their contribution to the ADA. Terry Muilenburg, now of Senator HARKIN's staff, but previously on the staff of Senator Weicker, played a vital role in developing and shepherding, this legislation from the outset. She also has my gratitude for her contribution to the ADA.

Most important, I thank people with disabilities everywhere—who have given so much and who have shown Congress the way to this historic day.

Finally, Mr. President, I want to express my appreciation to the majority leader, Senator MITCHELL, for his extraordinary support for the legislation, his willingness to help Senator HARKIN and those in our committee to bring this matter to the floor, and for his complete cooperation every step along the way and his strong support for this legislation. I also thank Senator DOLE for his support.

I think, as all of us know, without the strong support of the leadership, we would not have had the opportunity to move this legislation forward and to be able to have the favorable con-

sideration which we have on this particular day.

So, Mr. President, to all of us, and particularly to Senator HARKIN, who, as I have said on many different occasions, and I mean it so sincerely, has really been the principal guiding light and the principal spear carrier for this legislation, which is so meaningful and will be so meaningful to millions of Americans; to our colleague, Senator HATCH, who has been willing to help and assist and has been an ally through every step in the course of this march, I express strong appreciation.

When the history books are written, they will recognize the very, very special commitment and extraordinary contribution of these two individuals in permitting this day to be possible.

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

#### KOSOVA: THE SITUATION DETERIORATES

Mr. PELL. Mr. President, last week several disturbing developments took place in the Yugoslavian Province of Kosova, where Albanians comprise 90 percent of the population. Kosova was an autonomous province within the Serbian Republic until last year when the Serbian Constitution was amended to increase Serbian control over the Province. Since then, the Republic of Serbia, with support from the Yugoslav national government, has used troops and armed police to wage a campaign of repression against Albanians in Kosova.

Last week, over 100 Albanian deputies in the Kosova Parliament issued a declaration calling for the reinstatement of the 1974 provisions of the federal Yugoslav Constitution establishing Kosova as an autonomous province within Serbia. The Serbian Government responded by dissolving Kosova's government and Parliament, silencing its Albanian-language television and radio broadcasts, and stationing police guards around the television station and the office of Rilindja, the main Albanian-language newspaper. These events are further evidence of Serbia's determination to eliminate all remnants of Kosova's autonomy.

Serbia's designs on Kosova are well-documented in an article entitled "The New Yugoslavia" by Michael Scammell in the most recent edition of the New York Review of Books. Mr. Scammell describes how and why Serbian President Slobodan Milosevic set out to rob Kosova of its autonomy. It is clear from this article that the major root of the problem in Kosova is the reassertion of Serbian nationalism.

Mr. President, I ask unanimous consent that the portions of Mr. Scammell's article dealing with the situation in Kosova be incorporated in the RECORD at this point.

Yugoslavia is in danger of falling behind the other nations of Eastern Europe which have embraced democracy and freedom. I urge the Government of Yugoslavia to fulfill its obligations under the Helsinki Final Act, to end the repression of the Albanian majority in Kosova, and to facilitate a peaceful solution to the crisis in Kosova that is acceptable to those who live there.

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

#### THE NEW YUGOSLAVIA

(By Michael Scammell)

The recent elections in Slovenia and Croatia demonstrated that, at least in the north of Yugoslavia, Tito's system of government has become obsolete. In both places (as I reported in the June 28 issue) the newly elected leaders called for a pluralist political system, a market economy, and a greater degree of independence for their republics. Many people in the south of Yugoslavia—in Serbia, Bosnia, and Montenegro—would support this view, but there are not enough of them to create a consensus that the rule of the Communist party must end and a new system must replace it. Viewed from Belgrade, the capital of Serbia as well as of the federal republic, the political landscape looks very different from the landscape seen from Ljubljana, Slovenia's capital, or Zagreb, the capital of Croatia.

This difference in itself is now new, except that the gap between north and south is now wider than at any other time since before World War II. On the surface the cause seems simple: the enormous growth of nationalism throughout the country, which is certainly as strong in Serbia as it is in Slovenia and Croatia. But there is an important distinction between them. In the north, the forces of nationalism have been harnessed by the democratic opposition, so that national self-determination has become synonymous with political and economic reform, whereas in Serbia nationalism has been exploited by the Party and its charismatic leader, Slobodan Milosevic.

Milosevic was an economist and the president of the Belgrade Bank before he became head of the Belgrade Party organization in 1984. Two years later he was elected chairman of the Serbian Politburo, and in 1987 he organized a coup among his fellow Party members to dismiss the liberal Party chief, Ivan Stambolic, who had been Milosevic's own patron. This was followed by a purge of the Party in the old Titoist manner—people who were close to Stambolic or of doubtful loyalty to Milosevic were expelled. He then proceeded to fire editors and writers of the Serbian newspapers, television, and radio stations, particularly those who might be critical of him, and he took control of almost the entire public life of Serbia.

The true meaning of these moves was not apparent at first. Milosevic presented himself as a reformer drawn to the free market; but in the summer of 1988 he began to call for an abrogation of those parts of Yugoslavia's 1974 constitution that conferred the status of autonomous regions on the two Serbian provinces of Kosova (on the Albanian border) and Vojvodina (on the Hungarian border), and proposed that they be ruled directly from Belgrade again, as they were before 1974.

The problem was not Vojvodina, where 90 percent of the population was Serbian, but Kosova, where 85 percent of the population was of Albanian origin and the Serbs accounted for only 10 percent. There had been trouble in Kosova since 1981, when students demonstrating over bad food, poor housing, and inadequate scholarships were dispersed by police with clubs and tear gas. A large protest movement then spread to other parts of Kosova, involving not only students but workers, peasants, and housewives as well. Their demands grew to include higher wages, more freedom of expression, the release of political prisoners jailed after earlier demonstrations in 1968, and privileges equal to those of other national groups, including the designation of Kosova as one of the Yugoslav republics.

The Serbian authorities accused the demonstrators of advocating separatism and reunion with Albania, and put down the demonstrations by force. At least eleven people were killed and 257 injured (unofficial estimates put the numbers much higher). Although the leaders of the ethnic Albanians denied any wish to reunite with the fiercely repressive Albanian Communist regime, mass arrests continued, followed by a thorough purge of the Party, administrative institutions, press, and schools in Kosova, and a new Party organization was installed, led by Azem Vllasi, an ethnic Albanian specially selected by the Serbian Party for his political loyalty. The trials dragged on for years, causing relations between Serbs and Albanians to deteriorate even further.

Ethnic Albanians and Serbs lived side by side in Kosova (and elsewhere in south Serbia and what is today Macedonia) for generations without bloodshed, although the religious and cultural differences between the Orthodox Serbs and the Muslim Albanians have long been a source of tension. However, Kosova was by far the poorest region of Yugoslavia, with unemployment running at 54 percent by 1986, and this led to increasingly severe competition between Serbs and ethnic Albanians. Furthermore, the ethnic Albanian birthrate of thirty-two per thousand was three times the rate for Yugoslavia and the highest anywhere in Europe,<sup>1</sup> whereas large numbers of Serbs were emigrating, both for economic reasons and because they felt more at home in Serbia. As a result, by the mid-Eighties Kosova had a population of 1.7 million Albanians and only 200,000 Serbs, 30,000 Serbs having emigrated within the previous six years.

One might think that, in a country in which ethnic origins are so important, the Serbs would hesitate to assert strong claims to control a region in which they make up only 8 percent of the population and in which ethnic Albanians clearly predominate. But the Serbs do not see things that way, for at least three reasons. First, Kosova was the ancient heartland of the medieval Serbian state, from which modern Serbia derives its legitimacy. Kosova also contained the town of Pec, home of the Serbian patriarch, headquarters of the Serbian Orthodox Church, and one of the holiest sites in Serbian history. Third, to lose Kosova would be to lose about a sixth of Serbia's territory, which, for a people with a long martial tradition and a strong spirit of

<sup>1</sup> These figures come from the Yugoslav census and are quoted in "The Albanians of Yugoslavia" by Anton Logoreci in *Encounter* (July/August, 1988).



machismo, is regarded as tantamount to emasculation.

Milošević therefore staked his reputation on abolishing the autonomous status of Kosovo, and since Vojvodina happened to have the same legal status, he wanted to abolish its autonomy as well. Milošević maintained that no other republic had had two autonomous regions carved out of it, therefore Serbia was being discriminated against. Worse still, Kosovo and Vojvodina had been given the power of veto over any legislation in the Serbian parliament that they judged detrimental to their interests, whereas the Serbs in Belgrade had no power to interfere with legislation on the local level in Kosovo and the Vojvodina.

Soon after coming to power Milošević accused the Albanians of deliberately driving the Serbs out of Kosovo by force and conducting a policy of "genocide." The Albanians, he claimed, were intimidating Serbs to the point where they were selling their houses and property, and he vowed to reverse this trend. He sponsored the formation of a Committee for Organizing Protest Meetings of Kosovo Serbs and Montenegrins, whose members were mostly agitators determined to promote Serbian nationalism at any price. They were sent by bus throughout Serbia to organize angry popular demonstrations, while the Serbs in Kosovo itself were encouraged to arm themselves and set up vigilante squads to resist alleged Albanian "terrorists."

In August 1988 violent demonstrations took place in Novi Sad, the capital of Vojvodina, and in Titograd, capital of the ethnically Serbian republic of Montenegro, which adjoins Kosovo, demanding the current Party leaders be replaced by Communists who were loyal to Milošević. Some of the placards read "Death to Albanians" and "Kill Azem Vllasi" (although Vllasi had been installed by the Communists themselves). In October the Vojvodina Party leaders were expelled, and the demonstrations were carried into Kosovo itself, where ethnic Albanians for five days held counter-demonstrations. Although Albanian demonstrations were entirely peaceful, they were condemned as "counterrevolutionary" and "separatist" by the Serbian Communist party, and a ban was placed on further public meetings.

Milošević got his way in March 1989, when the amendments to the constitution abolishing Kosovo's autonomy were bulldozed through the federal and Serbian assemblies. Kosovo's ethnic Albanians erupted during six days of rioting and were violently suppressed by armed paramilitary police backed by the army and the air force. When tanks, helicopters, and automatic rifles were used to oppose the stone-throwing demonstrators, twenty-four people died and hundreds were injured. Azem Vllasi and a dozen Albanian Communist party leaders, who had taken the side of the demonstrators, were arrested and eventually tried on charges of counterrevolutionary activities and plotting separatism. Over two hundred Albanian intellectuals were also detained.

After months of investigation the prosecution dropped the charge of counterrevolution and accused Vllasi and his colleagues of terrorism instead. In fact, accusations of "terrorism" had been featured for months in the Serbian press and television "controlled by Milošević, but apart from a handful of ancient pistols and rifles (which are commonly owned by Serbs and Albanians alike in Yugoslavia), no hard evidence was ever produced to support the charge. Those

I talked with who have close knowledge of the region completely discount these allegations and instead charge the authorities with armed violence. Rajko Danilović, a prominent Serbian lawyer engaged to defend Vllasi, told me that the Kosovo Committee to Defend Human Rights had collected evidence on the violence in Kosovo showing that none of the injured had carried arms, and that 90 percent of them had been shot in the back by the police while running away.

Eventually, most of the Albanian intellectuals were quietly released, and in May the charges against Vllasi and his colleagues were dropped for lack of evidence. Not only was there no evidence of terrorism, there was even less of separatism: the inward-looking Albanian government had made no claims whatever to Kosovo. Indeed, there were signs that Milošević had gone too far. Witnesses at the trial accused both the Party and the secret police of blackmail in trying to stage a show trial, and Albanians have been leaving the Party in large numbers. A popular joke is going the rounds in Belgrade that every Albanian house now has two portraits on the wall: one of President Tito for granting them autonomy in 1974 and one of Milošević for uniting them as never before.

The contest is now between the new model of democratic development in Slovenia and Croatia, which gives "sovereignty" to the individual republics, and Serbia's model of "democratic centralism," which appears to be a form of Leninism or Titoism, shorn of Marxist ideology but designed to keep power for the Communist party. One of the reasons for the extreme hostility between the two sides is suspicion of each other's motives. Whereas the Serbs view the "pacification" of Kosovo as a legitimate assertion of their national interest, the Slovenes and Croats see it as a possible rehearsal for the "pacification" of themselves. And when the Slovenes and Croats speak of the right to secession, the Serbs see them as encouraging the ethnic Albanians to secede. Moreover, when the northerners claim that their defense of the Kosovo Albanians is a defense of human rights, the Serbs reply that they are hypocrites who really want to reduce Serbian power.

Whichever way one looks at it, the Kosovo question looms ever larger as the principal obstacle to progress. The "Serbs cannot hold the province down forever on their own, and the other republics (including Macedonia and Bosnia-Herzegovina) will soon start refusing to pay their share of the costs of the repression. Nor can the Serbs reverse history. Even the most fanatical nationalists are not proposing to move the Albanians by force. Milošević's quixotic project to resettle 100,000 Serbs in Kosovo is regarded by all but his most fanatical supporters as ridiculous. Kosovo is not the West Bank. Few Serbs will risk their lives to settle in the most economically backward region of the country, and Serbia has nothing like the economic resources of Israel. Finally, the ethnic Albanians themselves have been lost to Serbia. In April the Serbian-appointed prime minister of Kosovo, together with six of his ministers, resigned, and the government of the province is again in crisis. When asked if they are "separatists," Albanians no longer deny it. But they must separate, they say, not from Yugoslavia—to which they insist they are loyal—but from Serbia. As the popular former foreign minister of Yugoslavia, Kôa Popović (himself a

Serb), commented recently, the Albanians can easily be good Yugoslavs, but they will never be good Serbs.

### TRIBUTE TO PAYSON, AZ

Mr. DeCONCINI. Mr. President, as you know, the Western United States has been plagued by a severe drought for the past several years. To further compound the problem, central Arizona is experiencing record heat temperatures, with some temperatures exceeding 122 degrees. On June 25, 1990, a lightning strike ignited a fire near Payson, AZ, which raged uncontrollably for over 7 days. The fire, the largest in Arizona's history, consumed 25,000 acres, land covered by pine and other high-country trees. The Dude fire, named after Dry Dude Creek, blazed along the Mogollon Rim, east of Payson. It jumped this 1,500-foot cliff in several places.

The effort to fight this fire was hindered by high temperatures, low humidity, erratic winds, and rough terrain. Because of these conditions, about 1,600 firefighters and support personnel were required to combat the blaze. They were assisted by aerial tankers, helicopters, and bulldozers.

Unfortunately, this fire injured five people and mercilessly claimed the lives of six individuals—five prisoners and one State employee, who had volunteered for firefighting duty.

During the 7 days it burned, the Dude fire destroyed over 75 structures, including a cabin built in the 1920's by Zane Grey, a popular Western novelist, whose writing was inspired by the picturesque scenery. The destructive fire also forced over 1,200 people to leave their homes and obtain shelter elsewhere.

Because of this catastrophic event, Gov. Rose Mofford declared Gila County a disaster area and approved an allocation of \$40,000 for relief. In addition, Senator JOHN McCAIN and I asked President Bush for a similar Federal disaster designation.

I want to recognize the professional firefighters who, while anonymous to most of us, risk their lives every day to protect us. The Dude fire once again demonstrated why each and every one of us owe them a tremendous debt of gratitude.

Mr. President, it seems that in times of emergency people really pull together and help one another. I am proud of the efforts of the citizens of Arizona during this time of need, particularly those of Payson. This Sunday, the town of Payson is recognizing the volunteers of that community whose contributions were essential to the firefighting effort. I know there are many others who deserve recognition but, in anticipation of this luncheon, I would like to share with my colleagues the behind-the-scenes effort of seven individuals whose serv-

ice during this time of need was outstanding.

First, I would like to recognize the town clerk of Payson, Ray Frost, who devoted much of his time and energy to setting up evacuees in various homes and motels, organizing firefighters, and working with the Red Cross. In addition, the superintendent of schools, William Lawson, was instrumental in furnishing the schools' gymnasiums and other structures needed to shelter people. Russ Kinzer and Beth Leeds, employees of the school district, arduously worked to help process the thousands of evacuees. David Wilson, the Payson Chief of Police, played an integral role in coordinating the various organizations involved in fighting this fire. He served as a liaison with the National Guard, the Forest Service, the Red Cross, and the town council, providing them with important information on the conditions of the fire and the needs of the firefighters. Oli Zarnegin, the manager of the Walmart in Payson, displayed his generosity by providing vehicles to transport additional policemen stationed in three different cities who were desperately needed to serve with the National Guard. Finally, I would like to especially comment the town manager of Payson, Jack Monschein, who coordinated and supervised the entire project.

Mr. President, these are just a few examples of the courage and generosity of the citizens of Payson, AZ. I am sure I could spend most of the day on the Senate floor sharing other instances that demonstrate the true spirit of voluntarism that exists in this community. I think, however, you get the picture of the kind people that live there. I ask that my colleagues join me in paying tribute to the citizens of Payson, AZ. They certainly deserve it.

#### TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 1,945th day that Terry Anderson has been held in captivity in Beirut.

#### THE HARVEST OF PEACE RESOLUTION

Mr. MOYNIHAN. Mr. President, today I rise to join several of my colleagues in cosponsoring Senate Concurrent Resolution 91, the Harvest of Peace Resolution. The resolution is right on target in calling for a reevaluation of American policies, both foreign and domestic.

With the cold war over and the totalitarian ideal evanescent, we are now experiencing what can fairly be called a return to normalcy in international affairs. This return warrants—requires—new thinking on our part. Ini-

tatives rooted in the routines of cold war need to be reexamined. Arming our country to the teeth, preparing for war at all times, shrouding our every move in secrecy—these are outmoded policies. Policies which have at times threatened the vitality of our own democracy. History has now overtaken them. Conflicts will persist, to be sure. But it is time for the United States to champion once again the vision of a world governed by the rule of law.

Senate Concurrent Resolution 91 will help move us in the right direction. The clauses contained therein urge us simply and directly to reconsider outdated thinking and set our sights for the future. The resolution does not advocate specific legislation. That is not its function. We need to formulate policies very carefully in this new era and no resolution can accomplish that for us. But such a resolution can express quite effectively the sense of this Chamber that our Nation must begin to think anew. It can also recommend goals that we should establish. This is presently something which I believe needs to be done. For that reason, I would recommend that the Senate adopt the Harvest of Peace Resolution.

#### CONGRATULATING SENATOR BURDICK ON 30 YEARS OF SENATE SERVICE

Mr. GRAMM. Mr. President, I join my Senate colleagues in congratulating the senior Senator from North Dakota [Mr. BURDICK] on his 30 years of service in the U.S. Senate.

Senator BURDICK and I serve together on the Committee on Appropriations where he chairs the Subcommittee on Agriculture, and I have had an opportunity to work with him on matters affecting our States. His years of experience and commitment to the people he represents are evident in his committee service. His years in the Congress now span eight Presidents, from Eisenhower to Bush, and the wealth of experience he has gained from those years is demonstrated every day.

He is faithful to the people he represents and is as close to them as the day he arrived in the Senate 30 years ago.

I wish to congratulate him and his family on this anniversary of his years of service in the Senate.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

#### AMERICANS WITH DISABILITIES ACT—CONFERENCE REPORT

The PRESIDENT pro tempore. The Senate will resume consideration of the conference report on S. 933, which the clerk will report.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 933) to establish a clear and comprehensive prohibition of discrimination on the basis of disability having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The Senate resumed consideration of the conference report.

The PRESIDENT pro tempore. Under the order, the vote on adoption of the conference report on S. 933 will occur at the hour of 9:30 a.m. today. Meanwhile, the time until that hour will be equally divided between Mr. HARKIN of Iowa and Mr. HATCH of Utah.

Who yields time?

Mr. HARKIN. Mr. President, I am glad to yield out of my time whatever time he needs to the Senator from Arizona.

Mr. HATCH. I am happy to yield 4 minutes to the distinguished Senator from Arizona.

The PRESIDENT pro tempore. The Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, I am pleased to strongly support final passage of the Americans With Disabilities Act. This landmark legislation will mark a new era for the disabled in our Nation. For far too long, we have ignored the talents and gifts of certain Americans. Now, Mr. President, our Nation is proudly reasserting its claim as the world's torchbearer of freedom and opportunity.

On March 8, 1990, for the first time in the Senate's history, a deaf chaplain gave the invocation that sets the tone for the Senate's day. He very appropriately stated, " \* \* \* Especially, we ask Your blessing on people with disabling conditions. We pray that they receive not pity but respect; not shame but dignity; not neglect but inclusion."

Mr. President, it is time we took these words to heart. The ADA is a final proclamation that the disabled will never again be excluded, never again treated by law as second-class citizens. Each and every American has something unique and special to offer, and our Nation is a better place because of them.

I am particularly pleased to have played a part in the passage of this legislation. Over 2 years ago, I sought to ensure that our Nation's telecommunication's network was accessible to the 24 million hearing and speech impaired Americans. At that time, the Congress rightly moved to make the



Federal Government's telecommunication's network fully accessible.

The telephone has become an essential part of our daily lives. For most people, it is impossible to imagine being without one. Yet for more than 100 years, deaf and hearing impaired individuals have been denied full access to the telephone. We are obligated to correct that situation. Title IV of the ADA will move us closer than ever toward granting the hearing and speech impaired the independence and greater opportunities sought in the other sections of the Americans With Disabilities Act. I am enormously gratified to see its final passage.

Mr. President, this bill is an important step in making the American dream available to all. But I urge the real champions of this legislation, the 43 million disabled Americans, to never allow their vigil to wane. The power of law is great, but it cannot change opinion or overcome prejudice. The freedom to be respected for your abilities is a tenuous concept, and the heroes of this legislation have proved that every person has value and deserve our respect and admiration.

The freedom to pursue the American dream is at the heart of what makes our Nation great. That freedom that encourages diversity makes us a stronger nation. We must never lose sight of it. I want to thank my colleagues, Senators HARKIN, HATCH, DOLE, and KENNEDY for all they have done to make sure that those who are disabled are never again denied what is rightfully theirs, the opportunity to pursue their dreams. But most importantly, Mr. President, I thank the 43 million disabled individuals who never stopped believing in themselves, and never gave up the battle for their equal rights. Our Nation is better for their struggle.

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

The PRESIDENT pro tempore. Who yields time?

Mr. HARKIN. Mr. President, I yield myself such time as I may consume.

The PRESIDENT pro tempore. The Senator from Iowa is recognized.

Mr. HARKIN. Mr. President, I am only going to take a minute now and reserve the balance of time toward the end of the period of time that we have before the vote.

I shall take a minute to say how proud I am of the actions the Senate and all of our friends who worked so hard on this legislation have taken. As I said, I will have more to say later, but as the chief sponsor of this bill I just could not be more proud of my fellow Senators, Members of the House, and especially people with disabilities, who have worked so hard for this day. It may be raining outside, but this is truly a day of sunshine for all Americans with disabilities.

Before I go any further, I wish to thank Senator McCAIN for his work on the section of the bill dealing with the relay system for deaf and hard of hearing people. That means a great deal to me personally and a great deal to my brother, who is deaf. I personally thank Senator McCAIN for all of his work, effort, and diligence.

Mr. President, I reserve about 5 or 6 minutes for myself later on, so I will yield the floor at this time.

The PRESIDENT pro tempore. The Senator from Utah [Mr. HATCH] is recognized.

Mr. HATCH. Mr. President, I am very proud to be here this morning. I believe this legislation is going to be good for America. For too long the valuable resources available to this Nation from individuals with disabilities have been wasted needlessly. Why? Because of senseless discrimination, intended or not, which subjected persons with disabilities to isolation and robbed America of the minds, the spirit, and the dedication we need to remain a competitive force in worldwide economy.

Today, we are going to unlock these resources through the Americans With Disabilities Act and bring individuals with disabilities into the mainstream of the economic structure of this country. In employment, in public accommodations, in transportation, in communications services, all of which many of us take for granted today, we are simply saying that no longer can we tolerate the exclusion of the disabled because of ignorance, fear, or intolerance.

I think America will be a better place, a far better place because of the actions we are about to take today. When we look at the demographic changes in America and the coming shortages of labor, particularly skilled labor, I think America's ability to compete on balance will be improved rather than injured by this bill.

However, let me say that I do agree with some of the critics of this bill who say it may cost employers too much to make reasonable accommodations for disabled Americans. I believe this bill will prove very expensive to implement, and Congress ought to begin thinking about ways that we can make this burden, especially for small business, a little lighter.

I agree with some critics of this bill who say there is a lot of potential for unelected Government bureaucrats to write regulations that go overboard and become obtrusive. But, again, I believe Congress should actively work with the executive branch to ensure that the implementing regulations for the ADA are reasonable. None of us here want to help the disabled by eliminating jobs or putting people out of business.

And finally, I agree with the need to protect Americans' public health. This

bill will do that in a manner that is based on science and medical research. If any person has an infectious or communicable disease that can be transmitted by handling food, the employer is authorized to take steps to remove the risk that such a disease would be passed to customers.

We have reached the end of a long road, Mr. President, and I urge passage of this conference report. It is time that what people can do is the determinant of their employability, not what they cannot do. It is time that those in wheelchairs, those who have a hearing loss or sight impairment, be able to attend the theater or shop for their own groceries, or participate in the many facets of life which we in America are so privileged to have at our disposal.

Now, Mr. President, I suspect every Senator in this Chamber will feel the floors shake as thunderous applause breaks out around America following our approval of the conference report on the Americans With Disabilities Act. I just want to say that my heart is with each disabled American in this celebration. This is a victory which has taken many long years, and much hard work, and effort to bring to fruition.

There are far too many individuals who deserve credit for making the ADA a reality to name each and every one. But I feel obligated to express my sincere appreciation to the distinguished Senator from Iowa and the distinguished Senator from Massachusetts for their leadership.

The Senator from Iowa worked hard on this bill and deserves much of the credit for making this bill law. The distinguished Senator from Massachusetts has certainly done his share as he always does on the Labor Committee.

On our side, certainly Senator DURENBERGER, who is here with us this morning and who will speak shortly, Senator DOLE, the minority leader, Senator JEFFORDS, Senator McCAIN, who has already spoken; Senator KASTEN who arranged to have this debate interpreted on C-SPAN deserve recognition for contributing to this effort.

In passing out credit for hard work and dedication, I must mention as always, the staff people who put so much into this bill. Mark Buse, Carolyn Boos, Maureen West, Sheila Burke, Mark Powden, on the minority side; Michael Iskowitz, Terry Beirn, and Carolyn Osolinik of Senator KENNEDY's staff; and Bob Silverstein and Katy Beh of Senator HARKIN's staff. Of course, I have my own dear staff people who I just want to pay a personal and special tribute to. They have done so much to help see this bill brought to fruition.

But Mr. President, the real credit for this victory belongs to each and every one of the 43 million disabled Americans who will benefit from the ADA. In the final analysis, it was the courage and dedication of each and every disabled American that made this day possible.

I am proud to have played a role and a part in this legislative effort. I am delighted that this bill will now go to the President for his signature and will become the law of the land.

I want to particularly thank Kris Iverson, Chris Lord, George Lewis, Nancy Taylor, and Mark Disler, and of course, my good friend, my labor counsel on the committee, Steve Settle as well.

And, before concluding, let me not forget to pay a special tribute to my dear friend Representative STENY HOYER in the House who stepped in and filled some big shoes, those of my dear friend Tony Coelho, and just did a remarkable job of guiding this legislation through the House with the assistance of this staff person, Melissa Schulman. And of course, I cannot forget my dear friend Lowell Weicker whose vision formulated this effort so long ago.

Mr. HARKIN. Mr. President, I can think of no better year than 1990 for the ADA to become the law of the land.

For in 1990, history is being rewritten, from Pretoria to Prague, and right here in Washington, DC.

History will show that in 1990 after 27 years in prison, Nelson Mandela became a free man, and South Africa took a giant step away from apartheid.

History will show that in 1990, after 45 years, the cold war came to a close. Victory was achieved, not on the battlefield, but in the hearts and minds of citizens in one nation after another.

And history is going to show that in 1990, 26 years after the Civil Rights Act of 1964, 43 million Americans with disabilities, gained freedom, dignity, opportunity—their civil rights.

The history of the United States has been a constant evolution of opening more doors, breaking down more barriers, and extending basic human rights to more and more people.

We have not always lived up to the words of the Declaration of Independence and the Bill of Rights. But we constantly strive to do so.

Each decade, our democracy is made new by grassroots activism, by landmark legislation, by Presidential leadership, and by high court rulings.

In 1863, a century after the Declaration of Independence, Abraham Lincoln abolished slavery.

Some 60 years later, in 1919, women got the right to vote.

In 1964, the Civil Rights Act said "no" to discrimination based on race, color, national origin, sex, and religion.

Just 3 years later, the Age Discrimination in Employment Act barred workplace bias against older Americans.

It has been up to each successive generation to make good the promises of our founders, to extend constitutional rights to all Americans—all—and not just to some.

Leading the way were Republicans as well as Democrats, labor and business leaders, and—above all—those who have felt the sting of discrimination, their families and friends.

It is just such a coalition that has brought the Americans With Disabilities Act to the point of passage.

The version of the ADA included in the conference report is the result of extensive scrutiny, debate, and compromise involving Members of Congress, the administration, and the business and disability communities.

Let us review the history of the ADA. On May 9, 1989, I along with 33 of my colleagues, introduced S. 933. Four hearings were held in the Senate. The Committee on Labor and Human Resources reported out the bill on August 2, 1989, by a vote of 16 to 0, after the Senate sponsors and the Bush administration reached an agreement. The full Senate passed the bill on September 7, 1989, by a vote of 76 to 8.

H.R. 2273, the House companion bill, was also introduced on May 9, 1989. Five hearings were held by the Committee on Education and Labor; two hearings by the Committee on Energy and Commerce; one hearing by the Committee on Public Works; four hearings by the Judiciary Committee; and one hearing by the Small Business Committee.

The Education and Labor Committee reported out the bill on November 14, 1989 by a vote of 35 to 0.

The Energy and Commerce Committee reported out the bill on March 13, 1990, by a vote of 40 to 3.

The Public Works Committee reported out the bill on April 3, 1990, by a vote of 45 to 5.

The Judiciary Committee reported out the bill on May 2, 1990, by a vote of 32-3.

The full House of Representatives passed the bill on May 22, 1990, by a vote of 403-20.

As a result of the extensive scrutiny and the open process used to consider the ADA and the fact that the Senate bill and the House amendment were remarkably consistent, the Senate and House conferees had little difficulty reaching an agreement.

The House of Representatives passed the conference report by an overwhelming vote of 377 to 27.

The conference report strikes a fair and proper balance between the rights of people with disabilities and the legitimate concerns of the business com-

munity and other entities covered by the legislation.

The conference report builds on an extensive body of statutes, caselaw, and regulations to avoid unnecessary confusion; it allows maximum flexibility for compliance; it provides exemptions for small businesses; and it provides lengthy phase-in periods to enable the business community to learn what is required before the provisions take effect.

In short, the conference report is fair, balanced legislation; it does not place undue burdens on entities that must comply.

Some of my colleagues have no doubt heard from some in the business community who still have fears about the impact of the ADA. The Bush administration, reminded the Congress that similar concerns were raised 13 years ago when the regulations implementing section 504 of the Rehabilitation Act were first issued.

The fears being raised now about the impact of the ADA are similar to those misgivings that were raised in the first few years following implementation of section 503 and section 504 by the Departments of Labor and Health, Education, and Welfare. There were predictions that those covered by the regulations would be bankrupted or forced to severely curtail or alter their services. The doomsday predictions were based on ignorance and myth and proved false. Similar misgivings in the area of race discrimination surfaced in 1965 and proved to be equally unfounded. The administration believes that a similar fate awaits the misapprehensions that have been raised about the ADA.

Let me take a few moments to describe the major components of the version of the ADA included in the conference report.

#### EMPLOYMENT

With respect to title I of the legislation pertaining to employment, the conference report makes a limited number of clarifying changes to the Senate bill. These changes were made in response to concerns raised by the business community in order to further allay their fears about the legislation. Specifically, the conference report:

First, clarifies that in determining whether a person with a disability is qualified to perform the essential functions of the job, consideration shall be given to an employer's judgment as to what functions of a job are essential and written descriptions shall be considered evidence of essential functions of the job.

Of course, as these positions indicate, they do not go to the weight of the evidence of these factors, but rather reiterate in the statute that, during the process of determining whether a function is essential, a court must give consideration to the employer's judgment as to what functions are essential and must accept as evidence



written job descriptions. A job description that is not tailored to the actual functions of the job, however, will ultimately have little weight. Based on the evidence submitted by the complainant and the respondent, the judge must ultimately decide what constitutes the essential functions of the job.

Second, clarifies how the reasonable accommodation/undue hardship provisions operate in companies that have multiple sites.

Third, clarifies that voluntary health prevention programs are still permissible.

Fourth, clarifies the meaning of the defense that an employer can fire or transfer a person who poses a direct threat to the health or safety of other individuals in the workplace. At the request of the business community the term direct threat is defined to mean a significant risk to the health or safety of others that cannot be eliminated by reasonable accommodation. This is the definition set forth in the Arline decision.

In addition, in response to requests by the business community, the conference report requires a coordination between multiple agencies in the enforcement of the ADA and the Rehabilitation Act of 1973.

The conferees rejected the provision in the House amendment pertaining to food handlers, the so-called Chapman amendment. President Bush vigorously opposed the inclusion of this provision. Dr. Sullivan, the Secretary of Health stated:

Any policy based on fears and misconceptions about HIV will only complicate and confuse disease control efforts without adding any protection to public health. We need to defeat discrimination rather than to submit to it.

The Association of State and Territorial Health Officials stated in opposition to the amendment.

The appropriate response to public fear is ongoing education, not legitimizing further discrimination in the statute. For these reasons, the Chapman amendment is not only unnecessary, but is counterproductive.

The conferees reaffirmed the basic precept of the legislation that persons with disabilities, including those with infectious diseases and infections, should be judged on the basis of their qualifications and the facts applicable to them and not on the basis of fear, ignorance, and prejudice. The conferees also agreed with the Association of State and Territorial Health Officials that education, not codification of fear and ignorance is the solution to misperceptions by the public about how diseases or infections such as HIV are transmitted.

Consistent with these principles, the conferees agreed to accept the Hatch substitute to the House food handlers provision. This provision requires that the Secretary of Health and Human

Services review all infectious and communicable diseases which may be transmitted through the handling of the food supply; publish a list of those diseases which are transmitted through the handling of the food supply; publish methods by which such diseases are transmitted; and widely disseminate such information regarding the list of diseases and their modes of transmissibility to the general public. This list must be updated annually.

The provision also provides that in any case in which an individual has an infectious or communicable disease that is transmitted to others through the handling of food, that is included on the list developed by the Secretary of Health and Human Services, and which cannot be eliminated by reasonable accommodation, a covered entity may refuse to assign or continue to assign such individual to a job involving food handling.

Finally, the provision specifies that nothing in this act shall be construed to preempt, modify, or amend any State, county, or local law, ordinance, or regulation applicable to food handling which is designed to protect the public health from individuals who pose a significant risk to the health or safety of others, which cannot be eliminated by reasonable accommodation, pursuant to the list of infectious or communicable diseases and the modes of transmissibility published by the Secretary of Health and Human Services.

In short, this provision reaffirms and supports the other provisions of the ADA and says to the world let science and sound medical judgment and not fear, ignorance, and prejudice rule the day with respect to the hiring of people with disabilities, including those with infectious diseases and infections.

#### STATE AND LOCAL GOVERNMENT AND PUBLIC TRANSPORTATION

The conference report makes no substantive changes to coverage of State and local governments and makes no changes to provisions applicable to ensuring that public buses be made accessible. The conference report clarifies provisions related to paratransit but the basic requirements are still intact. ADA requires paratransit for those individuals who cannot otherwise use mainline accessible transit up until the point that it will create an undue financial burden on the transit authority.

With respect to rapid rail and light rail, the conference report specifies that key stations must be made accessible within 30 years instead of 20 [Senate version] but two-thirds of the key station must be made accessible within 20 years. The conference report delineates special rules for making new intercity and commuter passenger rail cars accessible for people who use

wheelchairs and delineates rules governing historic vehicles.

#### PUBLIC ACCOMMODATIONS AND TRANSPORTATION SERVICES PROVIDED BY PRIVATE ENTITIES

The conference report makes a limited number of clarifying changes to the provisions applicable to public accommodations. Again, many of these changes were made to allay the fears of the business community.

Clarifications include: How the readily achievable provision operates where a company has multiple sites; nothing in the ADA requires an entity to permit an individual to participate in a program or receive a benefit if the person poses a direct threat to the health or safety of others; and specifies rules governing historic buildings and vehicles.

A change was made by the conference report concerning transportation by private bus companies. The compromise was worked out by the House and Senate sponsors, along with the disability community and the private bus industry. The Senate versions basically required that within 6 years all new buses would be "readily accessible to and usable by" individuals with disabilities. The Senate bill also mandated a study by the Office of Technology Assessment to be completed within 3 years to look at the most effective means of compliance.

The conference report mandates access within the time-frame included in the Senate version but does not necessarily require any particular means such as lifts for ensuring access. Regulations will define what constitutes access after reviewing the recommendations of the OTA study. The study's purpose has been changed to look at alternative means of providing access.

I would like to read a portion of the letter I received about the compromise from the American Bus Association:

We are pleased with the amendment that you helped craft. We believe that it is a carefully crafted, fair and equitable compromise. . . .

With respect to enforcement, the conference report clarifies that the Attorney General may not seek punitive damages on behalf of an aggrieved party and a person with a disability can bring a suit for injunctive relief if he or she is being subject to discrimination or has reasonable grounds for believing that he or she is about to be subject to discrimination because the covered entity is about to renovate or construct a new building in an inaccessible manner.

The conference report also clarifies that when a court considers the amount, if any, of a civil penalty, it may give consideration to the good faith efforts to comply, including whether an entity could have reasonably anticipated the need for an appropriate type of auxiliary aid needed

to accommodate the particular needs of an individual with a disability.

Finally, the conference report changes the timeframe under which a small business may be sued for violating this title. The conference report retains the provisions delaying the effective date for 18 months from the date of enactment. However, the conference report specifies that with the exception of violations of provisions pertaining to making alterations and new construction readily accessible to and usable by people with disabilities, civil actions may not be brought against businesses that employ 25 or fewer employees and have gross receipts of \$1 million or less during the first 6 months after the effective date and no civil actions may be brought against businesses that employ 10 or fewer employees and have gross receipts of \$500,000 or less during the first year after the effective date.

#### TELECOMMUNICATIONS RELAY SERVICES

The conference report generally makes technical and conforming changes to the Senate bill. Every common carrier must still ensure that relay services are provided unless a State has enacted legislation that ensures such services are provided.

The conference report continues to cover the House of Representative, the Senate, and the instrumentalities of the legislative branch.

In sum, the conference report provides the proper balance between the rights of people with disabilities and the legitimate concerns raised by the business community.

Before completing my remarks, I would like to state for the record how personally rewarding it has been to serve as the chairman of the Subcommittee on Disability Policy for the 100th and 101st Congress. As Chairman, I have been fortunate to meet some of the most able people I know, who happen to have a disability.

The message I hear over and over again is very simple:

We don't want any favors; all we want is for others to judge us on the basis of our abilities and not on the basis of our disabilities; to judge us on the basis of facts and not on the basis of fear, ignorance, prejudice, or patronizing attitudes. Remove artificial barriers that prevent us from fully participating in the mainstream of society. That's all we want and expect.

That is what the ADA is all about. People like James and Sarah Brady who have done so much to remind us that anyone, at anytime, can become disabled. All it takes is a car accident or a war injury, a wayward gene or—in Jim's case—a would-be assassin's bullet.

Jim recently wrote in the *New York Times*:

Since I took a bullet in the head 8 years ago during the assassination attempt on Ronald Reagan, I have come to know the daily problems, frustrations, and needs of those who live with disability. I have had to

learn to talk again, to read again, and to walk again. I have succeeded, and I know that everyone can learn to overcome the final obstacle to our equal inclusion in American life: prejudice toward people with disabilities. Passage of the Americans With Disabilities Act will increase acceptance, dignity, and full participation of citizens with disabilities. We do not want pity or sympathy. All we want is the same civil rights and opportunities that all citizens have. We want fairness, acceptance, and the chance to contribute fully to our Nation—just like everyone else.

We cannot undo the damage done that day when the gunman took aim on the President and hit Jim Brady. But we can demolish the barriers of discrimination and educate people about fear, ignorance, and prejudice.

People like Danny Piper, a 19-year-old from Ankeny, IA, who has Downs syndrome and is mentally retarded. He testified at a hearing before my subcommittee about his hopes and dreams to hold down a job and live an independent life outside his parents' home. His mother told us about the investment the Ankeny schools have made to maximize his potential and her fear that discrimination in the real world will deny Danny his dreams.

People like Lisa Carl with cerebral palsy who wouldn't take no for an answer when the owner of a movie theater tried to shut the door in her face simply because of her disability. The ADA will be on her side the next time someone tries to shut her out.

People like Perry Tillman, a Vietnam veteran who was badly wounded in the combat. Perry spent 8 months in a rehabilitation hospital learning how to use a wheelchair, only to return home an outsider.

"I did my job when I was called on by my country," Perry said while testifying before the subcommittee. "Now it is your job and the job of everyone in Congress to make sure when I lost the use of my legs I didn't lose my ability to achieve my dreams."

The Americans With Disabilities Act is our response to Jim and Sarah Brady's courage in fighting for equality; Lisa's cry for help in her quest for dignity and respect; Danny's hopes and dreams for a future filled with happiness and opportunity; and to Perry's challenge.

Let us stand tall for equality and simple justice for Americans with disabilities. Their time has come.

I urge my colleagues to support the conference report on the Americans With Disabilities Act.

Mr. HATCH. Mr. President, I am happy to yield a few minutes to the distinguished Senator from Minnesota.

The PRESIDENT pro tempore. How much time does the Senator yield?

Mr. HATCH. Four minutes.

The PRESIDENT pro tempore. The Senator from Minnesota is recognized for 4 minutes.

Mr. DURENBERGER. Mr. President, I thank my colleagues for their kind comments and also thank them for giving me the opportunity to be here today.

Mr. President, I did not realize a year ago January when I took over as ranking member of the Subcommittee on Disability Policy—it did not have that name at the time—and my good friend from Iowa came to me and said, "We really have one main item on our agenda, I do not know how big a deal it is going to be. It is called the Americans With Disabilities Act." I never realized that a year and a half later we would be standing here for the third or fourth time, right at the finish line, passing what I think people will consider the greatest expansion of civil rights protections since the 1964 Civil Rights Act.

It is a great day for 43 million Americans with disabilities.

Somebody gave me a dimension of that. If you think about all the people that live in all of the United States of America through which the Mississippi River runs, that is how many Americans have been denied for all of their lifetimes equal access to employment, accommodations and a lot of other things. That is an awful lot of people.

I think it is a privilege for me, as we watch the world around us changing, and as we think about human rights as something that is being experienced in Nepal or in Africa or in East Europe, that you think in terms of 43 million people in America who for the very first time are going to have the guarantee that there will not be discrimination against them on the basis of their disability.

The first little talk I make on this subject as we began the process dealt with a young woman of my acquaintance in Minnesota. I would like to think about her particular example in this case because she may not be typical, but she sure sounds typical. To me she is a woman who has a bachelor of science degree in psychology and in home economics. She has a master's degree in food science and nutrition. On the registered nutritionalist examination, she ranked in the top 10 in the Nation.

But she has cerebral palsy. And in job after job in this great liberal State of Minnesota, job after job that she applied for, she was turned down. At a job interview in the Metropolitan Twin Cities Hospital she was told why. They said, you are qualified but your fellow employees would not be comfortable working with a person who is as disabled as you are.

Mr. President, this bill will not only change the lives of people like this young woman who live with disabilities every day of their lives, but it will also change the lives of those of us without disabilities by removing the



shades many of us wear, focusing on peoples' abilities rather than their disabilities.

Eighteen years ago, when Congress was debating the Rehabilitation Act here, the then senior Senator from Minnesota, Herbert Humphrey said, "The time has come when we can no longer tolerate the invisibility of the handicapped in America. \* \* \* These people have the right to live, to work to the best of their ability, to know the dignity to which every human being is entitled."

As freedom and the fight for human rights swells abroad, it is time to complete the work we began 25 years ago by opening all aspects of life—employment, public accommodations, public services, transportation, and telecommunications for persons with disabilities. The ADA is that step forward, giving people with disabilities the assurances that there is a future in this country for persons with disabilities.

A lot of time has been spent debating what the costs will be under this bill. And, as with any legislation, this is very important. But what sometimes gets overlooked are the many benefits of the bill. This bill is about changing lives in ways that we cannot begin to measure here in the Congress. I began this process by telling a story about a young woman who is a constituent of mine. She has a bachelor of science degree in psychology and home economics and a masters degree in food science and nutrition. On the registered nutritionist examination, she ranked in the top 10 in the Nation. But this young woman has cerebral palsy. Job after job she applied for, she was turned down. At a job interview at a metropolitan hospital, she was told why. She was qualified, but her fellow employees would not be comfortable working with a person who is disabled.

This bill will not only change the lives of those like this young woman who live with disabilities every day of their lives, but will also change the lives of those of us without disabilities by removing the shades many of us wear and focusing on a person's abilities rather than one's disabilities.

There are also very real and measurable benefits of this bill. The economics, Mr. President, are simple. Over the next decade, the United States will be in a fight for our economic survival. We are facing a shortage of educated and trained labor. And we simply cannot afford to waste the talents of people with disabilities. We are also facing a serious budget crisis. And we cannot afford to pay welfare benefits to people who can work and who want to work but are unable to because they are regarded as not being fit enough to work. The ADA will give people with disabilities the level playing field they need to become a full member of society.

By giving people the opportunity to become self-sufficient we are also decreasing the amount of Federal money being spent to support individuals with disabilities and increasing tax revenue.

This legislation is an extraordinary culmination of effort by a great number of people, and as our work comes to a close I would be remiss if I did not put at the top of that list, the outstanding work of my distinguished colleague from Iowa. There has no other Member in this body who has spent as much time as he and his staff have in shaping and holding together this bill over the last year and a half. He has truly done a textbook job in handling and moving this legislation through Congress.

I must also mention the extensive work by the senior Senator from Massachusetts—who has committed a lifetime to ensuring the civil rights of all Americans. And the Senator from Utah—who, while not an original cosponsor of this legislation, has been in the forefront of making the changes necessary to bring us where we are today. And the distinguished minority leader—who has always been one of the strongest of advocates for persons with disabilities in this body. Finally, there is no doubt in my mind that we would not be here today without the deep and firm commitment by President Bush to this legislation. He has proven once again, his ability to work with Congress to move important legislation.

Again, Mr. President, this is a great day in the history of our Nation's continued efforts to lead by example in the expansion of human rights for all people. The time is now, Mr. President, to open our doors and to bring all Americans into the mainstream.

I thank my colleagues who are on the floor—the Senator from Massachusetts, who has been doing this for 28 years; the Senator from Iowa, Tom HARKIN; the Senator from Utah; Senator Lowell Weicker, who is no longer with us; Senator BOB DOLE; all of the staff who have been mentioned; my own staff, Caroline Boos, all of the people in Minnesota, Mike Ehrlichman, and all the tremendous Minnesotans with disabilities who have contributed to this bill, I want to thank them and thank you for the opportunity to be here for this historic occasion and for the opportunity I have been given by my colleagues to serve in the capacity that enabled me to be here.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. KERREY). Who yields time?

Mr. HARKIN. How much time do we have?

The PRESIDING OFFICER. The Senator from Iowa has 12 minutes, 38 seconds. The Senator from Utah has 40 seconds.

Mr. HARKIN (After using sign language). Mr. President, I thank the Chair's indulgence for permitting me to say something that only a few people understood. But I wanted to do that as sort of a special way of thanking a very special person in my life who taught me at a very early age that people with disabilities could do anything that they set their minds to do and that people should be judged on the basis of their abilities and not on the basis of their disabilities.

In sign language, I just wanted to say to my brother Frank that today was my proudest day in 16 years of Congress; that today Congress opens the doors to all Americans with disabilities; that today we say no to fear, that we say no to ignorance, and that we say no to prejudice.

The ADA is, indeed, the 20th century Emancipation Proclamation for all persons with disabilities. Today, the U.S. Senate will say to all Americans that the days of segregation and inequality are over and, as I said, by your winning your full civil rights, you strengthen ours.

And I thanked all Senators for their help in passing ADA today. The ADA is, without exaggeration, Mr. President, the most critical legislation affecting people with disabilities ever considered by the Congress. The conference report before us today is the result of extensive scrutiny, debate, and compromise involving Members of Congress, the administration, the disability community and the business community. As a result, the conferees had little difficulty reaching an agreement.

Yesterday the House passed the conference report by an overwhelming vote of 377 to 27. I would just point out the conference report adopts verbatim the instruction on congressional coverage proposed by Senator FORB and the instruction on food handlers proposed by Senator HATCH, both of which were adopted overwhelmingly by the Senate.

Within a few weeks the ADA will become the law of the land because of the vision of the disability community. You knew in your hearts what we now write into law—that discrimination based on fear, ignorance, prejudice, and indifference is wrong.

It is true that I am the sponsor of the ADA, and my colleagues are cosponsors. However, the ADA is, first and foremost the outcome of the extraordinary efforts of the disability community. This is your bill, and you earned it.

We fought together as a community, singing in the streets that "people united will never be defeated."

From Justin Dart, the chair of the President's Committee on Employment of People With Disabilities, to Danny Piper, a 19-year-old from

Ankeny, IA, who wants to live a proud and independent life, I say ADA is a reality because of your efforts.

To my friend, Dennis Smurr, the former Associate Advocacy Director of the Paralyzed Veterans of America, who passed away late last year, I say you would be proud of what your friends have accomplished.

On Wednesday, I thanked Senators KENNEDY, HATCH, and DURENBERGER for their efforts on this bill and they truly were special, and I say it again. Without the dogged leadership of the distinguished chairman of our committee, Senator KENNEDY, we would not be here today. Without the total heartfelt involvement of my friend from Utah, Senator HATCH, who was with us every step of the way working to ensure that we had a bill that could pass, to make sure we had a bill that was fair and meaningful, I say to Senator HATCH, my heartfelt and deepest thanks.

To Senator DURENBERGER—a year and a half ago I do not think he knew what he was getting into on this bill—but for a year and a half we marched side by side together to make sure that this bill became a reality today. Again, my deepest thanks to my friend and neighbor from Minnesota.

To Senator McCAIN, as I said, thanks for his efforts for making the telecommunications title of the bill a reality. And, also, the efforts of Senator DOLE, not only this year but for all of the years, for his leadership for people with disabilities.

I want to thank Congressman STENY HOYER on the House side.

But I also want to thank two people who are not here. I want to recognize and thank former Senator Lowell Weicker, my predecessor as chairman of the disability committee, and Congressman Tony Coelho of the House side, the other original sponsors of the ADA. They are true champions of all disabled people.

The ADA was also the result of the efforts of our staffs. And I want to give special recognition to Bobby Silverstein and Katy Beh of my staff. Perhaps now their families will see a little bit more of them, after this long year that they have been working on this bill; Carolyn Osolinik and Mike Iskowitz of Senator KENNEDY's staff; Mark Disler, Chris Lord, Nancy Taylor, Kris Iverson, and Steve Settle, of Senator HATCH's staff; Carolyn Boos of Senator DURENBERGER's staff; Mark Buse of Senator McCAIN's staff; and Melissa Schulman of Congressman HOYER's staff. All of these people played crucial roles.

In closing, Mr. President, I want to make a dedication. All across our Nation mothers are giving birth to infants with disabilities. So I want to dedicate the Americans With Disabilities Act to these, the next generation of children and their parents.

With the passage of the ADA, we as a society make a pledge that every child with a disability will have the opportunity to maximize his or her potential to live proud, productive, and prosperous lives in the mainstream of our society. We love you all and welcome you into the world. We look forward to becoming your friends, your neighbors, and your coworkers.

We say, whatever you decide as your goal, go for it. The doors are open and the barriers are coming down.

I was asked yesterday to try to put into words exactly what the ADA meant and I recalled meeting with Danette Crawford in Des Moines a few months ago. She is a young girl, 14 years old, has severe cerebral palsy—one of the brightest young persons I have ever met, working on a computer at home—absolutely brilliant. I was talking to her about the ADA, and what it would mean to her in terms of jobs, educational opportunity, being able to go out on her own; that she would not be discriminated against in the workplace.

She listened to all this, and in her own way she said, that is all very nice and that is very important. But, she said, all I want to do is just be able to go out and buy a pair of shoes like anybody else.

That really is what ADA is about. It is letting people live like anyone else; opening the doors, breaking down the barriers, so that all Americans, regardless of their disability or abilities, are treated fairly and decently, as coequal in all aspects of American life.

Mr. President, I urge the adoption of the conference report on the Americans With Disabilities Act.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, this is important, indeed historic legislation. I urge each Member of the Senate to support this conference report. It deals not only with those individuals who are disabled and come under the specific provisions of the bill. It deals with our entire society, for it reflects the nature of our society in attempting to ensure that each American can live his or her life to the fullest extent possible, free of discrimination or artificial barriers.

It is based on a very simple principle. We ought not to measure people by what they cannot do but, rather we ought to measure them by what they can do. And each person can do positive, productive, good things in our society; good things for them individually, good things for the people as a whole.

Immense credit goes to those Senators who have devoted large amounts of time, energy and effort over the past 2 years to bring this bill to its present stage of final enactment. Foremost among them, of course, is Senator HARKIN who has been the driving

force behind this legislation and who has led the way. He has been joined by his distinguished colleague from Utah, Senator HATCH, without whose positive and constructive efforts this bill would not have been possible.

I thank both of them for their great leadership, as well as that of the chairman of the full committee, the distinguished Senator from Massachusetts [Mr. KENNEDY] who, as always, devoted great energy and pushed this legislation forward at all times.

Senator DURENBERGER, Senator McCAIN, and a host of others have participated actively.

This is a day in which the Senate can make itself proud by doing what is right, not only for the disabled in our society, but for every person in our society. I hope the Senate overwhelmingly makes that clear.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, how much time do we have?

The PRESIDING OFFICER. Ninety seconds.

Mr. KENNEDY. Mr. President, we vote yea and nay and we pass legislation, but this is obviously a matter of enormous personal importance to the originator of the legislation, Senator WEICKER, who had a Down's syndrome child; and to Senator HARKIN. This was the first time I have seen sign language used on the floor of the Senate in my 28 years in the Senate. I can only imagine what that has to mean to millions of people.

Many of us have been touched by those with disabilities. My sister, Rosemary is retarded; my son lost a leg to cancer; and others who support this legislation believe in it for similar special reasons. I cannot be unmindful of the extraordinary contributions of those who have been lucky enough to have members of their families or children who are facing some challenges and know what this legislation means.

Mr. METZENBAUM. Mr. President, I rise today to commend my friend and colleague, Senator TOM HARKIN of Iowa, for his outstanding work on the Americans With Disabilities Act.

The ADA ensures that the great civil rights advances of this century no longer exclude Americans with disabilities. And that, Mr. President, signals an important turning point in our history.

But it did not come easily.

No, Senator HARKIN overcame some formidable obstacles. He has been tenacious in seeing through this important bill. In bringing together so many parties once at odds: Businesses, the disability community, the White House, Republicans and Democrats.



Most recently, Senator HARKIN fended off an amendment that would have undermined the very essence of this bill and codified discrimination—the Chapman food handlers amendment.

Mr. President, for the RECORD let me reaffirm that the ADA will in no way jeopardize the safety of our food system. The ADA already excludes workers whose diseases pose a direct threat to the health of others—so a food handler with typhoid fever could be fired under this bill.

Mr. President, the ADA does not give special protection so Typhoid Mary can flip our hamburgers. All the Chapman amendment would have done is tell the Ryan Whites of the world that they couldn't get summer jobs handling food. And fortunately, we now have language from Senator HATCH that protects public safety based on science—not prejudice and unfounded fear.

The Chapman amendment had no place in a bill that says, unequivocally: "We will no longer tolerate the exclusion of people with disabilities from the mainstream of life."

Mr. President, decades ago we took down the whites only signs from lunch counters and other public places.

To my knowledge, there have been no signs that proclaim "disabled go home."

But there might as well have been such signs. Because in the years since lunch counter sit-ins, many Americans with disabilities have been excluded from public places, from movie theaters, restaurants, the neighborhood store.

Sometimes that happened because few public buildings are accessible to people with disabilities. Sometimes that happened when people with disabilities actually were kicked out of public places simply because they were disabled.

Mr. President, deep down, I believe we have all known this was morally repugnant, outrageous, and completely unacceptable.

Now, thanks to the persistence of the Senator from Iowa, we also will be able to say this is against the law.

In the decades since Rosa Parks refused to move to the back of the bus, many of our friends with disabilities could not even get on the bus.

Without transportation, disabled Americans have not been able to get to work. And all of America lost when we could not count on disabled individuals to be a productive part of our economy.

And, Mr. President, in the years since the civil rights laws barred discrimination on the basis of race, creed, color, religion, or sex, Americans with disabilities had no legal protections from blatant discrimination.

Employers were free to look only at a person's disability—ignoring what

they could do—and cast them aside. Again, America lost out.

I am very pleased that ADA will cover congressional employees. I have long believed that Congress should live up to the standards that we require all other employers to meet, and this is a positive step forward indeed.

We owe a debt of gratitude to former Senator Lowell Weicker, who provided the seed for the bill that will soon become law.

We are indebted to Chairman KENNEDY of the Labor Committee for his leadership and to Senators HATCH and DURENBERGER for their thoughtful contributions.

We also must note that Attorney General Dick Thornburgh and President Bush have held firm in their support of this bill.

But far and above, I salute the distinguished Senator from Iowa [Mr. HARKIN]. He has been a fighter—a relentless fighter. He has taken plenty of heat for standing tall on this bill.

His commitment to civil rights for disabled Americans has been unwavering, and he has pushed this bill through with courage and with grace. For that, I thank him. I believe all Americans—with or without disabilities—are better off because we have once and for all outlawed blatant and sometimes barbaric discrimination against individuals with disabilities. We have said that our great Nation is a strong and tolerant place. We have gone on record as saying never again will we relegate an individual to some hidden corner of society simply because he or she has a disability. No, in this country, we welcome these individuals into the mainstream. None of this would have happened had it not been for the undying commitment and courage of Senator TOM HARKIN. I hope that in the years to come, and the provisions of this law become a part and parcel of American life, we look back proudly on TOM HARKIN and think of this bill not as the ADA—one more acronym—but as the Harkin bill.

Mr. SIMON. Mr. President, this "declaration of independence" for the citizens with disabilities of this Nation has been a long time coming. It is about a week late for our celebration of Independence Day, and many years late for those who have been fighting for the simple right to be treated with equality. But we are finally here, taking the final step before this landmark legislation is sent to the President for his signature. We owe thanks to a great many people for getting us finally to this point.

I want to single out in particular our colleague Senator HARKIN. He has been tireless in his efforts and unflagging in his determination. He has gotten us here as he told us he would at a hearing back in September 1988—by keeping the community together and working closely with the groups

affected by this law. He and our colleague Senator KENNEDY, who is another true champion of this issue, as well as Senator HATCH and all the other members and most particularly the staff of the Subcommittee on Disability Policy, deserve our admiration and gratitude for their work. And we must not forget the one who started this process in the Senate, or former colleague Lowell Weicker, and the one who could speak perhaps more eloquently than any other Member of Congress about the effects of discrimination, former Representative Coelho.

But the ones who have truly earned the accolades are those who are members of what we have come to know as the disability community, a diverse group that includes, first and foremost, those with disabilities themselves, but also their families, friends and advocates, both individuals and organizations. They gained our admiration as they won our legislative support.

An early member of that community was our late colleague Senator Hubert Humphrey. I wish he could be here to help in the celebration. He would be jubilant, but he would wonder why it took so long. Nearly 20 years ago, he was urging the protection of the employment rights of individuals with disabilities by including them under the coverage of the Civil Rights Act. I might add, I sponsored a similar bill a decade ago as a member of the House of Representatives.

I was pleased this past Wednesday that our colleague Senator DURENBERGER quoted the late Senator from Minnesota as he spoke on this issue. If I might add another quotation from that great statesman, in 1972 he said:

The time has come to firmly establish the right of these Americans to dignity and self-respect as equal and contributing members of society and to end the virtual isolation of millions of children and adults from society.

I expect that in a very short time, we will be so used to this law that it will seem it has been on the books since at least 1972. It is a great loss to our Nation and to millions of individual citizens that it has not.

We have ground to make up, as well as ground to gain. The most recent statistics are discouraging, but they also show how much we can gain. They show that the percentage of individuals with disabilities with full-time jobs decreased during the 1980's. And as Deputy Secretary of Labor Roderick DeArment recently pointed out, if the 900,000 persons with disabilities under age 30 now receiving supplemental security income continue receiving it over their lifetime, the Government will have invested \$1 trillion in their support. But according to a Lou Harris poll, 82 percent of persons with disabilities said they would give

up their government benefits for a full-time job.

We need to do everything we can to make sure every individual who wants to work can find a job. For people with disabilities, this begins by giving them an equal chance for a job, a chance to get on a bus or train to get to the job, a chance to use their abilities. Today we are finally lifting the blanket of isolation that Senator Humphrey regretted some 20 years ago, and giving millions of Americans their first opportunity for an equal chance to succeed in our society.

I am proud to be part of this historic moment.

Mr. INOUE. Mr. President, today we will mark one of the great accomplishments of the 101st Congress. The Americans With Disabilities Act will soon become the law of the land. The end of the ADA legislative process in Washington signals a new beginning for 43 million Americans with physical and mental disabilities. In the words of the author of the ADA, Senator TOM HARKIN, the Americans With Disabilities Act is nothing less than an "emancipation proclamation" for people with disabilities who will finally benefit from civil rights protections in the areas of private sector employment, State and local public services, public and private transportation services, privately owned public accommodations, and telecommunications relay systems.

In celebrating this victory, it is appropriate that we recognize and honor our colleague, Senator TOM HARKIN of Iowa, for his authorship of the Americans With Disabilities Act. As chairman of the Senate Subcommittee on Disability Policy, Senator HARKIN has devoted enormous reserves of legislative craftsmanship, integrity, leadership, tenacity, and personal commitment to people with disabilities to make the Americans With Disabilities Act a reality.

Justin Dart, the chairperson of President Bush's Committee on Employment of People With Disabilities, made the following remarks about Senator TOM HARKIN in October 1989:

Tom Harkin provided courageous and statesmanlike leadership in the Senate, to negotiate a law [the Americans With Disabilities Act] which is a true mandate for equal opportunity but at the same time is completely fair to business and to taxpayers. He transcended politics as usual and subservience to powerful special interest groups to stand firm for justice and the interests of people with disabilities and of all Americans. When the next edition of Profiles in Courage is written, the first chapter should be about Tom Harkin.

I know that Americans with disabilities and all Iowans are proud of Senator TOM HARKIN today—particularly his brother who is deaf and his nephew who is quadriplegic. Many of these proud individuals remember Senator HARKIN's leadership on the

floor of the Senate in September 1989 when he led the fight for the Americans With Disabilities Act. For over 10 consecutive hours he fought weakening amendments and skillfully responded to challenges and questions from other Senators. Few Senators could have managed the ADA floor fight so successfully.

The Americans With Disabilities Act has been the centerpiece of Senator TOM HARKIN's work as chairman of the Subcommittee on Disability Policy during the last year. But the Senator from Iowa has established a record of accomplishment in that role that will not be matched anytime soon. In only 3½ years as chairman of the Subcommittee on Disability Policy, Senator TOM HARKIN authored the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987 which was signed by the President in October 1987. Mr. HARKIN also authored the Technology-Related Assistance for Individuals With Disabilities Act of 1988 which was enacted in August 1988. The Senator from Iowa authored a bill establishing a National Institute on Deafness and Communication Disorders which was signed by the President in October 1988. TOM HARKIN authored the Protection and Advocacy for Mentally Ill Individuals Amendments Act of 1988 which was enacted into law in 1988. Similarly, Senator HARKIN authored the Handicapped Programs Technical Amendments Act of 1988 which was signed by the President in November 1988.

While directing negotiations on the Americans With Disabilities Act this year, Senator HARKIN simultaneously guided the Education of Individuals With Disabilities Act of 1989 through the Senate. Currently, Mr. HARKIN is working vigorously to pass three disability-related bills he has introduced: The Television Decoder Circuitry Act of 1989; the Health Objectives 2000 Act; and the Disabilities Prevention Act of 1990.

Mr. President, legislative craftsmanship alone is not enough to explain Senator TOM HARKIN's successes as chairman of the Subcommittee on Disability Policy. All of TOM HARKIN's efforts reflect his personal commitment to a society that values people on the basis of their abilities, not on the basis of ignorance, irrational fears, or patronizing attitudes. Senator HARKIN has devoted much of his public service to help people with disabilities control their own destinies. Further, the Senator from Iowa has worked tirelessly to guarantee individuals with disabilities the right to be integrated into the economic and social mainstream of American society. These are the things TOM HARKIN stands for. These are the messages of the Americans With Disabilities Act.

Our colleague, Senator TOM HARKIN, has earned over 30 national awards for

his service to people with disabilities since 1986. While these awards demonstrate the respect, affection and appreciation of the disability community for Senator HARKIN, the awards also represent TOM HARKIN's collaboration with a disability community that has become stronger and more united because of these collaborations.

Senator HARKIN has frequently pointed out that the Americans With Disabilities Act is also the product of political collaboration.

Throughout this legislative process, leaders on both sides of the aisle and President Bush have worked diligently together in the interests of people with disabilities. In this sense, the ADA represents one of our proudest moments in the U.S. Senate.

So, Mr. President, I know that all of my colleagues will join with me in congratulating Senator TOM HARKIN for his leadership in making the Americans With Disabilities Act the law of the land.

#### SECTION 506

Mr. SIMON. I would like to clarify with my colleagues a matter concerning the role of the National Council on Disability Policy in providing technical assistance under the ADA. In section 506(a)(1) of S. 933 the Attorney General of the United States is instructed to "develop a plan to assist entities covered under this Act, along with other executive agencies and commissions, in understanding the responsibility of such entities, agencies, and commission under this Act."

The Senate bill states that his plan shall be developed "in consultation with \* \* \* the national Council on Disability" (among others). Section 506(b)(2) of the House bill states that the "Attorney General may obtain the assistance of \* \* \* the National Council on Disability \* \* \*", but his consultation is not required.

If the chairman of the Subcommittee on Disability Policy would respond on this, I believe we agree that it is of the utmost importance that the Attorney General consult the National Council on Disability in developing the technical assistance plan.

Mr. HARKIN. The Senator is correct. The National Council on Disability played a major role in crafting the original Americans With Disabilities Act. Throughout the process they have gained additional expertise that should be shared with the Attorney General and other agencies. It is critical that the newly covered entities are assisted in understanding their roles and responsibilities under this law. The National Council on Disability will work with these agencies to ensure that the civil rights envisioned in the ADA are fully protected and realized.

Mr. INOUE. If I may join my colleagues in emphasizing this matter,



the National Council on Disability has insight that will vitally enhance discussion and development of this technical assistance plan. The 15 council members are appointed by the President. The majority of them are disabled or are parents of children with disabilities. They have a unique perspective to bring to the debate, and we want to make clear that we fully intend that the Attorney General consult them in this capacity. It is clearly the sense of the Senate that this consultation occur, and the conference report confirms the intent of conferees that such consultation is necessary and important.

Mr. HATCH. Mr. President, if the Senator from Iowa will yield for a question, I inquire about the effect of the pending legislation on drug testing and deterrence programs conducted by professional sports leagues. As the principal Senate sponsor of this bill, and chairman of the subcommittee of jurisdiction, will the Senator clarify the effect of the pending legislation on those programs?

Mr. HARKIN. Mr. President, the conferees recognize that professional sports organizations have promulgated policies to deter and treat substance abuse among athletes. We believe these policies serve to maintain the integrity of sports competition and are in the public interest. The policies generally provide that, in certain circumstances, an athlete may be dismissed from competition for violating the organization's substance abuse policy following an opportunity to obtain treatment. The question of how the bill relates to those policies was initially raised during House consideration of this measure. The House Committee on Education and Labor reviewed the policies in light of this legislation and found that the policies are entirely consistent with the non-discrimination provisions of the bill. The statement of managers which accompanies this conference report makes clear that the conferees embrace this view and this is also my own view.

Mr. HATCH. If the Senator will yield further, during House floor debate the House floor manager was asked whether the bill was intended to freeze current policies in place. He replied that this measure does not prohibit leagues from modifying their programs in response to changed circumstances or developments in medicine, technology, or drug or alcohol treatment. What is the Senator's understanding in this regard?

Mr. HARKIN. I am familiar with the colloquy to which the Senator refers and I concur with the position expressed by the House floor manager.

Mr. HATCH. I concur with the understanding expressed by the Senator on all these points, and I thank the Senator.

Mr. KENNEDY. A question has been raised as to whether section 102(b)(2) of the act limits the right of affected parties to negotiate collective-bargaining agreements or labor protection agreements which address the terms and conditions under which paratransit services required by the act are to be provided.

Mr. HARKIN. Let me assure the Senator that nothing in the act, including section 102(b)(2), or the regulations issued thereunder, shall interfere with the right to negotiate or otherwise prohibit labor organizations and employers from entering into collective bargaining agreements or labor protective arrangements, including those required under section 13(c) of the Urban Mass Transportation Act, which set forth the terms and conditions under which the para and other specified transit services required by the act are to be provided and/or operated.

Mr. CHAFEE. Mr. President, I would like to express my strong support for the conference report on the Americans With Disabilities Act [ADA].

For too long, our Nation's citizens with disabilities have been subject to discriminatory practices in many aspects of their lives. This discrimination has led to the segregation and isolation of countless persons with mental and/or physical impairments in our country.

Many of us in the Senate have devoted considerable time or effort to reform the Medicaid Program in order to foster increased community-based services for people with mental retardation and developmental disabilities. During the course of my work on Medicaid reform, I have heard from numerous families and individuals who have recounted instances of blatant discrimination.

It is incredible to me that families with a member who is mentally retarded have been refused service in a restaurant because the owner fears that other customers might be offended or uncomfortable eating near that family. Yet, such a practice is not only common, it is perfectly legal. I have heard of similar situations in movie theaters, libraries, bowling alleys, and shopping centers. Think of how those families and individuals with disabilities must feel when they are faced with this type of discrimination. Surely, their vision of a free and just society is shattered.

In addition to the problems I have heard of regarding public accommodations, there are countless other stories of discrimination in employment and transportation. There are thousands of qualified persons with disabilities who are ready and able to work. Yet, as hard as they try to find a job, they are often unsuccessful because employers won't hire them simply because they are disabled. Of those that

are fortunate enough to find jobs, many can't get to their place of employment because the only modes of transportation is public transportation, and the buses and subways are not accessible.

Mr. President, our Nation, as rich and caring as we are, simply cannot afford to isolate, segregate and keep people with disabilities economically dependent. Such a policy makes no sense on any ground.

Millions of citizens with disabilities are rightfully asking us to provide them with equal protection under our Nation's civil rights laws. Such rights and protections are long overdue. They have waited long enough.

The Americans With Disabilities Act before us today is sound public policy. It will wipe discrimination based on disability using a commonsense approach. This body voted overwhelming last September to approve ADA. The conference report before us today is actually an improvement to the bill we passed last fall.

Our approval of ADA will reaffirm our commitment to ensure that those with physical and mental impairments will no longer be treated as second class citizens. People with disabilities struggle every day to be independent, productive members of our society. It's time for the Congress to wipe out the many barriers, concrete or attitudinal, that people with disabilities are faced with.

Let's pass ADA and send it to the President for his signature now. In so doing, our message will be clear—Americans with disabilities are an intrinsic and valued part of our society, and deserve to be treated as such. Thank you, Mr. President.

Mr. KOHL. Mr. President, I rise very briefly today to commend my colleagues and their staffs, the scores of disabilities rights advocates and millions of disabled Americans on the passage of this historic legislation. They have led us to the threshold of a new civil rights era in this Nation. They have opened our eyes to a renewed hope and vision for a free and productive America.

Throughout this debate we have confronted the myriad of perceptions, myths, and barriers that have faced Americans with disabilities for decades.

We were asked to not provide access to public transportation. It was argued that paratransit is sufficient. We rejected that separate is equal and the promise of lift-equipped buses running alongside paratransit for those who need it offers equal access for thousands of disabled Milwaukee County residents. They are already working with transit officials and local businesses to facilitate a smooth transition. This legislation is not intended to be litigious. Let us do all that we can

to avoid that. It is time to work together.

We were asked to tolerate misperceptions. In one of the more difficult and remarkable debates on this bill, we were asked to allow the perpetuation of myth and tolerate the discrimination against certain employees while knowing that the nature of their disability would not pose a direct and serious threat to the public. That debate, perhaps more than any, was a testament to the dire need for this legislation.

Like many, I have been concerned with the cost of implementing these rights. But those costs are far less than the cost of not utilizing the vast resources and skills of millions of disabled Americans. I believe that all sectors of society will gain far more than they lose under this legislation.

Again, my deep appreciation and congratulations to all of those who have fought this bittersweet battle. It is truly a day of renewed hope, of victory, and joy for this Nation.

I thank the Chair.

Mr. JEFFORDS. Mr. President, I am pleased that we are finally adopting the conference report on the Americans With Disabilities Act. At long last, we are bringing basic rights to the tens of millions of able Americans who are challenged by disabilities.

From time to time I suppose all of us feel tried, be it politically or personally. But our trials, on the campaign trail or elsewhere, are trivial by comparison to those of Americans who are in some fashion disabled. The very least we can do is to remove the obstacles of prejudice and ignorance.

This legislation will bring fundamental changes to American society. And while this sort of phrase often accompanies our work in this body, in this instance I say it without hyperbole. In employment, public accommodations and telecommunications, tremendous changes will be made.

I cannot help but proudly note that the great State of Vermont has once again shown us the way. Several years ago it amended its Fair Employment Practices Act to provide these same protections to Vermont's work force.

The changes ahead will not be easy, and I am sure there will be rough spots in the road ahead. I think that while it is appropriate to congratulate one another today, tomorrow we need to start the process of putting this bill into practice, working with the administration, the disability community, employers and others to make this bill work.

But today, Mr. President, I want to join in the congratulations—in particular to Senators HARKIN, DURENBERGER, HATCH, and KENNEDY, and to my colleagues from the House as well. When I first joined as a House cosponsor in 1988, I thought it would be some time before this bill would become

law. And while 2 years is probably 2 too many, in retrospect the time has flown.

Mr. President, I hope my colleagues will join me in giving resounding support to the Americans With Disabilities Act.

Mr. KASTEN. Mr. President, it gives me great pleasure to vote for a piece of long-overdue legislation, the Americans With Disabilities Act. This bill recognizes the need for our specially challenged fellow Americans to have equal access to the things many of us too often take for granted.

This legislation will help 43 million disabled Americans as well as 24 million hearing-impaired Americans. I am proud to have had a role in ensuring that the entire debate on the bill was accessible to hearing-impaired Americans.

I am especially delighted that deaf Americans will be able to watch the legislative process through closed captioning in the next Congress.

Mr. President, today is a truly historic day for our "abled" Americans. And it's a day of pride for the U.S. Senate.

Mr. REIGLE. Mr. President, as a cosponsor and strong supporter of the Americans With Disabilities Act, I am very pleased that this bill is nearing enactment. This legislation represents a major step forward toward ending discrimination against those with disabilities and making it possible for them to participate fully in our society.

The Nation as a whole will benefit from the removal of the attitudinal and physical barriers that now prevent 43 million Americans who have physical and mental impairments from fully capitalizing on the opportunities that this great country offers. Currently, the disabled are more likely to be poor and unemployed than the nondisabled. For many, it is not because they are incapable of helping themselves, but because they face discrimination in employment opportunities and lack of access to transportation and communication services.

Mr. President, it is time that this Nation eradicate the irrational fears and misconceptions about the disabled. The Americans With Disabilities Act can help move us toward that goal by providing a clear, comprehensive, and enforceable law that prohibits discrimination against the disabled.

The ADA prohibits public- and private-sector discrimination in employment and requires access to public accommodations, services, transportation, and telecommunications. While all of these pieces are vital, I particularly am interested in the public transportation section. It is critical that adequate transportation services be available to disabled persons so that they are able to take advantage of the employment opportunities that the

ADA opens up to them. The ADA strikes a reasonable balance between the needs of the disabled and the financial obligations of public transit systems.

Much debate has surrounded the issue of costs, particularly with regard to small businesses. We cannot dismiss the financial impact that the ADA will have on businesses as well as State and local governments. We must remain vigilant to insure that compliance with this act does not have counterproductive results that so strap businesses financially that jobs or even businesses are lost.

At the same time, the costs of not eradicating discrimination are great. If we let discrimination continue, an environment that encourages retirement from the work force, fosters dependence on Government assistance, and demoralizes the disabled will persist. The \$60 billion per year that the Federal Government now spends on disability benefits and programs premised on dependency will only escalate. By passing the ADA and granting equal opportunity to disabled Americans, we make it possible for the disabled to become more self-sufficient and less dependent on assistance programs.

Furthermore, our economy can no longer afford not to enlist the talents of people with disabilities. The Department of Labor as well as the business community continue to warn us of the mounting shortage of skilled labor. Disabled Americans can help to meet this need, and, according to a Harris poll, they want to work. The poll reveals that 82 percent of disabled people would give up Government benefits in favor of a full-time job. Although two-thirds of the disabled aged 16 to 64 do not work, two-thirds of them would like to work. Productive workers are also taxpayers and consumers who can contribute to the health of the economy.

Since the days of its inception, this Nation has encouraged and valued independence and self-sufficiency. There is no better expression of these values than the Americans With Disabilities Act. I am pleased that the President of the United States has stated that he will sign the bill into law.

Mr. ARMSTRONG. Mr. President, earlier today I cast a vote in favor of the conference report on the Americans With Disabilities Act. I voted for this measure because I believe that people with disabilities have the right to attain to their fullest potential without fear of discrimination. Too often we have been so occupied with the disabilities of handicapped people that we have failed to appreciate their abilities. It is my hope that the ADA will facilitate the full integration of people with disabilities into the mainstream of society.



Nevertheless, Mr. President, I voted for the ADA with some reluctance. I was reluctant to vote for the bill because it will create an adversarial relationship between people with disabilities and the proprietors of small businesses, because its definition of disabilities is vague, and because it may be used to advance political agendas that have nothing to do with the rights of handicapped people.

I think it terribly unfortunate that the ADA adopts an adversarial posture toward business. Over the past several years, many employers have begun to recognize that it is good business to hire people with disabilities. This is a good trend, and one that Government should nurture and encourage, through more generous tax credits, for example. But instead of giving employers enhanced incentives to employ handicapped people, the ADA takes a punitive approach, threatening businesses with protracted litigation, fines and the assessment of damages if they are accused of violating the bill's provisions.

This approach is especially inappropriate in view of the bill's vague and elastic definition of disability. Consider, to take just one example, the section of the conference bill dealing with drug and alcohol abuse. The bill says that people who have abused drugs are protected by the act, but that people who currently abuse drugs are not. That is quite a subtle distinction, and one that is difficult to make in the real world. It is troubling that neither the bill itself nor the conference report does very much to resolve this ambiguity. The conference report simply states that the phrase "currently engaging in the illegal use of drugs" is not "intended to be limited to persons who use drugs on the day of, or within a matter of days or weeks before, the employment action in question. Rather, the provision is intended to apply to a person whose illegal use of drugs occurred recently enough to justify a reasonable belief that a person's drug use is current."

"Recently enough to justify a reasonable belief that a person's drug use is current." Mr. President, what does that mean? I do not know, the conferees obviously do not know, nor will the employer who has a reasonable belief that an employee's drug use is current. That employer will be liable to a charge of discrimination and will have to prove his innocence on the basis of the bill's very imprecise language.

In other words, Mr. President, the courts will resolve the ADA's many ambiguities.

Finally, I fear that this bill may be used to advance the political agenda of groups that advocate for the rights of homosexuals. I recognize that the ADA is not explicitly a gay rights bill, and that the conference report contains a modified version of my amend-

ment, which excludes homosexuality and bisexuality from the definition of disability. On the other hand, the legislative history of this bill makes clear that infection with the AIDS virus—even in the absence of any disabling symptoms—is a covered disability. In addition, the bill covers people who "have a relationship or association with" someone who has a covered disability. What does it mean to "have a relationship or association with" a disabled person? Neither the bill nor the accompanying report makes this clear. That means that judges will have to resolve such issues as whether the homosexual roommate of a person who is infected with the AIDS virus is protected under the act on the basis of his relationship with a disabled person.

Mr. President, the ADA leaves many such troubling questions unanswered. The bill is a legislative Rorschach test, an inkblot whose meaning and significance will be determined through years of costly litigation. While I voted for this bill because I believe that the rights of people with disabilities must be protected, I did so with the awareness that it will engender wave upon wave of court rulings that will extend the bill far beyond its intended purposes.

This is the regrettable and unintentional result of the actions we have taken today, actions that future Congresses will no doubt have to correct.

Mr. MITCHELL. Mr. President, has all the time expired?

The PRESIDING OFFICER. All time has expired on Senator HARKIN's time.

Mr. MITCHELL. Mr. President, I ask unanimous consent the time be extended for 2 minutes to permit the Senator from Utah to address the Senate.

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

Mr. HATCH. I thank the majority leader, and I want to thank him for the kind remarks pertaining to those who have worked long and hard on this bill.

I want to particularly express my admiration for the distinguished Senator from Iowa. I was thrilled, frankly, to watch him use sign language on the floor. That meant a great deal to me personally. I want to compliment him on the hard work he has put in on this particular bill.

Having said all that, I want to end by saying that one of the reasons I feel so very deeply about these matters, among many reasons, is because of the courage and optimism of those persons with disabilities. For the 14 years I have been in Congress, I have worked very hard to try to resolve the conflicts and problems that persons with disabilities face for a very important and very personal reason.

As we prepare to pass this historic legislation, I want to pay a tribute to

my brother-in-law who contracted both types of polio as an undergraduate college student. This young man faced adversity which I pray none among us will face, but he finished his baccalaureate degree and then went on to get a master's degree in electrical engineering. Because of his courage, he worked right up to the day he died, going into an iron lung each and every night just to be able to survive. I personally carried him in my arms all the way through the Los Angeles temple of my faith.

He was probably—I am sorry to feel so emotional about this—but he was without question—other than my own brother who was killed in the Second World War—the greatest inspiration of a dogged determinist to do what was right and to make his life worthwhile of anybody I know in my life.

That is just one important reason why I feel very, very deeply about this bill and all those who have worked on it and all of those will benefit from it. And, I personally, from my heart, just want to dedicate all of the efforts that all of us have made to my brother-in-law, Raymond Hansen, for the type of life he lived, for the type of person he was, and similar to Senator HARKIN's brother, for the inspiration he gave us. I am sure we both feel very, very deeply about our brothers and brothers-in-law.

Having made this dedication, let me conclude by saying that this is a banner day for disabled Americans. This is a major achievement and, I believe, a very, very important day in the lives of all Americans who have to be proud that in this great country of freedom, that we will go to the farthest lengths to make sure that everyone has equality and that everyone has a chance in this society.

Again, I thank all my colleagues and all the staffs who contributed to this effort.

The PRESIDING OFFICER. All time has expired.

Is there a request for a rollcall vote?

Mr. MITCHELL. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from West Virginia [Mr. ROCKEFELLER] is necessarily absent.

Mr. DOLE. I announce that the Senator from Idaho [Mr. McCLURE] and the Senator from Wyoming [Mr. SIMPSON] are necessarily absent.

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

The **PRESIDING OFFICER**. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 91, nays 6, as follows:

[Rollcall Vote No. 152 Leg.]

#### YEAS—91

Adams	Exon	McCain
Akaka	Ford	McConnell
Armstrong	Fowler	Metzenbaum
Baucus	Glenn	Mikulski
Bentsen	Gore	Mitchell
Biden	Gorton	Moynihan
Bingaman	Graham	Murkowski
Boren	Gramm	Nickles
Boschwitz	Grassley	Nunn
Bradley	Harkin	Packwood
Breaux	Hatch	Pell
Bryan	Hatfield	Pressler
Bumpers	Heflin	Pryor
Burdick	Heinz	Reid
Burns	Hollings	Riegle
Byrd	Inouye	Robb
Chafee	Jeffords	Roth
Coats	Johnston	Rudman
Cochran	Kassebaum	Sanford
Cohen	Kasten	Sarbanes
Conrad	Kennedy	Sasser
Cranston	Kerry	Shelby
D'Amato	Kerry	Simon
Danforth	Kohl	Specter
Daschle	Lautenberg	Stevens
DeConcini	Leahy	Thurmond
Dixon	Levin	Warner
Dodd	Lieberman	Wilson
Dole	Lott	Wirth
Domenici	Lugar	
Durenberger	Mack	

#### NAYS—6

Bond	Helms	Symms
Garn	Humphrey	Wallop

#### NOT VOTING—3

McClure	Rockefeller	Simpson
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So the conference report was agreed to.

Mr. HARKIN. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, is my leader time reserved?

The **PRESIDING OFFICER** (Mr. REID). The Senator has 10 minutes of his leader time.

Mr. DOLE. Mr. President, this is landmark legislation, no doubt about it. I think it is a just and a fair bill. I think it will bring quality to the lives of millions of Americans who have not had quality in the past. Perhaps this bill may not be perfect, and we may be back revisiting it again in a year or two, making changes for the better, I hope. But it is important legislation.

So I want to thank, particularly, the President of the United States and others who made this possible through their hard work and through their dedication, not only Members of Congress, but many, as the Senator from Iowa just indicated, who have been working for years on the outside, those with disabilities, and other Americans concerned about those with disabilities.

Mr. President, I support final passage of the conference report on the Americans With Disabilities Act.

I have supported the ADA because I believe it is a just and fair bill which will bring equality to the lives of all Americans with disabilities. Our message to America today is that inequality and prejudice will not longer be tolerated. Our message to people with disabilities is that your time has come.

The Americans With Disabilities Act will empower 43 million Americans with disabilities to exercise their rights and participate in the mainstream of American life. The Americans With Disabilities Act will enrich our Nation by supporting the talents, skills and abilities of a minority group which has up until now been on the sidelines. Under the ADA, we are all winners.

I am optimistic that this legislation will set an important tone as we enter a new decade. Just as we have seen the walls go down in Eastern Europe, we are now witnessing some of our own walls crumbling—the wall of prejudice, isolation, discrimination, and segregation. We have paid dearly for our policies of the past—discrimination costs, both in human terms and financial terms. Keeping people with disabilities out of the work force and dependent on Government subsidies is a policy of the past.

Let us consider what this legislation will yield in terms of opportunities for persons with disabilities. In terms of employment—it will offer accessible environments and reasonable accommodations to empower persons with disabilities to utilize their full potential in strengthening the work force.

Transportation is the critical link to employment. This bill will result in accessible public transportation to and from the work site.

Living independently and with dignity means opportunity to participate fully in every activity of daily life, be it going to the movies, dining in a restaurant, cheering at a baseball game, communicating by phone or going to the doctor. The ADA offers such opportunity to persons with disabilities.

The tough but fair enforcement remedies of ADA, which parallel the Civil Rights Act of 1964, are time-tested incentives for compliance and disincentives for discrimination. The technical assistance efforts mandated in ADA will support two efforts critical to the mission of ADA: First, they will inform persons with disabilities about their rights under the law; and second, provide the necessary support to business and industry as they undertake the important job of implementing the law.

We have included in this legislation all people with all disabilities, no matter how misunderstood because that is what this bill is about—replacing misunderstanding with understanding. We have not said that you have to employ a person in a job they really cannot do, or in a setting where

they will pose a danger to the health or safety of other people. What we have said is that these decisions must be made about individuals, not groups and must be based on facts, not fears.

We have had a patch work quilt up until now—an inconsistent and piecemeal approach to disability policy. Today we move to embrace the most comprehensive civil rights legislation our Nation has ever seen. Today we move to put old stereotypes and attitudes behind us—where they belong.

No individual in America is more committed to equal opportunity than President Bush. His unflinching support of the ADA and his continued eagerness to sign this legislation into law are evidence of unparalleled leadership in the White House on behalf of persons with disabilities. We are proud that we have reached this juncture, and confidently send this legislation to the President's desk.

In 1964 this body declared discrimination illegal and laid a solid civil rights foundation for our Nation. Today we build upon that foundation with this landmark legislation providing civil rights protections for the 43 million Americans with disabilities. I am proud of this bill, and I look forward to it becoming the law of the land.

Mr. President, many people have worked long and hard to see passage of this historic piece of landmark civil rights legislation. I just want to take a minute to note these individuals.

Senators HATCH, KENNEDY, HARKIN, DURENBERGER, MCCAIN, DOMENICI, GRASSLEY, JEFFORDS, KASTEN, and other Members have been instrumental in final passage of the ADA in less than 2 years—a record we can all be proud of.

We all know that staff has put endless hours into the details of this legislation and I would like to take a moment to thank them for their tireless efforts.

Bobby Silverstein, Katy Beh, Janet Dorsey, Kathleen Perriera, Mark Disler, Chris Lord, Nancy Taylor, Carolyn Osolinik, Michael Iskowitz, Carolyn Boos, Judy Wagner, Mark Buse, and many more. A very special thanks goes to Nancy Jones of the Congressional Research Service for her legal expertise on the ADA.

We owe a great deal of gratitude to our President as I mentioned before, and within the Bush administration I want to thank John Sununu, Attorney General Thornburgh, Secretary Sam Skinner of Transportation, Boyd Hollingsworth, John Wodatch, Mary Ann McGettigan, Bill Roper, Grace Mastelli, Hans Kuttner, David Sloan, Evan Kemp, Chris Bell, and Bob Funk to name a few.

We would not have the ADA if it were not for the disability and business communities. There are many



who I know will go unmentioned, however, they know that their contributions were many. I want to especially thank Sandy Parrino, Kathy Roy, Ethel Briggs, Jane West, Lani Florian, Justin Dart, Paul Hearne, James Brady, Jay and Gwen Rochlin, Harold Russell, Pat Wright, Chai Feldblum, Paul Marchand, Liz Savage, Lex Frieden, Bob Bergdorf, Judy Brotman, Phil Caulkins, Tom Sheridan, Stephen Smith, Curt Decker, and many others.

The Kansas Delegation on Disability has been instrumental and supportive in the passage of the ADA. A special thanks goes to Michael Lechtner, Martha Gabehart, Kevin Siek, Mike Oxford, Ray Petty, Sister Carlene Richards, Tim Steininger, Glen White, Pat Terrick, Jack Jonas, Brian Atwood, Yo Bestgen, Shannon Jones, Debra Herr, Jim Blume, Connie Steinert, Michael Donnelly, Rud and Ann Turnbull, Frankie Hoover Gibson, Judith Hearne, Michael Byington, and many more.

I would be remiss if I did not thank the staff of Senate Special Services and today's interpreters for accommodating this Chamber and bringing coverage of the floor debate on this legislation to all Americans.

Mr. KENNEDY. Mr. President, I believe we have worked out a good resolution of the food handler amendment. The original amendment responded to public fear and misperception regarding people with HIV disease by legitimizing those fears and by allowing those fears to govern who could serve in certain jobs. By contrast, the approach offered by my colleague from Utah, and the approach ultimately accepted by the conferees, responds to that fear by focusing on educating the American public with valid, scientific information.

This provision appropriately reinforces the original approach of the ADA. Under section 103 of the act, an individual who poses a significant risk to the health or safety of others in a particular job, which risk cannot be eliminated by reasonable accommodation, is not considered a qualified individual with a disability for purposes of that particular job. This provision, of course, still applies to individuals with all types of disabilities, including individuals with contagious diseases. The new provision, section 103(d), simply explicates this requirement specifically with regard to food handlers, in order to allay any possible concerns on the part of the general public.

The new section, section 103(d), provides that the Secretary of Health and Human Services must determine which infectious or communicable diseases pose a real, not theoretical, risk of being transmitted through the handling of food. The Secretary should use the various scientific and medical expertise available through the Public Health Service. In turn, the determi-

nation of the Public Health Service should reflect a consensus of medical and public health opinion of true risk to the public, as opposed to perceived or theoretical risks of diseases that have not been found to be transmitted through the handling of food. The Public Health Service currently uses accepted public health methodologies and statistical practices regarding risks of transmission to make such determinations in its guidelines. These same methodologies and approaches should be used in implementing this subsection.

The provision further provides that if an individual has a communicable disease which the Secretary has determined is transmitted through the handling of food, and if the risk of that individual transmitting the disease cannot be eliminated by reasonable accommodation—for example, by having the employee use certain hygienic procedures or by allowing the employee time off to recover from the disease, then the employer may reassign that individual to another job. This is consistent with the basic approach of the ADA that an individual must be qualified for his or her particular job.

Accepting the original Chapman amendment would have undermined the very heart and soul of the ADA. The underlying premise of the ADA is employment decisions must be made on the basis of merit and ability, and not on the basis of myths and perceptions. The Chapman amendment would have substituted fear for facts.

In contrast to the original Chapman amendment, this amendment moves the effort of educating the American public regarding AIDS a significant step forward, instead of moving the effort backward by sending the wrong message to the American public.

Since the beginning of the HIV epidemic, public health officials have talked about the importance of anti-discrimination protection for people with HIV disease. I am extremely pleased that in passing the ADA, the Congress has taken such action. I would like to discuss briefly the important protections that the ADA will offer to people with HIV disease in a range of areas. People with HIV disease are individuals who have any condition along the full spectrum of HIV infection—asymptomatic HIV infection, symptomatic HIV infection or full-blown AIDS. These individuals are covered under the first prong of the definition of disability in the ADA, as individuals who have a physical impairment that substantially limits a major life activity. Although the major life activity that is affected at any point in the spectrum by the HIV infection may be different, there is a substantial limitation of some major life activity from the onset of HIV infection.

Discrimination against people with HIV disease has, unfortunately, been one of the tragic hallmarks of this epidemic. A recent study by the AIDS project of the American Civil Liberties Union, "Epidemic of Fear," documents in detail a range of discrimination cases that have occurred over the past decade across the country.

The ADA's employment title provides important protection for people with HIV disease. Such individuals are protected in the range of employment decisions—hiring, firing, promotions, and all terms and conditions of employment. Thus, basic types of discrimination will be prohibited—the unjustified decision of an employer to fire a person because the person has HIV disease, the decision to deny a promotion to an employee because the person is perceived to have HIV disease, or the decision not to hire an applicant because the person associates with someone who has HIV disease.

The specific requirements of the employment title will also be of significant import for people with HIV disease. For example, the reasonable accommodation provision of the bill will be particularly important in ensuring that people with HIV disease have the right to flexible work schedules and to time off to accommodate their treatment needs or their various disease-related conditions.

The ADA provides that a valid qualification standard is that a person not pose a direct threat to the health or safety of other individuals in the workplace—that is, to other coworkers or customers. A specific decision was made to state clearly in the statute that, as a defense, an employer could prove that an applicant or employee posed a significant risk to the health or safety of others, which could not be eliminated by reasonable accommodation. This is a restatement of the standard set forth by the Supreme Court in *School Board of Nassau County versus Arline*. It is important, however, that the ADA specifically refers to health and safety threats to others. Under the ADA, employers may not deny a person an employment opportunity based on paternalistic concerns regarding the person's health. For example, an employer could not use as an excuse for not hiring a person with HIV disease the claim that the employer was simply "protecting the individual" from opportunistic diseases to which the individual might be exposed. That is a concern that should rightfully be dealt with by the individual, in consultation with his or her private physician.

The ADA's employment provisions also offer important protections with regard to medical examinations. Under the ADA, an employer may give medical examinations to applicants, but

only after a conditional offer of employment has been made to the applicants. Pursuant to the statute, all applicants must be given the same examination and the results of the examination must be kept confidential. Of greatest importance to people with HIV disease, the examination results may be used to withdraw offers only from individuals who are found not to be qualified for the job based on the test results. Under current medical and scientific judgments, including current guidelines of the Centers for Disease Control [CDC], people with HIV disease are qualified to remain in virtually all jobs in the work force. Paid blood donors is a job for which such individuals are not qualified, according to CDC guidelines.

Employees on the job also receive significant protection with regard to medical examinations. They must be subjected to an examinations or inquiry only if such examinations and inquiries are "job-related and consistent with business necessity." This is a strict standard. Again, current medical and scientific judgments, including the current CDC guidelines, do not call for HIV-testing as necessary for virtually any job in the work force. Again, paid blood and semen donors would be an exception.

Finally, the ADA does not take on the difficult job of trying to make comprehensive health insurance available to all individuals with disabilities. There is other legislation that I have introduced that does address the issue of availability of health insurance. Indeed, the ADA contains a specific provision stating that the bill does not affect the underwriting and classification of risks done under insurance plans.

As the Labor and Human Resources Committee report made clear, however, there are certain protections that still remain. First, as a basic matter, an employer may not refuse to hire an applicant because of a feared increase in insurance costs. This is necessary because otherwise a huge loophole would be created in the employment protections of the ADA. It can certainly be anticipated that people with disabilities will incur some higher health costs than those without disabilities. If that could be used as a justification for employment discrimination, however, the employment protections of the ADA would, in practice, be more theory than reality.

Second, under the ADA, an employee with a disability must receive health insurance from the employer, if the employer is offering health insurance to other employees. As our committee report explained, employers may not deny health insurance coverage completely to an individual based on the person's diagnosis or disability. For example, it remains permissible under the ADA for an employer to

offer insurance policies that limit coverage for certain procedures or treatments; for example, a limit on amount of kidney dialysis or a limit on number of blood transfusions. It would not be permissible, however, to deny coverage to individuals, such as persons with kidney disease or hemophilia, for other procedures or treatments connected with their disability. The limitation can apply to a particular treatment or procedure—but may not be used to preclude an entire disability. As the report makes clear, however, preexisting condition clauses which limit reimbursement for a set period of time remain valid under the ADA.

The ADA specifically provides that the exception for insurance underwriting and classification of risks may not be used as a subterfuge to evade the purposes of titles I and III of the act. It is important to note that the term "subterfuge," as used in the ADA, should not be interpreted in the manner in which the Supreme Court interpreted the term in *Public Employee Retirement System of Ohio v. Betts*, 109 S. Ct. 256 (1989). The term "subterfuge" is used in the ADA to denote a means of evading the purposes of the ADA. Under its plain meaning, it does not connote that there must be some malicious or purposeful intent to evade the ADA on the part of the insurance company or other organization. It also does not mean that a plan is automatically shielded just because it was put into place before the ADA was passed. The provision regarding subterfuge in section 501(c) should not be undermined by a restrictive reading of the term "subterfuge," as the Supreme Court did in *Betts*. Indeed, our committee recently reported out a bill to overturn the *Betts* decision. It is not our intent that the restrictive reading of *Betts*, with which we do not agree, should be carried over to the ADA.

The public accommodations title of the ADA will also offer necessary protection for people with HIV disease. This title prohibits discrimination in such areas as doctors' offices, dentists' offices, lawyers' offices, and various other service providers. Of particular importance, title III prohibits the use of eligibility criteria that screen out, or tend to screen out, people with disabilities, unless such criteria can be shown by the public accommodation to be necessary for the provision of its services or goods. Thus, for example, a doctor or dentist could not require that a person demonstrate that he or she was not HIV-infected; for example, by requiring that the individual take an HIV test, unless meeting that criterion was necessary to provide services to that individual. Under current medical and scientific judgments, including current CDC guidelines, there is no reason to require proof of HIV-negativity in any public accommodation

setting. Thus, title III will finally offer needed protection to individuals with HIV disease.

Mr. HARKIN. Mr. President, I want to thank all Senators from the bottom of my heart for their support and for the overwhelming vote we had for the Americans With Disabilities Act, which will now be enrolled and sent to the President, who said he will sign it.

I want to end by thanking all of my friends in the disability community. I especially want to thank Pat Wright, the most effective advocate I have ever met. Pat is with the Disability Rights Education and Defense Fund, or as we know it, DREDF.

I do not know how many hours and days Pat Wright put in on this bill since we first started on it a couple of years ago, but she put in more hours and days than there are in the calendar, more hours than on the clock, more days than on the calendar. I cannot let this moment pass without thanking Pat Wright.

Mr. President, to my colleagues, my friends in the disability community, and to all my allies in the fight to gain passage of the ADA: this is the proudest day of my 15½ years in Congress. Because today, the Senate, by an overwhelming vote of 91 to 6 in favor of the Americans With Disabilities Act at long last brings 43 million Americans with disabilities under the protections of our Constitution.

Today, we say no to second-class citizenship for people with disabilities, no to segregation, isolation, and exclusion, and no to patronizing attitudes.

Today, we say yes to treating people with disabilities with dignity and respect, yes to empowerment, and yes to judging people on the basis of their abilities, not on the basis of fear, ignorance, and prejudice.

The road to final passage was long and hard. But the journey was an experience of a lifetime. When I think back over the past year and how much we have been through together and how much work it has taken by so many people, I am reminded of Rosa Parks who got off that bus in Montgomery, AL, and said she was not going to ride in the back of the bus anymore. She led the bus boycott. Friends, and neighbors all walked to work and then they walked home, some of them 3, 4, 5, miles a day, rather than take the buses.

After the boycott was all over with, they broke the back of the bus company and were entitled to sit anywhere they wanted to on the bus. When it was all over with, someone asked Rosa Parks how she felt. She said:

Well, it has been a long rough battle, my feet are tired but my soul is at rest.

Today, we have moved one step closer to completing our journey. Soon, we can all say together, and par-



aphrase Rosa Parks, "our bodies are tired, but our souls are at rest."

Mr. President, there are many people across the country to whom I want to recognize and to say thank you.

First, I want to thank President George Bush for his dedication to ending discrimination on the basis of disability. Within the administration I also want to thank Governor Sununu, Attorney General Thornburgh, Secretary Skinner, and Boyden Gray.

Within the Bush administration, I want to thank Bill Roper, Grace Mastelli, Mary Ann McGettigan, John Wodatch, Hans Kuttner, and David Sloan.

Senator Lowell Weicker, the first Senate sponsor of the ADA must also be thanked. Lowell Weicker has dedicated his life to improving opportunities for people with disabilities and testified that people with disabilities spend a lifetime "overcoming not what God wrought but what man imposed by custom and law." We would not be here today without his contributions.

I want to thank former Representative Tony Coelho for introducing the bill, and for Representative STENY HOYER for championing it through the House. Special thanks also goes to Representatives HAMILTON FISH, NORM MINETTA, JACK BROOKS, JOHN DINGELL, GUS HAWKINS, MAJOR OWENS, GLENN ANDERSON, STEVE BARTLETT, STEVE GUNDERSON, DON EDWARDS, ED MARKEY, NORMAN LENT, and MATTHEW RINALDO, and their staff.

Special thanks also goes to Melissa Schulman of STENY HOYER's staff.

Mr. President, the ADA was accomplished through bipartisanship in action. In the Senate, special thanks goes to Senators MITCHELL, DOLE, KENNEDY, HATCH, SIMON, DURENBERGER, JEFFORDS, and McCAIN, and their staff including Carolyn Osolinik, Micheal Iskowitz, Carolyn Boss, Maureen West, Mark Disler, Chris Lord, Judy Wagner, Mark Powden, Mark Buse, and Jill Ross.

To the disability community in Washington and across this great Nation, I salute you. Your belief that we would succeed has made this day a reality.

I want to thank Justin Dart, the chairman of the President's Committee on Employment of People With Disabilities, my dear friend King Jordan who told us over and over again that the only thing deaf people cannot do is hear. Also I want to thank Jim Brady and Sandra Swift Parrino and the National Council on Disability.

Special recognition must be given to the Disability Rights Education and Defense Fund. With the leadership of Pat Wright, Marilyn Golden, Arlene Mayerson, Marilou Breslin, the disability community has proven that they are a force to be reckoned with.

Pat was able to convince the traditional civil rights lobby in Washington that disability rights are civil rights and that all Americans are entitled to be treated with dignity and respect. Pat is the most effective advocate I ever met.

I want to thank Ralph Neas and the Leadership Conference on Civil Rights, and the legal team including Chai Feldblum, Karen Strauss, Bob Burgdorf, Jim Weisman, Ellen Weber, Bonnie Milstein, Sy Dubow, Tim Cook, and David Capozzi. Thanks goes to Liz Savage of the Epilepsy Foundation for her coordination of the lobbying effort.

I also want to thank the troops, the ones without whom we would not be here today. Thanks to the Consortium for Citizens With Disabilities, Gerald Baptiste, Wade Blank, Frank Bowe, Marca Bristo, Phil Calkins, Dennis Cannon, Tim Cook, Fred Cowell, Randy Davis, Curt Decker, Alice Demichelis, Robert Demichelis II, Cynthia Folcarelli, Karen Franklin, Dwayne French, Lex Frieden, Karen Friedman, Michael Gibson, Eric Griffin, Judy Heumann, Ron Honberg, Ilene Horndt, Dana Jackson, Mark Johnson, Donna Ledder, Carleton Lee, Mark Lewis, Sarah Lichtman, Paul Marchand, Scott Marshall, Doug Martin, Maureen McCloskey, Kathy McInnis, Kathy Megivern, Bonnie O'Day, Becky Ogle, Mary Jane Owens, Lee Page, Steve Pardich, Jim Parrish, Dick Pommo, Larry Robinson, Gwenith Rochlin, Jay Rochlin, Denise Rozell, Harold Russell, Randy Rutta, Judy Shaw, Tom Sheridan, Harold Snider, Ken South, Laurie Summers, Kelly Teed-Wargo, Ginny Thornburgh, Jim Tuscher, Dick Verville, Fred Weiner, and Bob Williams.

In my own State of Iowa, hundreds of individuals with disabilities and their families worked tirelessly on behalf of the Americans with Disabilities Act. Thanks to Mary Etta Lane, Evelyn Villines, Gary Mattson, W.K. Junker, Rolf Karlsson, Merv Roth, and Karon Perlowski. I also want to thank Judy Dierenfield, Louis Arends, Margaret Stout, Patrick Sell, Dr. George Glann, Julie Beckett, Joan Glenn, Robert Hokscho, Dann Larmore, Dr. Bruce Lombard, Bob Gibson, Chris Brosnahan, Vic Elias, Dennis Thurmond, Bill Johnson, Dr. Walter Verdun, Chris Mortan, Pat Steele, Pam Jochum, Mark Smith, Ken Robinson, Dan Carlson, Dan Ebener, Dr. Al Healy, Carla Lawson, Sylvia, Larry and Danny Piper, John Schnieder, Jean Jones, Art Hedberg, Bev Keiffer, Sharon Bredon, Barb Crawford, Robyn Burgeson Mills, Thelma Tyler, Carol Mouchka, Winifred Carr, and Shirley Hicks.

To those who traveled to Washington to testify on behalf of the ADA, I thank you. Thanks to Mary DeSapio, Joseph Danowsky, Amy Dimsdale,

Ken Tice, Perry Tillman, Lisa Carl, Vickie Franke, Ron Mace, Illinois Attorney General Neil Hartigan, Betty and Emory Corey, Paul Taylor, Robert Yaeger, Michael McIntyre, Laura Oftendahl, Mary Lynn Fletcher, Mark Johnson, and Harold Jenkins.

Mr. President, we would not be here today if it were not for the dedication of my staff director and chief counsel on the Subcommittee on Disability Policy, Bobby Silverstein. Bobby's tenacity and overwhelming commitment to this legislation has been a driving force to its enactment. All of us who care about the ADA owe a great deal of gratitude to Bobby. I also want to thank Katy Beh, Sarah Huber, Terry Muilenberg, Mary Richardson, Bill McCrone, Peter Reinecke, Stacy Racine, and Glen Sutcliffe.

Mr. President, I would be remiss if I did not give special mention to one of the most committed advocates within the disability community. Late last year, we lost a dear and good friend, Dennis Smurr, the associate advocacy director of the Paralyzed Veterans of America.

I was fortunate to get to know Dennis over the past several years. Through his incredible positive attitude, Dennis was able to convince many a skeptic that people with disabilities are entitled to be treated with dignity and respect. That is the way Dennis treated everyone. He could charm reporters, Senators and Members of Congress alike. His persistence and commitment to equal justice for all Americans educated so many people about the capabilities, talents and dreams of our brothers and sisters with disabilities. Dennis was always willing to go that extra mile, to do whatever was necessary. With a smile, a kind word, or a joke, Dennis made it possible to be here today. Thanks, Dennis, we love you.

Mr. THURMOND addressed the Chair.

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

Mr. THURMOND. I thank the Chair.

(The remarks of Mr. THURMOND pertaining to the introduction of Senate Joint Resolution 348 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

#### TEXTILE, APPAREL, AND FOOTWEAR TRADE ACT OF 1990

The PRESIDING OFFICER. The clerk will report the pending business, H.R. 4328.

The assistant legislative clerk read as follows:

A bill (H.R. 4328) to authorize appropriations for fiscal years 1991 and 1992 for the customs and trade agencies, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the order the Senator from Washington [Mr. GORTON] is to be recognized on an amendment and there will be 90 minutes debate equally divided and controlled under the usual form and order.

Does the Senator from Washington seek recognition?

#### AMENDMENT NO. 2124

(Purpose: To express strong support for the purposes and progress of the negotiations at the Uruguay Round of the General Agreement on Tariffs and Trade, and to recognize the undesirability of trade legislation that would jeopardize the progress and successful conclusion of the Uruguay Round)

Mr. GORTON. Mr. President, I have an amendment at the desk for which I ask immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Washington [Mr. GORTON] proposes an amendment numbered 2124.

Mr. GORTON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike everything after the enacting clause and insert the following there at: FINDINGS.—The United States was a leader in the formation in 1947 of the General Agreement on Tariffs and Trade ("GATT"), which is now the premier multilateral body for regulating trade worldwide.

The United States and 96 other contracting parties of the GATT are in the final stages of the Uruguay Round of multilateral trade negotiations ("Uruguay Round"), the most ambitious effort ever undertaken by the GATT to expand, strengthen and revitalize multilateral trade rules and principles;

Fifty-percent cut in global protectionism would increase the American economy by as much as \$200 billion annually, an average of \$3,200 for an American family of four;

The successful conclusion of the Uruguay Round will establish multilateral and enforceable disciplines in key areas including tariffs, nontariff measures, natural resource-based products, textiles and clothing, agriculture, tropical products, subsidies and countervailing measures, trade-related aspects of intellectual property rights (TRIP's), trade-related investment measures (TRIM's), and services;

The successful conclusion of the Uruguay Round will encourage fair trade and open markets abroad for American goods and

services, and will benefit a broad range of American industries and businesses, including:

Small exporters which currently account for 20 percent of all American exports;

farmers and farm workers, who lose \$11 billion annually due to protectionist foreign subsidies and trade barriers;

The commercial services industries such as engineering, telecommunications, consulting, banking, tourism, construction, finance and financial services, law, accounting, and insurance, which together have grown by more than 50 percent over the past decade and account for 9 of every 10 new American jobs;

High-technology, computer software and hardware, electronics and semiconductor, biotechnology, chemical, pharmaceutical, publishing and entertainment industries, which lose \$60 billion annually due to industrial theft and counterfeiting and which forego markets due to inadequate protections of intellectual property rights;

Other major industries that are confronted by significant foreign trade barriers such as the mining and metallurgy, rubber, plastic, punished wood products, pulp and paper, and furniture industries;

A number of States are among the leading exporting States for various categories of manufactured products as follows:

1986 export value (millions)						
Industry group	United States	First	Second	Third	Fourth	Fifth
Total	159,377	California, \$17,216	Texas, \$10,982	Michigan, \$10,878	Ohio, \$10,653	Washington, \$9,863
Transportation equipment	36,007	Washington, \$6,829	Michigan, \$6,353	Ohio, \$5,079	Missouri, \$2,869	California, \$2,710
Aircraft and parts <sup>1</sup>	18,132	Washington, \$5,800 <sup>2</sup>	California, \$2,287	Connecticut, \$1,793	Ohio, \$1,605	Texas, \$1,463
Motor vehicles and equipment <sup>1</sup>	15,505	Michigan, \$6,226	Ohio, \$3,385	Missouri, \$1,270 <sup>2</sup>	Indiana, \$761	Illinois, \$626
Other transportation equip <sup>1</sup>	2,370	Pennsylvania, \$667 <sup>2</sup>	Washington, \$450 <sup>2</sup>	California, \$329	Illinois, \$145	Florida, \$100
Machinery, except electric	32,456	California, \$4,874	Illinois, \$2,563	Minnesota, \$2,199	New York, \$2,068	Massachusetts, \$2,063
Chemicals and allied products	20,968	Texas, \$4,106	Louisiana, \$1,557	New Jersey, \$1,215	New York, \$1,033	Florida, \$945
Electric and electronic equipment	18,136	California, \$4,259	New York, \$1,772	Indiana, \$979	Massachusetts, \$900	Illinois, \$796
Food and kindred products	11,180	California, \$1,217	Texas, \$914	Illinois, \$727	Kansas, \$709	Iowa, \$542
Instruments and related products	8,513	New York, \$1,738	California, \$1,161	Massachusetts, \$702	Pennsylvania, \$541	Connecticut, \$400
Fabricated metal products	5,184	Michigan, \$772	Ohio, \$642	Pennsylvania, \$383	Illinois, \$378	Texas, \$375
Paper and allied products	4,052	Washington, \$505	Georgia, \$314	Mississippi, \$284	South Carolina, \$259	North Carolina, \$242
Primary metal industries	3,404	Pennsylvania, \$378	Ohio, \$352	Indiana, \$286	New York, \$249	California, \$194
Petroleum and coal products <sup>1</sup>	3,134	Texas, \$764	California, \$654	Louisiana, \$531	Pennsylvania, \$250	Hawaii, \$130
Rubber and plastic products	2,956	Ohio, \$374	Massachusetts, \$255	Indiana, \$195	South Carolina, \$181	Michigan, \$174
Lumber and wood products	2,678	Washington, \$815	Oregon, \$520	Pennsylvania, \$158	California, \$149	North Carolina, \$97
Tabacco manufacturers <sup>1</sup>	2,023	North Carolina, \$1,114	Virginia, \$552	Georgia, \$120 <sup>2</sup>	Tennessee, \$108	Kentucky, \$47
Textile mill products	1,785	North Carolina, \$570	Georgia, \$318	South Carolina, \$266	Virginia, \$76	Alabama, \$70
Misc. manufacturing industries	1,647	New York, \$301	Rhode Island, \$180	California, \$156	Massachusetts, \$146	Illinois, \$96
Stone, clay, and glass products	1,551	Ohio, \$253	Pennsylvania, \$132	Massachusetts, \$104	Tennessee, \$100	North Carolina, \$94
Apparel and textile products	1,391	Michigan, \$337	New York, \$168	Pennsylvania, \$85	Alabama, \$82	Pennsylvania, \$70
Printing and publishing	1,256	New York, \$386	Pennsylvania, \$90	Dist. of Col., \$88	Illinois, \$79	California, \$75
Leather and leather products <sup>1</sup>	586	Maine, \$143	Wisconsin, \$64	Michigan, \$50 <sup>2</sup>	Massachusetts, \$39	New York, \$35
Furniture and fixtures	492	North Carolina, \$58	Michigan, \$58	California, \$42	Indiana, \$30	Tennessee, \$30

<sup>1</sup> Partly estimated.

<sup>2</sup> State export rankings by the Bureau of the Census; some States data are not disclosed.

Source: Bureau of the Census, as reported in Business America, March 27, 1989.

Exports constitute a significant portion of manufacturing and manufacturing employment in every state as follows:

State	State rank as exporter in 1986	Export value 1986 (millions)	Export-related manufactures as percent of State manufacturing production	Export-related manufacturing employment		Total employment, including nonmanufacturing employment	
				Thousands	Percent of manufacturing employment	Thousands	Percent of civilian employment
U.S. total	—	\$159,377	13.0	2,318.2	12.6	4,576.6	4.1
California	1	17,216	14.0	289.6	14.7	566.3	4.5
Texas	2	10,982	14.3	122.6	13.5	287.2	3.7
Michigan	3	10,878	12.9	125.3	13.3	213.9	5.3
Ohio	4	10,653	13.9	151.4	13.9	264.2	5.4
Washington	5	9,863	28.2	59.6	21.4	113.9	5.4
New York	6	9,412	12.4	160.9	12.7	338.0	4.2
Illinois	7	7,209	12.2	123.9	12.5	238.6	4.4
Pennsylvania	8	6,027	12.6	132.0	12.7	232.0	4.3
Massachusetts	9	5,514	15.9	95.9	15.6	160.9	5.5
North Carolina	10	5,261	11.4	75.5	9.4	135.1	4.5
Indiana	11	4,787	13.7	76.0	13.2	133.0	5.2



State	State rank as exporter in 1986	Export value 1986 (millions)	Export-related manufactures as percent of State manufacturing production	Export-related manufacturing employment		Total employment, including nonmanufacturing employment	
				Thousands	Percent of manufacturing employment	Thousands	Percent of civilian employment
Missouri	12	4,268	11.4	44.0	10.8	89.4	3.7
Connecticut	13	3,996	17.2	63.8	16.1	107.3	6.5
Minnesota	14	3,692	14.2	54.0	15.1	105.5	4.9
New Jersey	15	3,548	10.5	80.0	11.8	162.4	4.4
Florida	16	3,373	12.4	52.5	10.9	146.4	2.7
Wisconsin	17	3,314	10.5	56.5	11.6	105.6	4.7
Louisiana	18	3,020	13.6	16.7	10.5	51.7	2.8
Tennessee	19	2,910	10.9	42.2	9.0	82.6	3.8
Georgia	20	2,827	8.6	42.5	7.8	92.5	3.2
Virginia	21	2,704	10.7	38.4	9.4	81.0	2.9
South Carolina	22	2,398	13.7	39.1	11.1	67.7	4.6
Kentucky	23	1,940	11.1	24.4	10.3	52.8	3.4
Iowa	24	1,932	10.5	20.7	10.7	49.8	3.7
Oregon	25	1,863	14.5	27.9	15.0	59.0	4.6
Kansas	26	1,835	9.4	20.3	10.9	46.7	4.0
Arizona	27	1,756	20.4	31.3	19.0	58.5	3.8
Maryland	28	1,740	11.9	25.4	11.7	55.9	2.5
Alabama	29	1,685	12.1	31.7	9.6	62.6	3.6
Colorado	30	1,478	12.2	25.3	14.0	52.1	3.2
Mississippi	31	1,337	11.3	16.7	8.2	35.2	3.3
Oklahoma	32	1,085	9.9	19.3	12.1	46.0	3.0
Arkansas	33	1,065	10.6	17.8	9.2	35.9	3.5
West Virginia	34	983	19.6	12.4	14.4	25.0	3.6
New Hampshire	35	893	17.6	15.5	15.2	26.0	3.2
Maine	36	801	13.8	12.1	12.0	21.0	4.0
Nebraska	37	753	8.5	8.2	9.3	22.8	2.9
Alaska	38	713	39.04	3.6	40.0	6.9	2.7
Utah	39	668	13.2	11.9	13.0	23.4	3.2
Idaho	40	503	13.4	6.1	12.5	15.0	3.4
Rhode Island	41	482	12.7	12.9	11.9	21.5	4.5
Delaware	42	430	10.2	8.0	12.5	13.6	4.4
Vermont	43	384	20.1	8.4	19.5	14.2	5.1
North Dakota	44	215	14.8	2.0	14.2	8.9	2.7
Hawaii	45	214	10.3	0.7	3.1	5.3	1.1
South Dakota	46	213	8.5	2.1	7.9	7.7	2.3
New Mexico	47	178	11.9	2.4	7.1	9.5	1.5
Nevada	48	167	12.9	2.7	12.9	7.6	1.4
Montana	49	101	10.6	1.6	7.9	7.7	1.9
Wyoming	50	19	8.0	.5	7.4	3.9	1.6

Note.—Manufactured goods in this report relate to manufactures as defined in the Standard Industrial Classification and include manufactured food, mineral fuel products, fats, oils, firearms and ammunition not typically part of the Standard International Trade Classification definition of manufactures. For the United States as a whole, exports of these additional products totaled \$33 billion in 1986. Exports, normally valued at the port of exportation are adjusted to f.o.b. plant values to make accurate comparisons with production (shipments) data.

Source: International Trade Administration, Office of Trade and Investment Analysis, as reported in Business America, Mar. 27, 1989.

The successful conclusion of the Uruguay Round will help promote political stability in Latin America and Eastern Europe by integrating those emerging democracies into an open, market driven trading system;

On July 11, 1990, at the annual Economic Summit convened in Houston, Texas, the leaders of the seven major industrial democracies (United States, Canada, England, France, Germany, Italy, and Japan) and the President of the Commission of the European Communities reaffirmed the importance of a strong GATT and stressed that "the successful outcome of the Uruguay Round has the highest priority on the international economic agenda";

Global import quotas for textiles and apparel are presently being discussed at the Uruguay Round, the objective of which is to liberalize the textile and clothing sector through progressive dismantling of trade barriers and its integration under a precise timetable under strengthened GATT rules and agreements;

The adoption of legislation to establish general import quotas for textiles, apparel and footwear is totally inconsistent with the spirit underlying the GATT, would violate the current agreement among members of the GATT, and would reverse the progress and almost totally destroy the prospects for the successful conclusion of the Uruguay Round, and would therefore penalize the many industries, trades and businesses that would benefit from the successful conclusion of the Uruguay Round: Now, therefore be it

The sense of the Senate that—

(1) It is in the best interests of the United States to encourage the progress and successful conclusion of the Uruguay Round;

(2) That Congress should not pass any trade legislation that reasonably would be expected to jeopardize the progress and suc-

cessful conclusion of the Uruguay Round, including any legislation to establish general import quotas for textiles, apparel and footwear.

Mr. GORTON. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GORTON. Mr. President, this amendment is designed to point out a fact which should be obvious to all Members, and for that matter, to all Americans. The amendment is designed to point out the proposition that we do not act on a subject like this in isolation. This is an attempt to change and to make more restrictive and more protectionist the trade policies of the United States.

It comes at a particularly inopportune time as we are in the home stretch with respect to the negotiations on the General Agreement on Tariffs and Trade. The position of the United States will be seriously undercut by the passage of this bill and it is, therefore, vehemently opposed by the administration and most specifically by the President of the United States and by our international trade representative.

This amendment reflects their views and their concerns and a desire for the continued growth and prosperity of the American economy. This amendment is a substitute for the entire bill.

It strikes the bill and substitutes for it a sense-of-the-Senate resolution strongly supporting the successful conclusion of negotiations toward a new and liberalized General Agreement on Tariffs and Trade.

It does so by pointing out what we have already gained by reason of previous successful negotiations to liberalize international trade and what we will lose if this Uruguay Round is unsuccessful. The losses which can and are very likely to result from an unsuccessful GATT, an unsuccessful GATT which is likely to become much more probable if this bill passes, are widespread and cover every corner of the United States.

I think it is particularly ironic that we should be engaged in this mischievous attempt to undercut the American position in these trade negotiations for an industry which, in fact, is a highly successful industry and whose cries of alarm have been proven so totally wrong in the past.

Mr. President, many of those who were Members of the Senate in 1985 may well remember the message which accompanied the introduction of a bill almost identical to this one in that year. This was the prediction which the textile industry made at that point:

If we do not act now to curb imports, in 5 years our entire industry of 4 million jobs that depends on it will simply cease to exist.

Those 5 years have passed, and we have not added to the protection offered to the textile industry and it is healthier by far than it was even then.

While imports in the course of the last 2 or 3 years have increased about 17 percent, exports have increased some 59 percent. This is a profitable industry. It is, in fact, an industry which exports more than it imports. It is simply not a candidate for protection even on the basis of its own relatively narrow interests.

More important, however, is the impact of a proposal like this, should it be passed and become law, on international trade in general. The General Agreement on Tariffs and Trade, its Uruguay round in the course of the last several decades has been magnificently successful. Forty years, four decades ago world trade amounted to approximately \$60 billion. Today it is almost \$3 trillion. The American economy and the economies of most of the nations of the world have grown more during the course of that 40 years than in any other 40-year period in the history of the world.

Our economy has gone up 300 percent, exports are up 700 percent, jobs relating to trade are up 300 percent.

Yet a trillion dollars' worth of that trade, one-third of it is inadequately covered by internationally agreed rules of fair play. In services and industries that depend on intellectual property, in agriculture most particularly we face serious problems, and in each of these it is the goal of the negotiators for the United States that the trade policies be liberalized.

Let us examine each of those in turn. Services now account for 68 percent, that is more than two-thirds of the gross domestic product of the United States. Our exports in services are growing more rapidly than is trade in tangible physical goods.

Some three-quarters overall of the employment in the United States is in services and services account for 9 out of every 10 new jobs in the United States.

If we are unable to liberalize international rules relating to services, many of our most successful service organizations will find their growth hobbled in the future, as they have to this point.

Insurance falls into that category as does engineering, construction, banking, telecommunications, even tourism, legal services and accounting. All run up against the kind of artificial barriers today which we have been at least modestly successful in removing over the course of the last 40 years with respect to the trade in goods.

It is of vital importance that we open up international rules and increase and encourage international trade in these services because it is precisely in these areas that we continue to have and perhaps even to in-

crease our American lead in competitiveness. The income which can come to the United States by a successful resolution of the problems of the inhibitions on crossing international frontiers with respect to services are literally measured in the billions of dollars.

A very closely allied subject to services is trade in intellectual property.

Our high technology and our entertainment industries depend on the protection of intellectual property. They would be greatly harmed by an unsuccessful Uruguay round in the General Agreements on Tariffs and Trade. We are already, according to the International Trade Commission, losing some \$60 billion a year as the result of piracy with respect to intellectual property. That is a very large amount of money. It is extremely inhibiting to the development of intellectual property here in this country.

This Uruguay round affords the only chance that we will have in this decade to get a global agreement protecting intellectual property. In all probability, if we do not get such an agreement, that \$60 billion figure will not diminish or shrink, it will actually grow.

We have all kinds of our industries which deal in or are dependent upon intellectual property. Pharmaceutical manufacturers, fine chemical manufacturers, our motion picture industry, our publishing and recording industry, computer software programming are all areas in which the United States is preeminent in the world, a leader in the world, and able to compete very, very successfully if we have appropriate rules protecting our companies against that kind of piracy.

All will be hurt if the Uruguay round is unsuccessful, and the Uruguay round is much less likely to be successful if we pass this protectionist legislation than is otherwise the case.

Market access. Market access even for our manufacturing goods. In spite of previous successful GATT rounds, many American exports face high tariffs and other barriers overseas, particularly when small businesses would be benefited by a successful GATT, small businesses which account already for one-fifth of our exports and most of the new jobs in the United States.

The best estimate we have, Mr. President, is that if both tariff and nontariff barriers across the world were cut by 50 percent, not entirely but just in half, the gross domestic product of the United States would increase by about \$200 billion, or some 5 percent, an increase in per capita income of more than \$3,000 for a family of four in the United States.

Some of our most basic industries are still affected by these barriers. Electronics, chemical, pharmaceutical, aerospace, wood products, semiconductors, computers, and paper are

only a few which are still faced with barriers around the world.

In one sense, Mr. President, I have left the best and the most important for last in this respect. Perhaps the greatest barrier, the greatest degree of protectionism, the greatest degree of subsidy around the world, particularly among developed countries, is in the field of agriculture. Everyone here can recognize that the recent meeting which the President had with the other six major Western industrial powers in Houston revolved around agriculture subsidies, particularly those of the European Economic Community.

The President, according to the heads of those other States, was more exercised over these agriculture barriers than he seems to have been with them on any other single issue since George Bush took the Office of President of the United States. He made some real progress in that connection, Mr. President. He got an agreement that agriculture will be on the front burner. It will be the focal point of these negotiations during the course of the next 6 months.

What position will the United States have to break down those barriers costing us literally billions of dollars in agriculture exports, right on the heels of his passionate plea for fair and free trade in agriculture, if we pass a protectionist bill with respect to textiles? The answer is that we will have almost no chance of success in that important and vital area.

Finally, of course, we have a division between the developing countries in the world. In many of the barriers, particularly those with respect to the protection of intellectual property, and those on services which are especially high in the developing world, a world which depends on our quasi-open market for their textile manufacturers, what we can gain with them through the GATT is far more than we can gain by the passage of this bill. To bring them into the international system, to get them to open their markets for our services, to get them to protect against the piracy of our intellectual properties will be absolutely dependent upon the rejection of this bill.

Mr. President, in the body of the resolution, which is this substitute amendment, is a table indicating the exports of the various States of the United States and by kind with the major States outlined. I find it particularly ironic that North Carolina, the home of two of the principal sponsors of this bill, ranks first in the exports of tobacco products and of the products of textile mills and of furniture and fixtures. The great irony is that to pass this bill for a few inefficient textiles manufacturers in their



State will undoubtedly hurt their most successful manufacturers.

South Carolina, I did not notice it ranking first in any of these categories but it is nevertheless among the leaders in a number of manufactured exports in the United States. Those efficient industries, those growing industries, will be greatly hurt if the passage of this bill results, as it almost certainly will, in a less effective GATT or in the total failure of those GATT negotiations.

Mr. President, the entire history of the past 40 or 50 years has shown that the people of the United States benefit from growing and more free international trade. That will be every bit as true in the course of the next several decades as it has been in the decades since 1950. We should not, by passing this short-sighted proposal, obstruct what is our own interest in a wide, wide range of products.

I submit, Mr. President, that every State in the United States, all 50 States, will be benefited by a successful conclusion to the Uruguay round of the GATT talks and that that round will be far less likely to be successful and could fall apart completely if we take an action so inconsistent with our position there as the passage of this bill would amount to.

I commend to my colleagues this substitute which will improve the economy of the United States in place of a bill which will clearly hurt that economy.

Mr. BREAUX. Mr. President, I will just be very brief on this side. I am going to yield to the distinguished Senator from South Carolina for substantive remarks.

But, as a sponsor of the underlying legislation, I think it is very important that everybody know exactly what this amendment does. This amendment strikes everything in the bill. It essentially guts the bill and replaces it merely with a sense of the Congress as to what should be done.

In essence, what it says, we will do nothing and just sit back and let the negotiators decide the future of trade policies of this country without the involvement of the Congress.

The legislation clearly sets out some things that need to be done. This amendment clearly does away with everything. It deletes everything in the legislation and replaces it merely with an expression of the sense of the Congress.

We have been expressing the sense of the Congress for decades and nothing has been done. I think it is time for action, and I think the Senator from South Carolina has spelled out an appropriate course of action that this body should accept and, indeed, actively support.

I yield to the Senator from South Carolina for whatever time he may need.

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

Mr. HOLLINGS. Mr. President, I thank my distinguished colleague from Louisiana.

Let me say at the outset, looking at these amendments from the distinguished Senator from Washington, they really are just various attempts to gut the bill. In the amendment at hand, there are a lot of whereas's and statistical information regarding imports/exports, but the bottom line is that it says get rid of the bill and sing hosanna for the U.S. Trade Representative in Geneva.

The other amendments are with regard to disproportionate impacts. For instance, a disproportionate impact on farmers. The fact is, this bill does indeed have a disproportionate impact on farmers because it intentionally favors agriculture, favors the farmers. That is why we have the farm organizations in support of this bill.

The bill says that if those nations, particularly the Big Five, increase their imports of American agriculture, then it is the burden and duty of the Secretary of Commerce to negotiate an even higher level of textile imports from that particular country.

So ours is disproportionate but disproportionate in favor of, not disproportionate against farmers; it is disproportionate in favor of America's agriculture.

But then they go down the list: disproportionate impact on the poor, disproportionate impact on consumers, disproportionate impact on middle-income Americans, disproportionate impact on free enterprises, and so on.

Regarding these amendments, I do not intend to cut off anyone. Of course, we have a 45-minute time agreement. But my hope would be to move consideration along and then move to table these amendments after a very brief debate.

I do not want anyone to say well, we did not have a chance to speak or somebody else wanted to be heard on the amendment. There is a deliberation around here that keeps us up late at night and long hours. I thought many a time we ought to be moving to third reading, rather than wait at length for amendments to be brought forward. In that light, I think we can move the bill expeditiously along.

I want to give everybody notice: if they want to talk on an amendment or introduce an amendment, they should be coming to the floor now. Do not complain later that we were discourteous, we did not give Senators a chance.

It is Friday. We have an important bill that 55 Senators on both sides of the aisle have cosponsored. This measure has passed the Senate no less than five times—three times sent to the President of the United States. This is

the last call on this textile bill. We hope to get President Bush's attention.

We gave thorough attention to GATT, the Uruguay Round and the negotiations in Geneva, in drawing up this measure. We have meticulously seen to it that this bill conforms to GATT. There are not any real disputes or amendments to this particular measure other than the present amendment that says whoopee for Geneva and GATT.

We say whoopee for that, too. But we look at what they are negotiating and see they are negotiating a global approach, just as this bill incorporates a global approach. The only thing is, in all fairness and candor, they say one thing and do another. They put globalization in there, but then they put their lobbyists out here by the elevator to oppose it and they get the Attorney General to say the bill is unconstitutional, back here in America. But in Geneva, globalization is the policy.

Well, we know what has happened. We have been promised and promised relief for textiles. Every one of these vetoes tells the majority of the people's Congress: Oh, yes, we are going to take care of textiles, we are going to administer the law, we are going to enforce it. Yet look at the record. In 1981 we had \$4.5 billion deficit in the balance of textile trade. In 1985 when we passed a textile bill the deficit had gone up to \$17.5 billion, and in 1988 the deficit in textile trade under their so-called enforcement and exhortation had gone up to \$21.5 billion. Now the textile trade deficit has gone up to \$26.5 billion. Yet, they have the audacity to start reading facts and figures about exports and GATT.

We say one thing and do another. On that particular score, let us talk about GATT and free trade. Free trade, as Henry Clay said, "never was and never will be." Free trade has been the cry of the developed nation to the undeveloped. It has been the self-interested cry of industrialized and developed countries in need of markets.

It was the British who needed the American market in our founding days. They advised us, "Let us have free trade." Hamilton told them: "Bug off." He wrote a book on it, "Reports on Manufacturers." He said we were not going to remain the colony of Britain, and as a result the first bill to pass this Congress on July 4, 1789, was—what?—protectionism, a tariff bill of up to 50 percent duties on some 60 articles, beginning with iron. Of course, we continued to protect in the days of the Civil War with President Lincoln, when he said, rather than buying inexpensive iron from Britain we would build our own iron mills to build the railroads. Then we will have

both American iron and American railroad.

Under Roosevelt, in the dark days of the Depression, we developed a dynamic agricultural sector, the world's leader. With what? Protectionism; price supports, protective quotas, Export-Import Bank subsidies. And, of course, Eisenhower himself in 1955 to protect and build our oil industry instituted oil import quotas.

At the end of World War II we were the developed nation. The shoe was on the other foot. We had the only standing industrial base in the world and we were in need of markets. So we implemented the Marshall plan, sending our money—your taxpayers' money—your technology, your expertise, overseas to develop free economies. It has worked. It has been wonderful. We see it today, 45 years later, with the fall of the wall and with capitalism spreading over East Europe.

On the other hand, in doing so, in sending those U.S. multinationals abroad to do good, they stayed to do well. The multinationals discovered the goose that lays golden eggs. They found cheap labor, an unfettered market, and supportive governments. They discovered they didn't have a fussy Congress in Washington invading the free market with a minimum wage, Social Security, unemployment compensation, safe work place, safe machinery, clean air, clean water, parental leave, plant-closing notice, and whatever else we can think of around here. All these market intrusions are part and parcel of the alleged free market and free trade described by our colleague from Washington.

In truth, the global marketplace is about as adulterated as it can be. It always has been. And GATT itself, which we organized at the end of World War II to reduce tariffs, ought to be over in the Smithsonian. It is an anachronism. It is an antique. Tariffs are no longer the determining factor in this dynamic trade war that we are in.

Incidentally, the caterwauling up in the grandstands about "Let us not start protectionism" is nonsense. The nations in the Pacific Rim and Western Europe that were helped by the Marshall plan have outflanked the tariff issue. They rely instead on non-tariff barriers and government support. This is the new comparative advantage. If you wrote a book today on economics, instead of David Ricardo's comparative advantage of labor, capital, and natural resources, today the comparative advantage is Government, Government involvement, Government support.

The Government of Taiwan says to Japan, right next door, yes you have a quality product but you cannot sell it in Taiwan. And in France they tell the Japanese, if you send one of those

Toyotas, we will take 1 year to inspect it.

Down in Houston this week they absolutely flunked the course, and they expected to flunk. We have representatives in Geneva who can describe defeat as victory. We should have had them around during the war in Vietnam; we would not have wasted 10 years and so many precious American lives.

I heard the distinguished Chief of Staff John Sununu say that President Bush's four speeches at graduation ceremonies were the reason for the fall of communism and the fall of the wall. It was an amazing claim.

If you want to hear a real lawyer describe a defeat as a victory, listen to Ambassador Hills. We received no concessions on agriculture. If you heard Mitterrand on TV, he made it clear that they are not going to concede.

Yes, I think President Bush's effort was commendable. We have \$12 billion in U.S. agricultural subsidies. We will pass it next week. They have \$35 billion in subsidies in Europe, almost three times our amount. If we can persuade them to give up their \$35 billion and we give up our \$12 billion, arithmetic tells us we can sell like gangbusters over there.

These are common sensical world leaders. They are not fanciful folk running around parroting "free trade, free trade, free trade." Give me a break.

The Europeans are organizing EC-92 not for free trade but for the trade war.

Why did we go to GATT? Because GATT is Santa Claus. The United States plays Uncle Sucker. Here we have the richest market in the world, we negotiate all the time, and we give up everything.

We sacrifice our industries. We do not get anything in return.

So GATT is a nonstarter now, and what we need is a toughminded policy of true reciprocity. If we can develop a trade policy of reciprocity in this country, then we will get what the distinguished Senator from Washington and the Senator from South Carolina both want.

I am chairman of the Commerce Committee. I live in the port city of Charleston. But this is a complex world. I look out my front window and see boats bringing in Brazilian steel. Now why? I can tell you why. McNamara went to the World Bank pushing 2 percent loans and said you cannot be a nation state unless you have the steel and the weapons to defend yourself. They went around building steel mills in Nigeria, Brazil, and China. So there is now an overproduction of steel. Brazil has more than they can use. So they dump it in here in the United States at less than cost.

What did United States Steel do when they got an infusion of capital?

They bought Marathon Oil. They have sense. This is business. Profits are profits; capitalism is capitalism. Let us wake up around this body and understand that we are not just dealing with textiles. We have to look at the overall standard of living. When we talk about free trade, let us remember that after U.S. multinationals set up shop abroad, they said the only way it is going to continue to work is if they are able to continue to dump in the richest market of the world, the United States of America. So they started the chant: "free trade; free trade; protectionism."

Obviously, the Japanese and the Germans, as they developed their own industry, they joined in with the multinationals chanting "free trade; free trade." The big international banks joined in the chorus, because they finance the multinationals.

Then the retailers came along making a bigger profit from imported goods; so they join in. The newspapers, they get 80 percent of their revenues from retail advertising. They join in with their editorials, and it is a veritable drumbeat in this body, here in Washington, "free trade, free trade, free trade."

Vaclav Havel took office in Czechoslovakia earlier this year. He said, as President, "We have been lied to for 40 years. For 40 years we have been saying one thing and believing another." He said, "I do not think you chose me as your President to continue to lie. We have problems. And these problems can only be solved by us."

Someone ought to say the same thing to the U.S. Government here in Washington. We have problems. Those problems can only be solved by us. And we have to disenthral from this nonsense about free trade, disenthral from this nonsense about a free lunch, disenthral from the notion that the Government itself is the enemy. We have heard too much of that nonsense for 10 years. A cynicism has set in. We saw in yesterday morning's paper where there was a huge dropoff in people taking the exam to get into Government. The exam ordinarily attracts 500,000; but only 85,000 showed up; nobody want to be associated with this Government.

John Adams said, "A declaration by people of hostility toward a Government created by themselves, conducted by themselves and for themselves, is an insult."

So let us sober up here this morning and not pass resolutions to gut the textile bill with these fanciful words about GATT and negotiations. Mrs. Hills is negotiating in Geneva in accordance with article I, section 8, the powers and authority given by this Congress, and none other. There is a strong resentment in this Congress that our negotiators are being in-



structed one thing by the Congress time and time again, that this industry, the largest employer of women and minorities in America, 1.9 million workers, good productive workers, proven by MIT and the Office of Technology Assessment as the most productive industry in the most productive country in the world, should not ever be targeted for programmed extinction.

That is why we have offered this desperation bill, why we are willing to give up a majority of our market to importers, to foreign production, willing to give them all the growth in domestic consumption, willing to give them all the protections they want. At the same time, we say at least save enough of the market for us to continue to invest, to continue to improve, to continue to produce, to continue to compete in textiles.

I yield to the distinguished Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. I was not seeking the floor in my own right. I will take it.

The PRESIDING OFFICER. Who yields time? Does the Senator from South Dakota, manager of the bill, yield to the Senator from North Carolina?

Mr. DASCHLE. I yield time to the Senator from North Carolina.

Mr. HELMS. Mr. President, I will not take long. I want to say to Senator HOLLINGS that he and I are about the same age. I just look older. But he is old enough to remember Will Rogers. I think of Will Rogers every time I think about GATT. I think about U.S. negotiations with foreigners.

Will Rogers said—and of course that was before Vietnam—that the United States has never lost a war or won a negotiation. And that just about sizes it up.

As for the pending sense-of-the-Senate resolution, down my way they tell me the story about the little boy who caught a fish and the fish was just squirming in his hand. He said, "Hold still, little fish. I am not going to hurt you; I'm just going to gut you." That is the purpose of the amendment by my good friend from Washington, who is one of the most erudite Members of the Senate. He wants to gut the bill.

Let me tell you what is going to happen, and the Senator from South Carolina knows this as well as I do. A plan is afoot to do nothing. I hate to say it, but my administration does not want this bill; they do not want to do anything for the textile industry. They have carried us along for 18 months saying, well, let us have a meeting here at the White House, and let us have a meeting there, and so forth.

Ambassador Carla Hills, who we agree is a charming, erudite, capable, intelligent, articulate lady, can say more words and say nothing in the process than anybody I ever saw. She is a lawyer. I am not a lawyer, and I brag about that. But the point is that we are either going to do something for one of the most important industries in this country, one of the most efficient industries in this country, or we are not.

If we do nothing, it is safe to predict the demise of the industry is at hand. We cannot escape that. Either we put up or shut up. All of this talk about free trade frustrates me. I remember President Reagan sent me over to Geneva one time. He was worried about the European Community. Well, he should have been worried about it, because they just laughed at us because our negotiators—and this goes through both administrations, both parties; it is a bipartisan folly as far as I am concerned—would not even pay any attention.

But finally I went over there, speaking for the White House, and I said to them, "Your right to swing your subsidized fist ends at Uncle Sam's nose." And I made the promise—I do not know whether I could have fulfilled it or not—that if we did not get some accommodation, I was going to come back and report to the Senate and we were going to offer some legislation to correct the problems once and for all.

Well, we got their attention. I remember some very fine, cordial Japanese came to my little sitting room in the hotel in Geneva. By the way, since the Senator from South Carolina is from a tobacco producing State, as I am, I never saw people smoke cigarettes like they did. They lighted them end to end because they got a little nervous. Do you know what kind of cigarettes they were? They were American cigarettes. And I was glad to see that.

The Senator from Washington mentioned that this bill is contrary to the United States position in the Uruguay round. I am glad he knows what the U.S. position is. I sure can't figure it out. It is a moving target. One day it is here, and one day it is there.

I want the Senator to tell me what the position is.

But if he is correct, that may be the most compelling argument in favor of this textile bill. Here is the point. The U.S. negotiators have included in the U.S. proposal a global quota for textiles. That is what they are saying. But I think they have a little expression on their face, "We really don't mean it, folks." They mean something else: "We want to sell out the textile industry."

We propose the same thing, a global quota, in our bill. The difference is that in this legislation, I say to my friend from South Carolina, we are

specific; we are specific that the annual growth will be what? One percent. Do you know what the administration proposal is? They do not say. It could be 2 percent, 5 percent, 12 percent, or all of it.

I think that is what the Senator from South Carolina has said. Let us get down to brass tacks and stop the mumbo jumbo and vote as to whether we are going to lend a hand to an industry that deserves it. By saying lend a hand, I am not talking about protectionism. Foreign manufacturers already are going to get 60 percent of the market—in fact they have it now, 60 percent of the domestic market. What the textile industry and the shoe industry and other industries want is a fighting chance to get that other 40 percent of our own people.

The reason we brought this legislation to the floor is because we have been concerned that the United States, let us be honest about it, is not going to stick by its position in Geneva. I have seen it happen over and over again, and so has the Senator from South Carolina.

I have been involved in a lot of negotiations for the past 18 months. If at any time, I say to the Senator from South Carolina, the administration had looked us in the eye and said, "We are going to stick by this global quota proposal," we would not even be here today, would we? This bill would not be up. And you folks who are going to West Virginia, or wherever it is, this afternoon could be on your way now because this bill would never have come up.

The Senator from Washington—and I quote him in such great affection, and he knows I do—not many are his equal in being erudite—but he has just confirmed my fears by offering this sense-of-the-Senate amendment, that the purpose of the administration and some in the Senate is to do nothing, to let the textile industry go down the drain. After all, a sense-of-the-Senate resolution, Mr. President, is like kissing your sister—nothing. That is why we should defeat this amendment and that is why we ought to pass this bill.

I thank the Senator for yielding to me. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. DASCHLE. Mr. President, it is my understanding I control the time. I would be interested in knowing how much time I have remaining.

The PRESIDING OFFICER. The Senator has 16 minutes and 10 seconds remaining.

Mr. DASCHLE. I yield 10 minutes to the Senator from South Carolina.

Mr. THURMOND. I do not think I need that much time.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for up to 10 minutes.

Mr. THURMOND. Yesterday, I covered the main points of this bill. I want to reiterate that unless this legislation is passed we are going to lose the textile industry entirely. Now, is that wise? Why is it not wise?

The Defense Department says that textiles rank second to steel—next to steel in importance to the national defense of our country.

Now, if we should lose our textile mills in this country, then what would we do in time of war? How would we get textiles for uniforms, parachutes, and other items for which textiles are necessary?

I think it is foolish, absolutely foolish, not to preserve this industry. It is absolutely vital to our national defense.

Then the next question is, are we interested in our own people? If so, why not protect them? Other governments protect theirs. How can we compete with other countries that subsidize their industries, their textile industries, and when they pay such low wages? We pay \$9 and \$10 an hour. Some countries pay \$2.50. I believe they say China pays 27 cents an hour. We just cannot compete with other countries that are subsidizing their industries and paying such low wages. It is just out of the question.

All we are asking is a level playing field. That is all we want. We are not asking for any favoritism. We are not asking for any so-called protectionism, if you want to call it that. We just want fair trade. Free trade does not work. It is fair trade that works. In my opinion, that is what it has to come to. We just cannot continue like this, this industry cannot continue to lose jobs at its current rate. Where are the 2 million people employed in the textile industry going to work if you close down this industry? That is what it is coming to. Here is a good example.

In my State, in the last week, we have had three plants close: Clearwater Finishing located in my home county of Aiken, 360 jobs; Swiss-owned Schoeller, 240 jobs; Anderson Cotton Mills, which has been in business for 101 years, 155 people laid off. This situation is happening in other places.

I want to say this, too. Every State in this Nation has some textiles. It seems to me that every Senator should be interested. We all have textiles that give jobs to people. Are we interested in helping people, our own people? Give them a chance, an equal chance. That is all we want.

The growth of textiles in this country is about 1 percent a year. The growth of foreign textiles imported from other countries is 3 to 5 percent a year. Is that fair? Why give foreign

countries a 3- to 5-percent increase a year and our own people get only 1 percent? It just does not make sense.

Again, I say, all we want is a level playing field. That is all this bill does. This bill is not protectionist. It just gives our own textile people an opportunity to play on a level playing field with a foreign industry.

I hope the Senate will pass this bill. I hope they will defeat this amendment.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. GORTON. Mr. President, I yield such time to myself as I may utilize.

Mr. President, this Senator has not realized that either my distinguished friend from South Carolina, Senator HOLLINGS, or my distinguished friend from North Carolina, Mr. HELMS, felt that somehow or another there was an attempt in this amendment to hide the proposition that it would gut this bill. You bet it would. That is exactly what it is designed to do. That is exactly the way that it was read to the Senate.

This amendment would strike the entire textile bill and substitute for it a set of findings which have the virtue of being, for all practical purposes, uncontroversial about the desirability of an even freer international marketplace and greater opportunities for American exporters.

I find it strange that my friend, the distinguished senior Senator from South Carolina, should plead poverty in this fashion and should tell us that, unless this bill passes, the textile business literally will disappear or will be destroyed in the United States of America.

He was not here a little bit earlier when I read exactly that prediction from 1985. I do not know whether it was the distinguished senior Senator from South Carolina or some other Member who had made the prediction then that if we do not act now to curb imports, in 5 years our entire industry will be gone. It sounded a little bit like what he said here.

Well, we did not curb imports in 1985. The independent industry is not gone. The industry is above average in profitability. The U.S. industrial outlook for 1990 shows that it will continue to gain strength. It gained in the value of its shipments in 1988 by over 3 percent, in 1989 by more than 5 percent. The value of imports in 1988 went down by 5 percent. In 1989 it went up by something a little bit over 5 percent. But the value of exports in this field went up by more than 20 percent in each of those years.

Mr. President, that is not the profile of a dying industry. It is, in this case, the profile of an industry which is doing quite well but which would like to do much better. No one can criticize the desire to do much better, but one

certainly can criticize its desire to do much better at the expense of every other exporting industry in the United States, do better at the expense of those industries which are now suffering billions of dollars a year of losses because of the piracy of their intellectual property, doing better at the expense of agriculture when we have finally, in the course of this very week, seen at least the beginnings of the crack in the dam of the protectionist policies of the European Economic Community with respect to agriculture.

It astounds the Senator from Washington that we have now heard three Senators inveigh against the system of international trade, which has increased the prosperity of the people of all of the countries who are participating fully and fairly with the degree of freedom over the course of the last 4 years, and to wish to go from a system in which we increase our trade every year through something like the GATT to what the distinguished junior Senator from South Carolina calls reciprocity.

This Senator believes that there are many nations in this world who should be more severely disciplined by the United States with respect to their own trade restrictions. But this Senator believes that the way to do that is not to start by protecting inefficient industries in the United States from efficient competition overseas. It seems to me highly dubious that we will gain anything but disadvantage from engaging in so blatant a set of practices.

Time enough for these Senators to come back here and tell us about the problems of the textile industry and its needs and desires if, in fact, the Uruguay round should fail; if, in fact, we are repudiated with respect to our position on intellectual property; on the opening of some of the developing countries on agriculture, and on services.

If the world repudiates our position with respect to those portrayed issues in Geneva, we will certainly have a debate on trade here in the Senate of the United States. I trust that it will be a debate which will be somewhat broader than one on textiles, Mr. President. But have it we will.

However, to pass a bill which totally undercuts our position for greater freedom, for a greater opening for American goods and services, for greater protection for American intellectual properties, simply to act totally inconsistently with those goals at this point, less than 6 months before the climax of the GATT round, is literally to cut off our noses to spite our faces.

Yes, Mr. President, this Senator pleads guilty. This amendment is desired to gut a bill, a bill which all of us know is going to be gutted sooner or



later in any event; if not here, in the House; if not in the House, in the White House. The sooner we get rid of it the sooner we will relieve the distinguished Mrs. Hills, our International Trade Representative, from the distracting duty of putting out fires in our own house so that she can work for the betterment of American exporters overseas, and the better off all of us are going to be.

I do firmly believe that this bill should be defeated; that we should give the greatest possible encouragement to our President and to our international trade representative; that we should follow up the President's tentative successes with his partners in the major trading nations during the course of this week and should go forward united toward the conclusion of those GATT rounds. If they are unsuccessful, as I have said, we can deal with that problem at the time. We certainly should not contribute to that lack of success here. We should pass this amendment, and we should gut and defeat this bill.

Mr. HELMS. Will the Senator yield 2 or 3 minutes to me?

Mr. GORTON. Mr. President, I have two other people who desire to speak on this. Nevertheless, not seeing them here, I will be happy to yield 2 minutes to my colleague.

Mr. HELMS. Let me read the Senator a couple paragraphs from two stories in the Journal of Commerce of Friday, July 13, which happens to be today, Mr. President. The first was headlined "Taiwanese Textile Delegation Plans To Tour Plants in China, Both Countries Expect Benefits."

You better believe that is accurate. It begins:

Hong Kong—the world's second and third largest textile exporters may be on the verge of forging cooperative links that could benefit both and increase their lock on the U.S. market.

A large delegation of Taiwanese textile manufacturers is planning to visit China next month in search of cheaper labor and work sites, the Chinese textile ministry said Thursday.

The other story, just below it, is headlined "Chinese Step Up Shoe Sales to the United States." It reads in part:

China has surpassed South Korea as a volume shipper of non-rubber footwear to the United States.

And if U.S.-China economic ties remain strong, it is just a matter of time before China overtakes Taiwan as the number one shipper.

"As far as volume goes, China will be number one," said Gail Burns, a trade analyst at the U.S. International Trade Commission in Washington. "The sleeping giant has awakened."

Mr. President, I ask unanimous consent that the entire text of the two articles from today's Journal of Commerce be printed in the RECORD.

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

[From the Journal of Commerce, July 13, 1990]

#### TAIWANESE TEXTILE DELEGATION PLANS TO TOUR PLANTS IN CHINA

(By P.T. Bangsberg)

HONG KONG.—The world's second and third-largest textile exporters may be on the verge of forging cooperative links that could benefit both and increase their lock on the U.S. market.

A large delegation of Taiwanese textile manufacturers is planning to visit China next month in search of cheaper labor and work sites, the Chinese textile ministry said Thursday.

About 50 Taiwanese are due to visit a number of factories in Shanghai and Beijing beginning Aug. 8. They also will tour China's largest polyester plant in Yizheng in Jiangsu province, the ministry said.

The trip is being hailed by the Chinese media as "another major economic stride" across the strait between the two countries, which have not had direct links for 40 years.

However that may be, it does reinforce the increased interest among Taiwanese businesses in mainland links despite their government's warnings of becoming too dependent on an unstable country.

About 600 Taiwanese businessmen attended a seminar in Beijing last month on improving commercial ties. They were offered an extensive menu of incentives and promises, though such formal undertakings as double-tax accords and investment protection remain elusive.

"Direct exchange is necessary since both sides have a lot to learn from each other," said Ji Jun, deputy director of the Taiwan affairs office of China's ministry of textile industry.

Mr. Ji said he hopes the textile delegation's visit will lead to the introduction of Taiwan's advanced technology into China's huge but underdeveloped industry.

Textiles and garments are China's primary source of export revenue, bringing in US\$13 billion last year, an increase of 16% on 1988. Most came from the United States, where China accounts for 13.5% of all textile imports, the largest single supplier.

Taiwan's textile exports brought in US\$10 billion last year, keeping it in third place, but it is suffering from high costs and is losing market share to China.

Its manufacturers recently scouted plant sites in Southeast Asia but continue to see China as the ideal location because of its proximity and ethnic similarity.

Hong Kong is the world's largest textile and garment exporter, with sales last year of about US\$20 billion. A large chunk of that involves goods transshipped through the colony, frequently from China.

Taiwan's government late last year announced plans to spend NT\$2.5 billion (US\$100 million) to upgrade designs and improve textile technology. It hopes to raise exports to US\$20 billion by the turn of the century.

China's textile industry employs some 8 million workers in 1,300 state-run plants. The labor is cheap, but the industry is well behind Taiwan and Hong Kong in use of new technologies, and suffers from periodic shortages of raw materials such as cotton.

Chinese officials evidently hope an influx of Taiwan manufacturers would help with the former problem if not the latter.

The August visit will "mark the formal start of direct exchanges in the field of textiles" the Beijing ministry's Mr. Ji said. It will be "complementary, as China needs funding and processing technology while Taiwan is short of raw materials and manpower."

#### CHINESE STEP UP SHOE SALES TO THE US (By Duncan Robinson)

China has surpassed South Korea as a volume shipper of non-rubber footwear to the United States.

And if U.S.-China economic ties remain strong, it is just a matter of time before China overtakes Taiwan as the No. 1 shipper.

"As far as volume goes, China will be No. 1," said Gail Burns, a trade analyst at the U.S. International Trade Commission in Washington. "The sleeping giant has awakened."

A major potential stumbling block for U.S.-China footwear trade is most-favored-nation status. This U.S. government designation, renewed annually since 1980, allows low tariffs on U.S. imports from China.

On Wednesday, a House Ways and Means subcommittee approved a bill that links extension of trade privileges in 1991 to China's progress in restoring human rights.

Such progress would include the release of political prisoners, an easing of curbs on the press and an end to the harassment of Chinese students in the United States by Chinese government officials.

Despite its passage by the subcommittee, the proposal faces much legislative debate. It is opposed by the Bush administration and will likely face a presidential veto.

Many argue that revoking China's trade status would hurt low- and middle-income consumers and footwear importers in the United States while damaging U.S.-China political and economic relations.

"There is no other source for low-priced footwear anymore," said Peter Mangione, president of the Footwear Distributors and Retailers of America, a Washington, D.C.-based trade association.

In a recent report, the ITC said U.S. shoe imports from China rose 72% in the first quarter of 1990, to 53 million pairs worth an estimated \$220 million.

Mr. HELMS. I thank the Senator.

The PRESIDING OFFICER (Mr. ROBB). Who yields time?

Mr. THURMOND. Mr. President, will the Senator yield me a few minutes.

Mr. DASCHLE. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 11 minutes, 55 seconds.

Mr. DASCHLE. I yield the Senator from South Carolina 5 minutes.

Mr. THURMOND. I want to remind the Senate, Mr. President, that profits for all textile mills fell 58 percent for the first quarter of this year. Profits fell 5 percent in 1989 in the fourth quarter, and this turned into a \$47 million loss for 1990's first quarter. That shows a trend. That shows what is happening.

I remind the Senate that 26 percent of the total U.S. trade deficit is attributable to textiles and apparel. We have a trade deficit in this country of billions of dollars; 26 percent of the

U.S. trade deficit is due to textiles and apparel. In other words, foreign countries are bringing in so much, and that is the reason we have such a big deficit there.

I remind the Senate that 25 textile mills have announced 1990 closings, and 65,000 jobs have already been lost. New order volumes have dropped 8 percent. Shipment volumes dropped 7 percent. Employment has fallen off 2 percent. Unemployment rates are up by 2.4 percent. Aggregate hours worked fell 6 percent. The textile mill inventories are up.

In other words, the mills have manufactured goods and have not had a market for them because of the import situation. The imports themselves are up 4½ percent from January to April this year, compared to January to April last year.

These figures speak for themselves, Mr. President. How can anybody deny that the textile industry is not in trouble?

The PRESIDING OFFICER. Who yields time?

Mr. DASCHLE. 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. DASCHLE. 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. DASCHLE. Mr. President, I ask unanimous consent that the time be charged in the quorum call against both sides, equally divided.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

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

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

Who yields time?

Mr. DASCHLE. Mr. President, the Senator from Washington has indicated I am authorized to yield some of his time to anyone who wishes to speak on the bill.

So, with that understanding, I yield such time as he may consume to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for such time as he may consume up to 13 minutes and 50 seconds.

Mr. BAUCUS. I thank the Chair for that very precise limitation.

I also thank the Senator from South Dakota for his gracious yielding of time.

Mr. President, I rise today in strong opposition to the Textile, Apparel, and Footwear Trade Act of 1990.

The Senate has considered legislation very similar to this bill on two previous occasions. Both times the Senate has passed the bill. Both times the President has vetoed the bill. Both times the Congress has sustained the veto.

Assuming the House agrees to consider this measure, I suspect this same pattern will be repeated again.

Thus, I see no reason to have an extended debate on this legislation.

I appreciate the concerns of my colleagues from textile States. They have very real concerns.

However, I believe this legislation is extremely ill-advised.

We have already heard an extensive debate on the economic health of the textile industry. The economic indicators tell a mixed story.

However, I have risen to oppose this legislation primarily on other grounds.

#### RETALIATION AGAINST AGRICULTURAL EXPORTS

If adopted, I believe this legislation would inevitably result in severe retaliation against U.S. agricultural exports.

Let me quote briefly from a letter on this subject from Del Wiedeman, President of the National Association of Wheat Growers:

In our view, passage of S. 241 would invite immediate retaliation against U.S. agricultural by those countries unfairly targeted by the domestic U.S. textile industry \* \* \* We ask you to carefully consider the disastrous effect such legislation would have on U.S. wheat farmers and respectfully urge you to vote against S. 241.

Mr. Wiedeman has a sound basis for his concerns.

#### VIOLATION OF TRADE AGREEMENTS

This bill would be a direct violation of numerous trade agreements to which the United States is a party.

The bill before us would violate the General Agreement on Tariffs and Trade by placing quotas on imports without a finding of injury.

The bill would violate our international commitment under 38 bilateral textile import limits negotiated under the Multifiber Arrangement.

The bill also violates the Canadian Free-Trade Agreement by placing controls on certain imports from Canada not now under quota.

If any other nation was to so flagrantly ignore its international commitments, there would soon be calls for retaliation in this body. And I might very well be one of those calling for retaliation.

Can we really expect our trading partners to do any less?

#### THE CHINA EXAMPLE

But we do not have to guess. We know that our trading partners are willing to retaliate if the United States restricts textile imports.

For example, in 1984 the United States and China were involved in a trade dispute over Chinese textile exports to the United States.

As a result, China retaliated against the United States by suspending 600 million dollars' worth of wheat purchases.

#### THE DASCHLE AMENDMENT

This bill and its immediate predecessor both contain a provision that attempts to minimize the problem of retaliation against U.S. agricultural products by preferentially allocating textile quota increases to those nations that purchase agricultural products.

I appreciate these efforts, but believe they do very little to address the problem.

Under this legislation, most of the Pacific Rim countries that purchase U.S. agricultural exports will have their textile exports to the United States sharply restricted.

The small increases the legislation offers to agricultural customers would not offset the losses in textile exports they would experience as a result of this bill.

Further, these small increases are also promised to the nations of the Caribbean. It seems unlikely that many of our customers would see any real increase in their U.S. textile quotas.

It is thus not surprising that no major agricultural group has changed its position on the textile bill as a result of this provision.

As Mr. Wiedeman put it: " \* \* \* a provision which would tie a foreign textile suppliers' access to the U.S. market to that country's increased importation of U.S. agricultural commodities, is completely unacceptable to us as a substitute for liberal trade."

#### PUTTING TEXTILES IN PERSPECTIVE

I have sympathy for the representatives of the textile industry that have visited my office.

I wish we lived in a world in which industries never experienced competitiveness problems, plants never closed, and workers never lost their jobs.

Sadly, we do not live in such a world.

Industries do experience competitiveness problems, plants do close, and workers do lose their jobs.

We can and should try to prevent and minimize these problems.

I believe the U.S. Government should maintain in effect an aggressive trade policy so as to minimize those disruptions. That is why I pushed for passage of the 1988 Trade Act and worked to see to it—as chairman of the International Trade Subcommittee of the Finance Committee—that the bill was implemented.

I also believe that temporary import protection is sometimes justified.

But we have already tried to assist the textile industry.



In 1961, we negotiated a special international trade agreement—known as the Multifiber Arrangement—that exempted textiles from the same trading rules that producers of most other products are forced to live with.

The Multifiber Arrangement is in force to this day.

Currently, there are more than 1,000 textile and apparel quotas in place limiting exports from 38 countries. Seventy-five percent of U.S. textile and apparel imports are subject to these quotas.

Both the scope and the duration of this protection is almost without parallel.

Yet, we are again being asked to extend still more protection.

And this time that protection is to come at the cost of competitive export industries, such as agriculture and aerospace.

Wheat is one of the leading products produced in my State. Last year, about 85 percent of Montana's wheat crop was exported—most of it to the same Pacific Rim nations that export textiles to the United States.

Those wheat farmers have been struggling to make ends meet in recent years. I would certainly match the problems of agriculture of those with any other sector, including textiles.

How can we in good conscience jeopardize the livelihood of those farmers to extend still more protection to the textile industry?

I certainly cannot and will not.

I will vote against this legislation, and I would vote to sustain a Presidential veto.

I urge my colleagues to do the same.

Mr. President, I ask unanimous consent that letters against this bill from the National Association of Wheat Growers and the Montana Grain Growers be printed in the RECORD.

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

NATIONAL ASSOCIATION  
OF WHEAT GROWERS,  
Washington, DC, July 10, 1990.

Hon. MAX BAUCUS,  
U.S. Senate, Washington, DC.

DEAR SENATOR BAUCUS: It is our understanding that the Senate will soon consider passage of the "Textile, Apparel, and Footwear Act of 1990", S. 241. We are writing to inform you of our strong opposition to this proposed legislation.

In our view, passage of S. 241 would invite immediate retaliation against U.S. agricultural exports by those countries unfairly targeted by the domestic U.S. textile industry. Such nations would include the newly industrializing nations of the Pacific Rim and a large number of developing nations. China alone accounted for 20 percent of our total annual wheat exports in 1989/90.

The proposed legislation would impose import quotas on these nations at 1989 levels, allowing for a one percent increase annually on imports of textiles and clothing. Non-rubber footwear import quotas would be frozen at 1989 levels. Moreover, a provision which would tie a foreign textile

suppliers' access to the U.S. market to that country's increased importation of U.S. agricultural commodities, is completely unacceptable to us as a substitute for liberal trade.

As a matter of general trade policy, protectionist legislation such as S. 241 goes against everything the U.S. has been trying to achieve in the Uruguay Round of GATT. The persistence of these bills, gives us pause. We cannot help but notice that American farmers are being asked to compete in the face of fierce international competition with less government support, while our counterparts in the textile and apparel industry are asking for more protection from the international marketplace. American farmers cannot be subjected to continued imperilment of their markets. Undermining our competitiveness in the global marketplace hurts export sales and cuts into farmer income.

We ask you to carefully consider the disastrous effect such legislation would have on U.S. wheat farmers and we respectfully urge you to vote against S. 241.

Sincerely,

DEL WIEDEMAN,  
President.

MONTANA GRAIN  
GROWERS ASSOCIATION,  
Great Falls, MT, July 12, 1990.

Senator MAX BAUCUS,  
Washington, DC.

DEAR SENATOR BAUCUS: The Montana Grain Growers Association understands that the Senate is considering passage of S. 241 "Textile, Apparel and Footwear Act of 1990". MGGA is writing to inform you of our strong opposition to this proposed legislation.

In our view, passage of S. 241 would invite immediate retaliation against U.S. agricultural exports by those countries unfairly targeted by the domestic U.S. textile industry. Such nations would include the newly industrializing nations of the Pacific Rim and a large number of developing nations. China alone accounted for 20 percent of our total annual wheat exports in 1989/1990.

The proposed legislation would impose import quotas on these nations at 1989 levels, allowing for a one percent increase annually on imports of textiles and clothing. Non-rubber footwear import quotas would be frozen at 1989 levels. Moreover, a provision which would tie a foreign textile suppliers' access to the U.S. market to that country's increased importation of U.S. agricultural commodities, is completely unacceptable to us as a substitute for liberal trade.

As a matter of general trade policy, protectionist legislation such as S. 241 goes against everything the U.S. has been trying to achieve in the Uruguay Round of GATT. The persistence of these bills, gives us pause. We cannot help but notice that American farmers are being asked to compete in the face of fierce international competition with less government support, while our counterparts in the textile and apparel industry are asking for more protection from the international marketplace. American farmers cannot be subjected to continued imperilment of their markets. Undermining our competitiveness in the global marketplace hurts export sales and cuts into farmer income.

We ask you to carefully consider the disastrous effect such legislation would have on

U.S. wheat farmers. We respectfully urge you to vote against S. 241.

Sincerely,

LANNY CHRISTMAN,  
MGGA President.

Mr. BAUCUS. Mr. President, I thank the Chair and I yield the floor.

I suggest the absence of a quorum.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the quorum call as suggested be counted against both sides.

The PRESIDING OFFICER. Is there objection?

Without objection, the absence of a quorum will be charged equally against both sides.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HOLLINGS. 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 PRESIDING OFFICER. Who yields time?

Mr. DASCHLE. I yield such time as he may consume of my time to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for such time as he may consume up to 6 minutes.

Mr. HOLLINGS. I thank my distinguished colleague. I will be less than that.

A very serious charge has been made about the farmers. Under the leadership of the manager of this bill right now, the distinguished Senator from South Dakota, we worked long and hard with respect to our concern, because you will find a textile State is a farm State.

We have wheatgrowers; we have corngrowers; we have all the other particular agriculture commodities, like soybeans and otherwise, in addition to the matter of tobacco. And so we have very strong feelings about our farmers in South Carolina and we wanted to make certain that what was charged by the distinguished Senator from Montana to occur about retaliation would not happen.

In fact, under the leadership of our distinguished colleague from South Dakota, we fashioned a provision in this bill that says, look, we will retaliate if you do not take care of farm products, we will retaliate and give you less than a textile quota. But, on the other hand, we will favor you. If you import an increased amount of American farm products, you will get an increased amount of a textile quota.

Incentives. We have included in this bill incentives for America's agriculture. As a result thereof, this bill has been supported by the National Farmers Organization, the National Farmers Union, the National Corn Growers Association, the Nebraska Wheat

Growers Association, the National Wool Growers Association, the American Agriculture Movement, and of course the Cotton Council, particularly our wool growers in the State of Montana. There are 120,000 wool operations in America and 41,000 cotton farmers.

So this device that comes about I think really from Wall Street to try to divide and defeat has been faced many times before. And so we solve it, under the leadership of our distinguished colleague from South Dakota, by putting an affirmative action plan within the textile bill to say we do not have to wait and wonder and hope. We put an incentive in this bill for America's agriculture—the more you favor America's agriculture, the bigger textile quota you get. And if you start retaliating or cutting back on America's agriculture, you are going to get cut back on your particular textile quota.

I thank the distinguished chairman for yielding me that time.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DASCHLE. Mr. President, I yield myself a couple of minutes. I had not intended to speak, but I must say I want to commend the Senator from South Carolina for his comments in explaining very clearly why it is those of us in agriculture that feel so strongly about this piece of legislation.

There was a time when I opposed this bill. In fact, through the early years of my career in the Congress, especially in the House of Representatives, I voted against this legislation. It was only after a lot of negotiation and work with the Senator from South Carolina and many others that he has worked with that we came to the conclusion that we can bring agriculture and textiles together; that as we bring them together, we can make this program work for both of us.

And so the legislation incorporated in this bill does that very well. It provides us an opportunity to market our products abroad. It provides us an opportunity to say to those countries, look, if you do retaliate, you have more than just textiles to be concerned about—you have agriculture and the broad range of agriculture issues that we must deal with from a trade perspective. Indeed, this legislation does that very well. It is a significant improvement over the legislation that was offered many years ago originally. It continues to represent the sensitivity that we must demonstrate in ensuring that agriculture exports abroad are enhanced and that our opportunity for competitiveness continues to be guaranteed. This bill does it.

It is why this year for the first time I went beyond even indicating my support, I became a cosponsor. I feel that strongly about the need to make this statement, about the need to incorpo-

rate agriculture, and about the need for textiles and agriculture to work together in a trade relationship.

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

The PRESIDING OFFICER. Who yields time?

Mr. DASCHLE. Mr. President, how much time is remaining on either side?

The PRESIDING OFFICER. The Senator controls 58 seconds. The proponents control 6 minutes 15 seconds.

Mr. DASCHLE. Mr. President, I indicated earlier that I have the authority to delegate some of the time of the Senator from Washington. He did want me to save about 5 minutes. So with that in mind, if the Senator from South Carolina wishes 58 seconds, I would be happy to yield the entirety of the balance of my time for his purposes.

Mr. THURMOND. No, thank you. I am prepared to make a motion to table at the proper time.

Mr. DASCHLE. I then would note the absence of a quorum and ask that the time be equally distributed.

The PRESIDING OFFICER. The Chair would remind the Senator from South Dakota that his time is very limited. So at conclusion of his time, all time will be charged to the proponents.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GORTON. 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. GORTON. Mr. President, I yield such time to myself as I may have remaining.

The PRESIDING OFFICER. The Senator is recognized for up to 4 minutes and 50 seconds.

Mr. GORTON. Mr. President, there has been some considerable discussion in the last few minutes of the provisions in the bill which this substitute would strike in its entirety with respect to tying foreign textile suppliers' access to the U.S. market to that country's increased import of U.S. agricultural commodities. My distinguished friend from Montana, Mr. BAUCUS, spoke to this as undesirable trade policy. I want to agree very, very firmly with that position. That represents the kind of autarchy which we all hoped was ended in this world more than a century ago.

At this point, Mr. President, because I cannot express it any better, I ask unanimous consent that the position of the National Association of Wheat Growers, as expressed to me in a letter dated July 10, 1990, be printed in the RECORD at this point.

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

NATIONAL ASSOCIATION  
OF WHEAT GROWERS,  
Washington, DC, July 10, 1990.

Hon. SLADE GORTON,  
U.S. Senate, Washington, DC.

DEAR SENATOR GORTON: It is our understanding that the Senate will soon consider passage of the "Textile, Apparel, and Footwear Act of 1990", S. 241. We are writing to inform you of our strong opposition to this proposed legislation.

In our view, passage of S. 241 would invite immediate retaliation against U.S. agricultural exports by those countries unfairly targeted by the domestic U.S. textile industry. Such nations would include the newly industrializing nations of the Pacific Rim and a large number of developing nations. China alone accounted for 20 percent of our total annual wheat exports in 1989-90.

The proposed legislation would impose import quotas on these nations at 1989 levels, allowing for a one percent increase annually on imports of textiles and clothing. Non-rubber footwear import quotas would be frozen at 1989 levels. Moreover, a provision which would tie a foreign textile suppliers' access to the U.S. market to that country's increased importation of U.S. agricultural commodities, is completely unacceptable to us as a substitute for liberal trade.

As a matter of general trade policy, protectionist legislation such as S. 241 goes against everything the U.S. has been trying to achieve in the Uruguay Round of GATT. The persistence of these bills, gives us pause. We cannot help but notice that American farmers are being asked to compete in the face of fierce international competition with less government support, while our counterparts in the textile and apparel industry are asking for more protection from the international marketplace. American farmers cannot be subjected to continued imperilment of their markets. Undermining our competitiveness in the global marketplace hurts export sales and cuts into farmer income.

We ask you to carefully consider the disastrous effect such legislation would have on U.S. wheat farmers and we respectfully urge you to vote against S. 241.

Sincerely,

DEL WIEDEMAN,  
President.

Mr. GORTON. The key sentence in that letter, Mr. President reads:

Moreover, a provision which would tie a foreign textile supplier's access to the U.S. market to that country's increased importation of U.S. agricultural commodities, is completely unacceptable to us as a substitute for liberal trade.

Mr. President, that is entirely correct and that encapsulates the argument in favor of this amendment and against the bill in its entirety. This bill will inhibit the ability of American exporters to gain markets overseas.

I wish to repeat that. This bill will inhibit the widest possible range of American exporters from gaining markets overseas.

It is ironic, or more, that we should have this proposal from a single industry which is getting healthier, which has defied all of the predictions which were presented to this Senate 5 years



ago about its disappearance, if a bill like this did not pass.

In fact, this morning's Wall Street Journal includes an article under the headline, "Alliance of Textile and Apparel Makers Splits as Senate Mulls Import Quota Bill."

Mr. President, I ask unanimous consent that that Wall Street Journal article be printed at this point in the RECORD.

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

[From the Wall Street Journal, July 13, 1990]

**ALLIANCE OF TEXTILE AND APPAREL MAKERS SPLITS AS SENATE MULLS IMPORT-QUOTA BILL**  
(By Eduardo Lachica)

WASHINGTON.—The once-solid alliance between textile and apparel manufacturers is coming apart at the seams over congressional legislation that would tighten restrictions on textile imports.

For the first time since this powerful lobbying bloc formed in the mid-1980s, some apparel makers are breaking with the fabric producers and siding with the U.S. retail industry against anti-import legislation. The clothing makers' trade group, the American Apparel Manufacturers Association, says it isn't supporting this latest attempt to curb imports because it prefers to see the issue resolved in multilateral trade negotiations.

"We're in a world-wide economy that can't deal with protectionism for textiles or any other industry," argues Linda Wachner, president and chief executive officer of Warnaco Inc., which makes women's wear and men's shirts. Underscoring the split, Ms. Wachner and Harvey Falk, president of Liz Claiborne Inc., a maker of women's apparel, recently joined retailing executives in lobbying Senate Majority Leader George Mitchell (D., Maine) and other congressional leaders.

Daniel Frierson, chairman of the Fiber, Fabric and Apparel Coalition for Trade, which represents textile manufacturers, cotton and wool producers, labor unions, and others, concedes that his group is missing the support of some of the big, import-dependent apparel makers. But he insists that the bill still is backed by a majority of the group's members, which produce mostly for the domestic market.

The Senate is tentatively scheduled to debate the bill this week or early next week. The bill would effectively scrap the bilateral textile and apparel accords that a U.S. has negotiated with 38 exporting countries and replace them with a more restrictive system of global quotas for all imports except from Canada and Israel. The congressional textile caucus has amassed a predictably large number of cosponsors for the bill—55 in the Senate and 244 in the House—so its passage is all but assured.

So is its eventual veto by President Bush, but that doesn't really concern the bill's backers. Vetoes of textile bills are familiar in Washington; President Reagan did it twice. The bill's real purpose appears to be to pressure U.S. Trade Representative Carla Hills against making concessions on textiles and apparel in the current "Uruguay Round" of multilateral trade talks held under the auspices of the General Agreement on Tariffs and Trade.

The textile crowd is worried that Ms. Hills will cave in to the demands of Hong Kong, South Korea, Thailand and others to rapid-

ly phase out the current system of bilateral import quotas. Those countries are in a strong bargaining position because the U.S. needs their votes on other issues being negotiated in this round of GATT talks.

Yet, looking back home, Ms. Hills doesn't see Americans standing shoulder-to-shoulder on the issue. The difference is that the world is starting to look different to apparel houses. "The apparel industry has become globalized as never before. Cost is just part of it. They're also going offshore for variety and quality," says Joseph Scheines, a spokesman for Kurt Salmon Associates Inc., a New York consulting firm specializing in the textile trade.

A waning of enthusiasm for the textile mills' legislative strategy was evident in last spring's AAMA convention in Naples, Fla. There was a roar of applause when a retailing executive Leslie Wexner, chairman of Limited Inc., twitted Roger Milliken, one of the most hawkish coalition leaders, for urging stiff restrictions on imported textiles and apparel while insisting on being free to buy his own textile machinery anywhere in the world.

In response, Mr. Milliken, chairman of Milliken & Co., says the mills have to purchase certain spinning and weaving machines overseas because foreign competition has forced U.S. machinery makers out of those lines. "We don't want to see the same thing happen to textiles," he argues.

Apparel makers note that they can offer the same argument: They can't always get what they want in the U.S., either.

Mr. GORTON. Mr. President, the point is that unlike the debate which preceded this one on other similar bills in the course of the last 5 years, we do not even have the so-called beneficiary industries united in favor of this proposal. That is not surprising because the export of apparel is increasing at a much more rapid rate under present law than is the import of apparel products.

I simply want to summarize what I have already said earlier, Mr. President. A wide range of successful industries depend on the successful completion of the GATT progress at Geneva. All of those industries in the United States whose success depends upon intellectual property rights, industries which are subject to piracy at the rate of some \$60 billion a year, depend on our getting stronger rules with respect to intellectual properties.

Almost without exception, service industries, most rapidly growing in the United States, a field in which we are most successful and highly competitive, are kept out of foreign markets by nontariff barriers. Perhaps the single greatest area in which improvement can be made in international trade is in the field of services.

As is indicated by this letter from the National Association of Wheat Growers, our agricultural industries in general—we seek to open up the world to them. We cannot succeed in that respect if we close the world to textile imports.

Mr. President, how much time remains to each side?

The PRESIDING OFFICER. The Senator has 6 seconds remaining.

Mr. GORTON. The Senator yields back his 6 seconds.

The PRESIDING OFFICER. All time has expired.

The Chair recognizes the Senator from South Carolina, Senator THURMOND.

Mr. THURMOND. Mr. President, I move to table the amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from South Carolina. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. DOLE. I announce that the Senator from Idaho [Mr. McCURE] and the Senator from Wyoming [Mr. SIMPSON] are necessarily absent.

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

The result was announced—yeas 69, nays 29, as follows:

[Rollcall Vote No. 153 Leg.]

**YEAS—69**

Bentsen	Gore	Metzenbaum
Biden	Grassley	Mikulski
Bond	Harkin	Mitchell
Boren	Hatch	Moynihan
Breaux	Heflin	Murkowski
Bryan	Helms	Nunn
Bumpers	Holmes	Pell
Burdick	Hollings	Pryor
Byrd	Humphrey	Reid
Cochran	Inouye	Riegle
Cohen	Jeffords	Robb
Conrad	Johnston	Rockefeller
D'Amato	Kasten	Roth
Daschle	Kennedy	Rudman
DeConcini	Kerrey	Sanford
Dixon	Kerry	Sarbanes
Dodd	Kohl	Sasser
Dole	Lautenberg	Shelby
Domenici	Leahy	Simon
Exon	Levin	Specter
Ford	Lieberman	Stevens
Fowler	Lott	Thurmond
Garn	McConnell	Warner

**NAYS—29**

Adams	Cranston	Mack
Akaka	Danforth	McCain
Armstrong	Durenberger	Nickles
Baucus	Glenn	Packwood
Bingaman	Gorton	Pressler
Boschwitz	Graham	Symms
Bradley	Gramm	Wallop
Burns	Hatfield	Wilson
Chafee	Kassebaum	Wirth
Coats	Lugar	

**NOT VOTING—2**

McClure Simpson

So the motion to lay on the table the amendment (No. 2124) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Arkansas [Mr. PRYOR] is recognized.

Mr. PRYOR. Mr. President, it is my understanding that under the unanimous-consent agreement there are perhaps an additional number of amendments to be considered. I do not believe that on this side of the aisle there are any amendments to be considered to the textile bill. Is that the understanding of the distinguished Senator from Oregon?

Mr. PACKWOOD. The Senator from Arkansas is right in terms of those who have amendments left. The Senator from Texas [Mr. GRAMM] has one and is ready to start on it, I believe.

Mr. PRYOR. Mr. President, I think momentarily the Senator from Texas will offer his amendment. He said he needs about 1 more minute. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

#### ORDER OF PROCEDURE

Mr. ADAMS. Mr. President, I do not want to in any way slow up the proceedings here. I would, therefore, ask the managers and the others that I might proceed for 5 minutes as though in morning business until the other business is ready to proceed.

Is there any objection? If there is, I will withhold.

Mr. PRYOR. Mr. President, I will not object to this request, but I do know the chairman of the committee and the majority leader want to move this bill expeditiously. There is an amendment that is already ready to be introduced by the Senator from Texas. In fact, I thought it would have been introduced by now.

The PRESIDING OFFICER. Hearing no objection, the request from the Senator from Washington to speak as in morning business for 5 minutes is agreed to.

#### DOUBLE HULLS ON OIL VESSELS

Mr. ADAMS. Thank you, Mr. President.

Mr. President, for the last decade, ever since I was Secretary of Transportation, the late Senator Warren Magnuson was chairman of the Commerce Committee. I have fought to require vessels carrying oil in American waters to have double hulls.

I am very pleased now to hear reports that the conference that is meeting on the oilspill legislation has now agreed upon a provision that will be in the conference report that all new

ships carrying oil in American waters will be required to have double hulls.

This provision is identical to an amendment I offered on the floor last year. That amendment was defeated, but will now be part of the final conference report on the oilspill bill. I commend Senator HOLLINGS and the rest of the conferees for this action.

I wish this had happened in 1977. If it had, millions of gallons of oil would not have been spilled. The *Exxon Valdez* disaster would not have been the disaster that it turned out to be. I must admit I am not pleased that the transition proposal for existing vessels is really a little too long. But I am pleased about the fact that this shift in policy indicates that the Government of the United States recognizes the great dangers of transporting large quantities of oil in ever-increasing amounts in even larger ships throughout the world without using new technology to protect the environment.

By new technology I mean double hulls. It is not that the technology of building a double hull is new because it isn't. Nearly half the U.S.-flag ships built since 1970 were built with double hulls; and we require them on ships carrying liquefied natural gas and other hazardous cargo. But they have never been required on tankers and have been blocked continuously, mainly by forces in the oil industry, and throughout the other shipping countries of the world.

I am very pleased for the late Senator Magnuson, and for others who worked so hard on this, that the conference has now agreed to mandate double hulls on new ships.

Many people were involved: environmentalists, fishermen, people who work in the shipyards, citizens of the United States, those who are concerned about maritime safety, they all joined in this. I thank them all for their efforts, and I thank them for the time that they spent when maybe it looked like this would not happen.

I am hopeful that the conference will soon send a conference report back to the Senate floor where I can make remarks in an additional amount, and with additional fervor about this.

This really culminates for many of us a successful legislative act which has taken many, many years, and which represents a step forward that I know will be accepted by the American public.

I also want to compliment those companies that have already shifted to this policy. It shows that when the Government of the United States, the U.S. Senate, the House of Representatives make up their minds on a policy, it can be done, will be followed, and will be of great advantage to all the people who live in my State and the other States of the United States

which have to deal with large quantities of oil tanker transportation through sensitive marine environments.

I thank the President for this time. I thank the managers of the bill.

I yield the floor.

Mr. PRYOR. 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. GRAMM. 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 Texas.

#### TEXTILE, APPAREL, AND FOOTWEAR TRADE ACT OF 1990

The Senate continued with the consideration of the bill.

#### AMENDMENT NO. 2125

(Purpose: To protect low-income and middle-income Americans from a decline in living standards caused by the provisions of the bill)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 2125.

Section 6 of the Committee amendment is amended by adding at the end thereof the following paragraph:

"If the Secretary of Labor determines that implementation of the provisions of this Act will result in, or has resulted in, the cost of textiles or apparel or footwear for lower-income and middle-income Americans increasing by 5 per centum or more, the President may suspend the provisions of this Act."

Mr. GRAMM. Mr. President, the bill before us is a bill that would dramatically increase the cost of clothing for American workers. I do not know anybody that disputes that claim, anybody that could in any way be called an objective party with regard to the analysis that has occurred of trade protectionism in the last quarter century.

In fact, Mr. President, we have estimates that indicate that the average American family is paying about \$238 a year more for clothing because of textile protection. Textiles are protected currently at a rate almost four times the average rate of protection provided to 40 other domestically produced goods.

This new bill, if implemented, a bill which the Washington Post refers to with such phrases as "flagrantly, recklessly, almost comically wrongheaded," if this bill became law the cost to American workers of buying clothing



and shoes for their children would rise dramatically. In fact, simply taking the average of the estimates that have been made of the cost of textile protection in the last 10 years, adding the new costs that would be imposed by this bill, and looking at the decade of the 1990's, we find that during the decade of the 1990's the cost imposed on American workers in higher prices for clothing and other textile products would exceed the cost of the savings and loan bailout.

Mr. President, we can debate the savings and loan bailout, as we have in the last month, there has been a lot more debate lately about the S&L crisis than it ever got when the problem was looking us in the face 5 years ago. But I think one can argue there were many factors involved there. On this issue, there is only one factor involved, and that is a decision by the U.S. Congress to limit the access to markets by those who produce textiles, thereby forcing American consumers to pay higher prices.

Mr. President, I want to argue several things here today. I want to argue, number one, that the imposition of these new restrictions will not protect American jobs. In fact, America will lose jobs as a result of these restrictions. The living standards of American workers will decline. World trade will diminish, and the well-being of all of mankind will be damaged by the adoption of this bill.

Further, I would make that argument even if there were no change in policy by our trading partners, who will have the right under GATT to impose similar, offsetting protective measures against American products. Even if they do not retaliate, all the things I have said will happen. If they do retaliate, the things that I have said will happen, and they will happen in greater abundance, and the overall negative impact on the American worker will be worse.

Mr. President, we are today debating more protection for an industry that is already the most protected major industry in America. Further, this bill flies in the face of the whole tide of history that we see before us. What a great anachronism it is that here in the U.S. Senate, at the moment that the whole world is rejecting protectionism and moving toward greater trade, when even the Chinese have taken hesitant steps to come out from behind their ideological Great Wall, we are in the midst of a debate in this, the greatest deliberative body in all of the democracies of the Earth; we are here debating building a wall around America.

Mr. President, the tide of history is more trade and not less. The tide of history is tearing down trade barriers, not raising them. And this effort being debated today will not be successful. Even if we pass the bill, even if we can

override the President's veto, even if we can destroy the GATT negotiations currently underway—which is the objective of this bill—even if we can do all those things, as powerful as this great deliberative body is, it is like a feather in a giant whirlwind, when it faces the movement of history. And the direction of history is for more trade and not less.

Ultimately, the power of trade is going to dominate commerce on this Earth. The question is, are we going to lead, are we going to be the Nation that promotes opening up world markets, or are we going to succumb to individual special interests in trying to buck the tide of history? What a great irony it is, that we are here debating what is clear protectionism, clearly a protectionist measure, at the very time that our President has just completed talks in Houston, urging our trading partners to open their markets to our products, at the very moment that our Trade Representative is directing negotiations aimed at lowering trade barriers.

Mr. President, this bill is anathema to everything we stand for in the world, and yet it will achieve none of the objectives that are set forth by those who have proposed this bill, those who staunchly defend it.

Let me discuss why this bill cannot save American jobs. Let me start with basics—and forgive me if I sound like I am giving an economics lecture, but I have to start out with the basics to make my point.

The value of the dollar relative to all other foreign currencies is not set by an edict of Congress or by a decision of the executive branch of Government. The value of the dollar relative to all foreign currencies is set in the marketplace, in fact, a market where every day there are over 200 billion dollars' worth of transactions made in dollars alone.

Every day, all over the world, individuals and traders that specialize in currency trading trade dollars for other currencies. Every day the value of the dollar relative to those foreign currencies moves exactly to equate the number of dollars Americans want to convert into specific currencies relative to the number of other units of currency that others want to convert into dollars. If the two are not always equal, the exchange rate changes.

Mr. President, let me just pick the yen so that I can talk about Japan. Let me make it clear that Japan is pretty much out of the apparel business. Even as we speak Korea is losing this business. The business is moving from South Korea to countries with lower wage rates and less development, and that is an irreversible trend, in my opinion.

Let me start with the dollar and the yen. Why do Americans want to buy yen? What do they want yen for?

They want yen because they want to buy Japanese goods or because they want to invest in Japan or because they want to transfer United States earnings to Japan.

That represents on any given day the demand that Americans owning dollars have for yen.

On that same day people who own yen—and let me just make it simple by assuming they are all Japanese—want to buy dollars to buy American goods or to invest or engage in capital transactions in the United States. What happens is that the value of the dollar relative to the yen adjusts on the market until those demands are exactly equal.

Let us assume that we have the value of the dollar relative to a yen, that value set on the currency exchange—and we can pick up any newspaper in the world and it will give us that value for yesterday. It will vary slightly today, depending on what happens, but we can get it in any newspaper in the world. In fact, these markets never close.

What would happen if we pass this bill? What would happen if we pass this bill and we impose a global quota on textiles so that Americans are denied the freedom of buying textiles produced in other countries beyond a certain limit—and let us just take Japan, even though Japan sells us relatively little apparel products—what does that do to the value of the dollar relative to the yen on the world market?

What happens to the value of the dollar relative to the yen is that since Americans are now trying to buy fewer yen to buy textiles, because we use our police power and prevent that from happening, the demand for yen in dollars declines. What happens when that occurs?

When the value of the dollar relative to the yen rises, it means that the dollar will buy more goods in Japan. In fact, looking at all world currencies, what would happen is if Americans could buy fewer textiles, then there would be a decline in the supply of dollars to exchange for currencies of all the textile-producing countries, and as a result the value of the dollar would rise relative to those currencies.

As the value of the dollar rises relative to those currencies, what happens? As the value of the dollar relative to those currencies rises, it makes all goods produced in America more expensive to the countries that were buying them because, they have to have more units of their currency to buy a dollar than they did before the textile bill.

Let me just take my State as an example.

In terms of Texas, we rank overall in the country No. 2 in terms of exports. We export 30 billion dollars' worth of

products. In fact, on a per capita basis, Texas ranks ahead of the No. 1 exporter, California, in terms of export sales.

Now, if through this bill we achieve the objective, which is fewer textile imports, that means, as I explained earlier, the value of the dollar rises, making American goods more expensive. How does that affect us—and I will just take my State, because I know it better than I do anybody else's State. What that means is that all the things that we are exporting in Texas become more expensive. As a result, we sell fewer products.

Texas, for example, ranks fifth in exports of aircraft and parts. What that means is that, to the extent that this bill is successful and reduces American demand for foreign textiles, we in Texas sell fewer aircraft and aircraft parts. We rank No. 1 in exports of chemicals and allied products. That means we sell fewer chemicals and allied products. We rank No. 5 in exports of fabricated metal products. All of those products go up in cost. We rank No. 1 in exports of petroleum and coal products.

So, Mr. President, what happens to all of those markets? What happens is, assuming nobody retaliates, which they have the right to do, and I will explain that in a minute, the value of the dollar goes up. Therefore, the demand of all of these products declines, and all of these products are higher waged jobs than the jobs we claim we are here to protect today.

What happens to the ability of domestic industry to compete with other imports? If this bill is successful and reduces the demand for textiles, it drives up the value of the dollar and makes every other import coming into America cheaper.

So, Mr. President, this bill cannot, will not save American jobs. What this bill will do in my State is that it might save some textile jobs, but it will do so at the expense of jobs in manufacture of aircraft and aircraft parts, chemical and allied products, fabricated metal products and petroleum products, and thousands of others.

Unfortunately, the problem does not end there. If the problem ended there, what this bill would do is distort world trade. It would mean that America was producing less of goods in which we have a comparative advantage, in which we are most efficient. It would drive up the cost to people buying clothing in America. It would drive up the cost to foreigners buying other American goods, and the net result would be decline in living standards, rising costs, misallocation of resources. The world, in general, but the United States of America in particular, would lose.

But this bill also violates the GATT Agreement. So what happens under existing law is that not only do those things tend to happen, but the situa-

tion is worse because you do not have the natural market mechanism changing the exchange rates alone. Foreigners get to pick how they retaliate.

What goods do you think they are going to pick? What goods do you think the countries that are damaged by this action are going to pick? Mr. President, I do not know. I have not gone out and interviewed them, but I can make some sort of educated speculation. They are going to pick the highest waged jobs that they can pick. They are going to come in and impose offsetting tariffs on American manufacturing. They are going to impose offsetting tariffs on agricultural products.

So what happens is that, in addition to the consumer of textiles, the cattle rancher and the grain farmer find out that they are losers from declining markets. The manufacturer ends up losing because of the offsetting reciprocal tariffs imposed against his products.

Mr. President, this bill will not save jobs; it will destroy jobs. This bill will distort trade. While it may protect jobs in one particular industry, it can do that only by destroying jobs in other industries.

The reason that this bill has a broad base of support is because many are looking at only one part of the balance sheet. People do not understand this mechanism. Disraeli once said not one person in 50,000 understands the currency question and yet we meet him every day. I doubt if the number is that high today. We are really talking today about foreign exchange and the currency question.

People see this bill as the way to protect textile jobs, a great and noble purpose, one that I am much in favor of, which is why I want to cut the capital gains tax rate, which is why I want to encourage investment, to modernize, in order to protect American textile jobs. But people just look at the claim over here on the right side of the balance sheet that we are protecting jobs; they do not look at the other side of the balance sheet to see where jobs will be destroyed, where trade will be reduced.

We just recently, through hard negotiation, forced the Japanese to open their markets to American beef, a dramatic change in policy—A 3-year phaseout on quotas, 3-year phaseout on tariffs. If the Japanese do not consume 1 more ounce of beef, we will double our sales to Japan as a result of this breakthrough in trade.

But I do not believe that the Japanese are going to continue to consume the same amount of beef when the price of beef declines dramatically. I think they are going to discover how wonderful it is, something we discovered in Texas back in the cowboy years, and they are going to eat a lot more of it.

But, Mr. President, what if, as a result of this action, either the exchange rate rises or an offset is taken under GATT rules against beef and we lose those markets? Have we benefited America? No. The Japanese lose good, inexpensive beef; we lose inexpensive textiles. And who gains? Nobody gains. Perhaps a small number of special interest groups gain for a time.

We have been protecting textiles for a long time. In fact, we have almost protected textiles out of existence. Only with the growing competition of the last few years have we seen the modernization that is required in that industry.

The idea that somehow by stopping competition we are going to modernize is like a football team that recognizes that they are not competitive. They were 2 and 9 last year, they were 1 and 10 the year before. So they decide to get competitive. They are going to stop playing football for 5 years.

The only thing that makes you competitive is competing.

Finally, Mr. President, let me say that this bill is fundamentally wrong-headed. It is fundamentally wrong-headed because it is moving America in exactly the opposite direction of everything we have claimed to stand for in the world.

You look at the American position since the end of World War II. Imagine that you have, like on a stereo, the thing that lets you phase out the very high pitches and the very low ones, and you focus in on what the real voice of America has been since 1945, the one consistent theme of American policy has been more trade, more opening up of markets.

It was trade that rebuilt Europe, not aid. The Marshall plan was comparatively a Band-Aid. It helped to give tools to people that knew how to use them. But it was the policy that we instituted under Truman and under Eisenhower and under Kennedy, the policy that opened markets in Europe, that rebuilt Europe. Our trade with Japan and Korea and Taiwan created new world powers. It changed the balance of power in the world. Our success through trade in rebuilding Western Europe tore down the Berlin Wall and is on the verge of killing communism in the same century in which it was born.

Why are we here going against everything we have stood for in this country for 45 years? What has changed that has induced us to believe that our policy for 45 years, which has produced unprecedented growth, which has produced the triumph of the individual over the state, and which is literally liberating millions of people all over the Earth as we speak, why is it that here we have decided that all of that is wrong and that we should impose a new level of protec-



tionism on one of America's most protected industries? Why impose a policy that clearly will drive up costs most sharply for those among us who are least able to pay the cost?

Mr. President, the answer is very clear. The answer is that the support for this bill comes from narrow, special interests.

Mr. President, we have to make a fundamental decision on this bill. I know there are many who are saying, "Look, I can vote for this bill. I can say I am for its objectives." I am for its objectives. I just do not believe they can be achieved the way we are undertaking to do it in this bill. The only way we are going to save textile jobs in America is to modernize, to invest, to improve the quality of tools our workers work with.

The tide of history is going to wash over all of this silly protectionism. The question is: Are we going to lead that tide or are we going to be dragged along by it?

Mr. President, I want to conclude my remarks in this first section of the debate by reading a quote that I ran across the other day from a former Democratic Member of Congress who had a great influence on Winston Churchill. In fact, he had been forgotten in history as far as I was concerned, until I was reading one of the new books about Winston Churchill. In that book I ran across this fellow, and he was a great speaker on trade.

There was one paragraph of a speech that he gave in London, I believe in 1903.

This is a speech by W. Bourke Cockran. It was given to the National Liberal Club of England, in London, on July 15, 1903. Having looked at Cockran's speeches, most of which were given on the floor of the House of Representatives, I can see why Churchill admired him so much. The wisdom of these few paragraphs is so profound that I just want to end my statement here today, with these remarks. Not that I think anybody is going to be impressed by the logic of it. Logic often carries little weight here in the Senate. But, it is beautiful, and his words ought to be heard again on this debate today.

Let me also say, Mr. President, that it grieves me that there is no constituency for trade. Our Nation is the largest trading Nation in the world, millions of our jobs depend on trade. All of our workers lose from protectionism, and yet there is no political base for trade in America.

This is W. Bourke Cockran, speaking in London, England, in 1903:

Your Free Trade system makes the whole industrial life of the World one vast scheme of cooperation for your benefit. At this moment, in every quarter of the globe, forces are at work to supply your necessities and improve your condition. As I speak, men are tending flocks on Australian fields, and shearing wool which will clothe you during the coming winter. On Western fields men

are reaping grain to supply your daily bread. In mines, deep underground, men are swinging pick-axes and shovels to wrest from the bosom of the earth the ores essential to the efficiency of your industry. Under tropical skies dusky hands are gathering from bending boughs luscious fruit which, in a few days, will be offered for your consumption in the streets of London. Over shining rails locomotives are drawing trains; on heaving surges sailors are piloting barks; through the arid desert Arabs are guiding caravans all charged with the fruits of industry to be placed here freely at your feet. You alone, among all the inhabitants of the earth, encourage this gracious tribute and enjoy its full benefit, for here alone it is received freely, without imposition, restriction, or tax, while everywhere else barriers are raised against it by stupidity and folly.

Mr. President, today, despite all of the petty protectionism, these lines can be best said about the United States of America more than they could be said about any other power on Earth.

Why are we, here, erecting barriers that deny us the ability to trade in the world and to promote economic and political freedom, which is the very foundation of everything we stand for?

Mr. President, the amendment that I am offering is a very simple amendment. I offer the amendment not because I believe it would be adopted but because I think it focuses our attention on the real problem with this bill. What this amendment simply says is that if the Secretary of Labor determines that the implementation of the provisions of this act will result in the cost of textiles or apparel or footwear for low- and middle-income Americans to increase by more than 5 percent, then the President may suspend the provisions of this act.

Mr. President, there is no doubt that the imposition of this bill, most likely in the first year, certainly in the second year, will produce at least that level of increase in prices. What this provision says is, if the proponents are right, if this bill will not produce an increase in cost, then this provision will not be triggered and the President will not have the power to suspend this bill. But, if, in fact, this bill drives up the cost of shirts to put on the backs of our children as they go off to school or shoes for them to wear in the wintertime, by more than 5 percent, then the President would have the ability to suspend this act.

I hope my colleagues can adopt this modest amendment, which I think is in the interest of every working American.

**THE PRESIDING OFFICER.** The Senator from South Carolina [Mr. HOLLINGS] is recognized.

Mr. HOLLINGS. Having such a high regard for my colleague from Texas, and having worked intimately with him on legislation, I think the best rejoinder is to cite his peroration in which he quotes a Democrat, Ward

Cockran, about the fields in Australia and so on, dating back to 1903.

I do not know whether Ward Cockran was full of London gin or scotch. We would say back home he was full of prunes, because that is about the weakest argument I can imagine.

However, there was some substance to other points made by my colleague. Let us get to those particular points.

He talks about textiles as the most protected industry. I have to repeat again that as of last year, the 9-year period from 1981 through 1989 we see the percent of change in imports of major industries in the United States. For example, in iron and steel, imports diminished by 8.8 percent; in nonferrous metals, there was a 47.8-percent increase in imports; paper and paperboard saw a 136-percent increase in imports; in tires, tubes for tires, an 86.3-percent increase; transport equipment, a 149.1-percent increase. But the percent increase in imports over this decade for textiles and apparel was a whopping 163.1 percent. If this is protectionism, then I have had all I can stand. Do not give me any more of this protectionism because I am going out of business with this so-called protectionism.

Similarly, when he talks about the distortion of world trade, or let us say the cost increase—I am trying to be brief and jump to my colleague's major points—there is no question that right now we ought to open our eyes to the real world. We had garment items here yesterday. Permit me to submit them again this morning. We have from Sears Roebuck, an Arnie shirt, one made in the United States of America. The other one is a shirt made in Taiwan. Both of them are off the shelves of Sears Roebuck, both of them, \$18 apiece.

He is talking about prices. We know what the standard of living is in Taiwan and those other countries. The truth of the matter is, as has been stated by the Independent Market Research Corp., that the price paid by the consumers for imported apparel now exceeds the price of domestic apparel in over 65 percent of retail purchases. There are no savings, then, for the consumer.

This is a greed and giveaway that we are trying to get a hold of and stop here with this particular bill. The indications are that if we can stabilize this industry, then we will pick up jobs. He says we are going to lose jobs. The truth is, from ICF, Inc., the net domestic economic benefits of this textile bill will be \$2.8 billion in the first 2 years and a net increase of some 140,000 jobs.

So, here, where we are creating jobs and stabilizing prices and stopping the monopolistic practices of the importers who now have a majority of the market—and if we do not pass this bill,

we will give them all the market. And if we give them all the market, then prices will go up. We have seen it with gingham and velveteens. When the last U.S. mill is closed, the next day, the importers jack up their prices.

What we are fighting here is monopolistic trends. Yet the Senator from Texas is talking about the tide of world trade, bless his soul.

I do not want to get into the ebb tide of poverty like England, and I don't want to quote Ward Cockran in London in 1903. I would rather quote, if the Senate please, an economist of 1990. Let us talk about protectionism because I did not realize how erudite I am becoming after 40 years now of dealing with this issue and listening to all the arguments. I quote, of course, the article: "Protectionism. Try it, You'll Like it," by Paul Krugman.

Dr. Krugman is a professor of economics at MIT, a member of the International Economics Editorial and Advisory Board. I ask unanimous consent, Mr. President, that this particular article be printed in the *RECORD* as it appears in the *International Economy* for the June-July issue of 1990.

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

[From the *International Economy*, June-July 1990]

PROTECTIONISM: TRY IT, YOU'LL LIKE IT  
(By Paul Krugman)

When future historians list the achievements of the U.S. during the 45 or so years that it acted as the undisputed leader of the world's democracies, special emphasis is sure to be given to the creation of a relatively free and open world trading system. From about 1950 until the early 1970s, protectionist barriers to world trade came down steadily and world trade grew rapidly. Nearly everyone thinks that this growth in trade was a good thing.

Yet there are now powerful forces in the U.S. working against free trade. Much of the argument for protectionism represents sheer interest-group politics: It comes from well organized groups that are losing out to foreign competition and want protection, never mind the national interest. Yet not all the opponents of free trade are hired guns (and not all its supporters are disinterested, either). It's important to look at both the political sources of protectionism and its intellectual foundations.

#### THE POLITICS OF PROTECTIONISM

The basic rule of trade politics is that producers count more than consumers. The benefits of a trade restriction are usually concentrated on a relatively small, well organized and well informed group of producers, while its cost are usually spread thinly over a large, diffused group of consumers. As a result, the beneficiaries of a trade restriction are usually much more effective politically than its victims.

The classic case in the U.S. is the import quota on sugar, which benefits a handful of domestic producers at a typical annual cost to consumers of \$1 billion a year. This quota goes unchallenged, because the \$5 average annual cost per person is so small that probably not one voter in 200 even knows that the import restriction exists.

But if consumers offer no effective opposition to protection, why is U.S. trade relatively free? Because exporters advocate free trade. Exporters by definition want access to foreign markets and are as well organized as import-competing producers. For the past 40 years the U.S. and other advanced countries have used this fact to provide a framework for maintaining relatively free trade. Trade policies are not set unilaterally; they are negotiated among countries. In these negotiations, U.S. import restrictions must be traded off against the import restrictions of other countries, so that U.S. exporters become a powerful voice urging us to accept imports from other countries if they will accept our exports in return.

The source of new protectionist pressure is now obvious. When the U.S. is running a huge trade deficit, the exporters who want open markets are outnumbered by the import-competing groups who want protection. If in 1980, you had told trade specialists that the U.S. would run trade deficits of more than \$100 billion for seven years on end, they would surely have predicted more, not less, protection than we have seen.

The relatively mild protectionist reaction so far is a tribute to the strength of free-trade ideology in the U.S. The question is how long this can last. It may be useful to think of the U.S. as having a "protectionist overhang": a backlog of potential protectionist reaction barely held in check. Fear of this reaction is one of the main reasons for worrying about the trade deficit. If the trade deficit continues, sooner or later the persistent demands for more protection are likely to become irresistible.

But what would be wrong with that? Is protectionism really a fate to be greatly feared?

#### THE (LIMITED) EVILS OF PROTECTIONISM

Although most policymakers in Washington are convinced that protectionism is a bad thing, few of them have any clear idea why. In popular arguments against protectionism, the usual warning is that protectionism threatens our job—the Smoot-Hawley tariff of 1931, we are told, caused the Depression, and history can repeat itself.

Although protectionism is usually a bad thing, it is worth pointing out that it isn't as bad as all that. Protectionism does not cost our economy jobs any more than the trade deficit does: U.S. employment is essentially determined by supply, not demand. The claim that protectionism caused the Depression is nonsense; the claim that future protectionism will lead to a repeat performance is equally nonsensical.

The real harm done by protectionism is much more modest and mundane: It reduces the efficiency of the world economy. To the extent that countries limit each other's exports, they block the mutually beneficial process by which nations specialize in producing goods for which their knowledge and resources are particularly well-fitted. They also fragment markets, preventing firms and industries from realizing economies of scale. A protectionist country is usually less productive and thus poorer than it would have been under free trade; a protectionist world economy almost always so. (See the accompanying box.)

Just how expensive is protectionism? The answer is a little embarrassing, because standard estimates of the costs of protection are actually very low. The U.S. is a case in point.

While much U.S. trade takes place with few obstacles, we have several major protec-

tionist measures, restricting imports of autos, steel and textiles in particular. The combined costs of these major restrictions to the U.S. economy, however, are usually estimated at less than three-quarters of 1% of U.S. national income. Most of this loss, furthermore, comes from the fact that the import restrictions, in effect, form foreign producers into cartels that charge higher prices to U.S. consumers. So most of the U.S. losses are matched by higher foreign profits. From the point of view of the world as a whole, the negative effects of U.S. import restrictions on efficiency are therefore much smaller—around 0.25% of U.S. GNP.

Other countries are more protectionist than the U.S., and in some Third World nations wildly inefficient protectionist policies have caused major economic losses. Among advanced countries, however, protectionism at current levels is not a first-class issue. Without a doubt, the major industrial nations suffer more, in economic terms, from unglamorous problems like avoidable traffic congestion and unnecessary waste in defense contracting than they do from protectionism. To take the most extreme example, the cost to taxpayers of the savings and loan bailout alone will be at least five times as large as the annual cost to U.S. consumers of all U.S. import restrictions.

If the costs of protectionism are so mild, why does defense of free trade loom so large on the public agenda? Symbolism and politics. Ideologically, free trade is an important touchstone for advocates of free-market economics. As Paul Samuelson once pointed out, comparative advantage is one of the few ideas in economics that is true without being obvious.

Politically, free trade is important as a counterweight to crude economic nationalism. So free trade has passionate defenders in a way that other, equally worthy causes—such as economically efficient environmental regulations—do not.

Even if protectionism isn't the most terrible thing in the world, it is, however, still a bad thing. Or is it? While the great weight of educated opinion still condemns protection, there are some arguments in its favor.

#### PROTECTION AND THE TRADE DEFICIT

Arguments in favor of protection come in two basic forms. One argument wants the U.S. to use the threat of protection to extract concessions from foreign countries; those who use this argument are not advocating protection per se, but they are willing to use protection as a bargaining threat—a bluff that they are presumably willing to see carried out at least occasionally. The other argument takes protection to be an intrinsically good thing at least in some cases.

The bargaining argument for protection is usually stated in the context of the problem of lowering the trade deficit. The U.S. needs to reduce its trade deficit, say the advocates of this position; but driving down the dollar is ineffective because of foreign trade barriers, and it reduces U.S. living standards. So let's instead expand our exports by threatening to limit our imports: This will force foreigners to open their markets and allow us to reduce the trade deficit without the need for a much lower dollar.

The main problem with this proposal is that it won't work. It is just not realistic to expect increased access to foreign markets to make more than a minor contribution to reducing the U.S. trade deficit, with or without U.S. pressure. The reasons are both economic and political.



First, the economics. When we talk about removing foreign barriers to U.S. exports, what do we mean? Despite the rhetoric, there are only a few major legislated foreign programs that have a large identifiable impact on U.S. exports; most of these are in the agricultural area. If Japan opened its rice market or Europe canceled its agricultural support programs, this would help U.S. exports, but it would fall far short of curing our trade deficit.

Meanwhile, there are political realities. U.S. pressure is simply not going to force radical changes in economic policy abroad. The major barriers to U.S. exports are programs, like Europe's agricultural policy, with powerful domestic constituencies. U.S. pressure may induce marginal changes in these programs, but it is a fantasy to imagine that by getting tough we can force other countries to abandon them. The U.S. economy is no bigger than Europe's, and not much bigger than Japan's. Politicians in other countries answer primarily to domestic interest, just as ours do. We cannot expect to bully Europe or Japan into doing things our way any more they could expect to do the same to us.

Given these economic and political realities, the proposal to use the threat of protection to solve the trade deficit will, in practice, inevitably degenerate into the implementation of that threat. To say that you favor using potential import quotas as a way to spur U.S. exports is, in the end, disingenuous: The result will almost always be fewer imports rather than more exports.

Indeed, however much they may talk about spurring exports, the advocates of a tougher trade policy seem much more interested in limiting imports. Robert Kuttner's own manifest on trade policy, which advocates a broad system of "managed trade," takes as its model the Multifiber Arrangement, an international treaty that purely and simply restricts trade in textiles and apparel. That is, in the end, he views protectionism not as a bargaining chip, but as a permanent policy.

But what's so bad about that? We have just seen that the conventionally measured costs of protection are not very large. And there are intellectually respectable arguments suggesting that protection may, in some cases, actually be beneficial.

#### THE ECONOMIC CASE FOR PROTECTION

Economic theories matter, though not necessarily in the ways that their creators might have wished. In the 1970s public finance economists—Martin Feldstein prominent among them—worked hard to persuade the economics profession that flaws in the tax system distort incentives and retard U.S. economic growth. The result was to help create a climate of opinion in which supply-side economists could advocate radical tax cuts, leading to the massive budget deficits that Feldstein took the lead in denouncing. In the late 1970s and early 1980s a group of international economists—myself among them—similarly worked to persuade the economics profession that the principles of international trade needed to be rethought. This rethinking of international trade has won tenure and academic prestige for its leaders. But an unintended byproduct of the effort has been to lend some new intellectual respectability to protectionism.

Traditional international economics attributes international trade to underlying differences among countries. Australia exports wool because its lands are well suited to sheep grazing. Thailand exports labor-intensive manufactures because of its abun-

dance of labor and so on. The new international economics, while not denying the importance of this traditional view, adds that much of international trade also reflects national advantages that are created by historical circumstance, and that then persist or grow because of other advantages to large scale either in development or production. For example, the development effort required to launch a new passenger jet aircraft is so large that the world market will support only one or two profitable firms. Once the U.S. had a head start in producing aircraft, its position as the world's leading exporter became self-reinforcing. So if you want to explain why the U.S. exports aircraft, you should not look for underlying aspects of the U.S. economy; you should study the historical circumstances that gave the U.S. a head start in the industry.

Why does this provide a potential justification for protectionism? Because if the pattern of international trade and specialization largely reflects historical circumstances rather than underlying national strengths, government policies can in principle shape this pattern to benefit their domestic economies.

As journalist James Fallows put it in a recent plea for a more aggressive U.S. trade policy, "Countries that try to promote higher-value, higher-tech industries will eventually have more of them than countries that don't."

Which industries should a country try to promote? One criterion is the potential for technological spillovers. Suppose that you believe that whichever country develops a high definition television (HDTV) industry will find that its other industries, such as computers and semiconductors, gain an edge over their foreign competitors from their close contact with HDTV producers. Then it might be worth developing an HDTV sector—even if it requires a continuing subsidy due to costs that are persistently above those of foreign imports.

This is an old argument, but it becomes much more attractive if the new theory is right, because the new theory suggests that the need for subsidy may be only temporary: Because comparative advantage is often created, not given, a temporary subsidy can lead to a permanent industry.

Another potential criterion for industry targeting has a sexy name: "strategic trade policy" (a term that is also loosely used to refer to the technological argument). A hypothetical example may convey its essence. Imagine that there is some good that could be developed and sold either by a U.S. or a European firm. If either firm developed the product alone, it could earn large profits; however, the development costs are large enough that if both firms tried to enter the market, both would lose money.

Which firm will actually enter? The answer may be determined by government intervention. If European governments subsidize their firm, or make it clear that it will have a protected market, they may ensure that their firm enters while deterring the U.S. firm—and thereby also, ensure that Europe, not the U.S. gets the monopoly profits.

The strategic trade policy story (using the term to refer to both arguments) is not, at base, an argument for protectionism per se. It is really an argument for a limited government industrial policy consisting of carefully targeted subsidies, not for tariffs and import quotas. Yet it provides advocates of protectionism with a new intellectual gloss to justify their position, and it has been

picked up enthusiastically by advocates of "managed trade" like Clyde Prestowitz and Robert Kuttner. If they do not argue that the U.S. should adopt a strategic trade policy, they at least claim that other countries—primarily Japan—have already done so, and that the U.S. needs to respond. As Kuttner puts it, "the New View radically alters the context of debate, for it removes the premise that nations such as Japan which practice strategic trade could not, by definition, be improving their welfare."

There is a strong temptation for both politicians and intellectuals to run with this, to claim that all the old ideas about free trade should be thrown out the window.

In fact, however, none of the international economists responsible for the new trade theory has come out as an advocate of Kuttnerian trade policy. This is not because they are afraid to break the free-trade ranks. It is because the actual prospects for a successful strategic trade policy are not very good.

Once again, this is partly a matter of economics, partly one of politics. On the purely economic side, there isn't any evidence that an aggressive strategic trade policy can produce large gains. Technological spillovers could be important, but they are difficult to measure.

Take the example of HDTV. Many regard it as "one of the most, if not the most, crucial technological advancements" about to take place. But a recent Congressional Budget Office study concluded that "it is hard to believe that HDTV will . . . play a pivotal role in the competitiveness and technological development of the electronics sector. . . ." Never mind which side is right: someone is very wrong. Reaching a practical consensus on which sectors really are strategic is certain to be extremely difficult—even without interjection of interest-group politics.

As for the possibility of capturing monopoly profits through strategic trade policy, the result of a good deal of technical analysis of the prospects for such policy in particular industries over the past few years is fairly discouraging.

The general conclusion of those who have tried to estimate the likely gains from strategic trade policies is that while you can do better than free trade, the potential net gains are nothing to write home about—they are even smaller than the conventional estimates of the costs of protection. For example, a recent simulation study of the prospects for strategic trade policies in a number of British industries by Anthony Venables of Southampton University found that the potential net gains were generally less than 3% of sales.

Meanwhile, there is political reality to consider. Given the uncertainty about what strategic trade policy should be, wouldn't any attempt at doing it turn into thinly disguised interest-group politics? Almost surely it would.

#### THE PROTECTIONIST PROSPECT

There is a better intellectual case for protection than there used to be, and the case for free trade is often understated. Nonetheless, there is still a good case for free trade as a general policy—not as an absolute ideal, but as a reasonable rule of thumb. U.S. interests would probably best be served by a world of free trade, with the temptations of strategic trade policy kept out of reach by international treaty. Unfortunately, that's not going to happen, for two reasons.

First, the other major players are engaging in strategic trade policy. Quite possibly

they are doing themselves more harm than good. But it is extremely difficult to maintain a hands-off position in the U.S. when other countries do not do the same, especially when the U.S. is evidently in relative decline. The extent to which other countries are using strategic policy shouldn't be overstated, but the examples—Japanese protection of supercomputers, European promotion of aircraft—are too conspicuous to dismiss.

Second, the politics of free trade depends on a belief that market access is reciprocal—that open U.S. markets can be traded for open markets elsewhere. For most U.S. trade this has been and remains true. When we negotiated a free-trade pact with Canada, it meant increased access for both sides; the same would be true if we could negotiate a similar pact with Germany, or even with Mexico. But free trade becomes very difficult to sustain politically if there is a widespread and growing perception that one of the main players is following different rules.

The problem of relations with Japan—the second largest market economy, one of the U.S. principal trading partners, but an economy into which the U.S. finds it difficult either to export or invest—is not the most important issue we face, but it is one of the hardest to solve.

#### THE COSTS OF PROTECTIONISM

A hypothetical scenario may be useful for understanding what the costs of protection are, and why they are more modest than many people seem to think.

Let's imagine that most of the world's market economies were to group themselves into three trading blocs—one centered on the United States, one centered on the European Economic Community and one centered on Japan. And let's suppose that each of these trading blocs becomes highly protectionist, imposing a tariff against goods from outside the bloc of 100%, which we suppose leads to a fall in imports of 50%.

So we are imagining a trade war that cuts the volume of world trade in half. What would be the costs of this trade war?

One immediate response would be that each bloc would lose jobs in the industries that formerly exported to the others. This is true; but each bloc would correspondingly gain a roughly equal number of jobs producing goods it formerly imported. There is no reason to expect that even such a major fragmentation of the world market would cause extra unemployment.

The cost would come instead from reduced efficiency. Each bloc would produce goods for itself that it could have imported more cheaply. With a 100% tariff, some goods would be produced domestically even though they could have been imported at half the price. For these goods there is thus a waste of resources equal to the value of the original imports.

But this would be true only of goods that would have been imported in the absence of tariffs, and even then 100% represents a maximum estimate. Our three hypothetical trading blocs would, however, import only about 10% of the goods and services they use from abroad even under free trade.

A trade war that cut international trade in half, and which caused an average cost of wasted resources for the displaced production of, say, 50%, would therefore cost the world economy only 2.5% its income ( $50\% \times 5\% = 2.5\%$ ).

This is not a trivial sum—but it is long way from a Depression. (It is roughly the cost of a 1% increase in the unemployment rate.) And it is the result of an extreme sce-

nario, in which protectionism has a devastating effect on world trade.

If the trade conflict were milder, the costs would be much less. Suppose that the tariff rates were only 50%, leading to a 30% fall in world trade. Then 3% of the goods originally used would be replaced with domestic substitute, costing at most 50% more. If the typical domestic substitute costs 25% of world income ( $25\% \times 3\% = 0.75\%$ ).

Mr. HOLLINGS. Mr. President, this is not 1903. Thank heavens for Maggie Thatcher. She is reviving Britain. Let us not use that as an example. Let us get up to 1990 and understand protectionism.

This is very enlightening to me because this article is adapted from the *Age of Diminished Expectations*, U.S. Economic Policy in the 1990's, by Paul Krugman, and edited by Michael Barker, published in June 1990, copyright Washington Post Co., Briefing Books, all rights reserved, reprinted with permission:

In popular arguments against protectionism, the usual warning that protectionism threatens our jobs, the Smoot-Hawley tariff of 1931, we are told, caused depression and history can repeat itself.

That is the thrust of the argument of our colleague from Texas. Then I go on to quote further:

Although protectionism is usually a bad thing, it is worth pointing out that it isn't as bad as all that. Protectionism does not cost our economy jobs any more than the trade deficit does. U.S. employment is essentially determined by supply, not demand. The claim that protectionism caused the depression is nonsense.

Heavens above, this is exactly what the Senator from South Carolina has been saying. I know my distinguished colleague on the other side of the aisle, Senator HEINZ, of Pennsylvania, has been saying it and should be given due credit. We said this 10 years ago on the floor.

I quote further from Dr. Krugman:

The claim that future protectionism will lead to a repeat performance is equally nonsensical.

I can tell my colleagues right now, if you really want to know what is going on, we are going to have to spend a fortune to take care of what the Senator from Texas represents down there in the savings and loan debacle. I quote:

Take the most extreme example, the cost to taxpayers of the savings and loan bailout alone will be at least five times as large as the annual cost to U.S. consumers of all U.S. import restrictions.

I say that with feeling because we are trying our best to protect the poor and to protect the consumers, we are talking about the little kids going to school and having to pay  $x$  dollars more now to get a shirt on their backs. That is why the National Consumers League endorses this particular bill. Why is it that our distinguished colleague forgets that one basic fundamental truth, that Americans, including poor Americans, cannot be con-

sumers unless they have a job? Yet here we are going out of business. We are trying to maintain these textile jobs. We are trying to maintain the remnant of this industry, which is critical not only to our military security but also to our economic security.

I think of woven electronics. We know about the parachutes, webbing, and all the other things. Woven electronics with interspersed copper wiring which is made for the computer industry. You cannot make computers without that. That is also in the innards of a B-2 bomber, a B-1B bomber, a Trident submarine, and everything else. We cannot have national security without a textile industry, and that is what this bill sounds as a warning.

The distinguished Senator says Korea is getting out of textiles. Wrong. Let me read from *Japan Textile News*—rather than getting out, Korea is out to become the largest textile exporter by the year 2000:

The Government has disclosed plans to make the country the world's largest textile exporter by the year 2000. In order to realize it, the Trade Industry Ministry will spend 3.163 billion chon to structurally reform the textile industry over the next 7 years.

Read those magical words, "Trade Industry Ministry." Where is such a ministry in the United States? On an ad hoc basis, we have a Government policy for agriculture. On an ad hoc basis, we have it for aircraft. On an ad hoc basis, we protect the banks. On an ad hoc basis, we protect other industries, such as housing. But we do not have what the competition has: namely, a Trade Industry Ministry. There is one in Korea; there is one in Taiwan; and, of course, we all know the Ministry of International Trade and Industry [MITI], in Japan. This is Government guided capitalism and trade. That is exactly what Dr. Krugman is talking about in his particular articles. He says:

Because, if the pattern of international trade and specialization largely reflects historical circumstances rather than underlying national strength, Government policies can, in principle, shape this pattern to benefit their domestic economies.

I said the same thing in debate yesterday. This article only came to my attention earlier this morning. I want to try to get Dr. Krugman's book and follow up. It is heartening to know that we are looking at the real world, the real competition here, and not to histrionics. The truth of the matter is that this bill will allow the textile bill to stabilize, and we will be able to get some competition rather than allowing the retailers to mark up the imported items.

So he says this has killed communism. If we do not wake up, it will kill capitalism in the United States of America.



I have been to Korea. I said yesterday that I have been to Pusan, Korea, to the garment sector there. They have literally thousands of young ladies coming into that plant and there are three rows in that plant. They are all making the same garment. At one they have Bill Blass garments; another row, they have Liz Claiborne garments; another row, another particular make, all out of the same plant. The young ladies work for around a dollar an hour. They work 10 hours, 6 days. They do not come in as experienced textile workers. They leave by the age of 22. They come in at age 18 and leave by age 21 or 22 to go back to the village with that dowry to get married.

The Senator stated, incorrectly, that textiles were not a productive industry. I have just shown where the European Community determined that the U.S. textiles industry is the most productive in the world. The Office of Technology Assessment found it the most productive in the world. The MIT study found it the most productive in the world. It is because textiles have invested money and mechanized.

In Stonewear, for example, they now have a machine to put the cuffs on the shirt, another machine to put on the strip of buttons, another one to put on the pocket, another one to put on the collar. When I first went to Stonewear in my campaigns in the 1950's for Lieutenant Governor, they had 3,300 to 3,600 workers. Now they have less than 1,700, and they have increased their production by mechanization. But the average age of the workers is 50 or 52. They stay there for a long while, a lifetime, as many in this Senate know. They work for many years.

Many of us have gone to 30-year, 40-year, and 50-year pinnings in the textile industry. So that particular industry has what? It has unemployment compensation. It has health insurance. It has all of these things that continue on past the age of 22, which, in Pusan, Korea, they do not have to worry about.

That is the kind of competition that we are into, and that type of commercialization. The Senator and I are in step on that. The Senator from Texas is right. We are trying to get in with the tide. We are trying to keep our head above water. We have already lost over half of the textile business, over 60 percent. I have seen the trend for the past 10 years of a 12-percent increase each and every year in the growth of imports, making, of course, with a 1-percent growth in domestic consumption, a net increase of 11 percent.

Extrapolate that through the 1990's and by the year 2000, rather than the loss of 60 percent, we will have the loss of 92 percent and the textile industry will be gone. Then ask what the price

will be for the shirt for the little fellow going to school in Texas. Find out how much they charge then when they engage in monopolistic practices and band together offshore to dump here in the United States while we lecture ourselves on the floor of the Congress.

Thank heavens for Dr. Krugman and other eminent economists who are now coming forward and who understand that market forces do operate, that you can manufacture anything anywhere, and the determinants in this trade war are nontariff barriers and governmental policies. You will see in the Krugman article. He says, "While much of the U.S. trade takes place with few obstacles, we have several major protectionist measures restricting imports of autos, steel, and textiles in particular. The combined costs of these major restrictions to the U.S. economy, however, are usually estimated at less than three-quarters of 1 percent of U.S. national income. Most of this loss, furthermore, comes from the fact that the import restrictions, in effect, form foreign producers into cartels." That is what we are fighting. "They charge higher prices to U.S. consumers. So most of the U.S. losses are matched by higher foreign profits. From the point of view of the world as a whole, the negative effects of U.S. import restrictions on efficiency are therefore much smaller—around 0.25 percent of U.S. GNP."

So when the distinguished Senator from Texas talks about a 5-percent price increase and going "up, up, and away," we know the actual facts that are supported by the best economists. It is refuted on the record.

So we are not off base in this measure. We are here to help the consumer. This bill is endorsed by the consumer organizations. They know it. They understand it. They would not dare survive if they really thought that this was going to run up the prices.

A vote for the amendment of the distinguished Senator from Texas is a vote to kill the U.S. textile industry. I yield the floor.

Mr. GRAMM. Mr. President, if our distinguished colleague from South Carolina is correct, this bill is not going to raise costs, and therefore this amendment is going to have no effect. I suspect that if the Senator from South Carolina votes against the amendment, it will be an indication that he believes that in fact costs will go up by 5 percent on moderate- and lower-income Americans, and that in fact the provisions amendment would take effect.

Mr. President, I do not have a whole lot more to say, but let me just run through several responses to points that were made by my dear friend and colleague from South Carolina.

First of all, Mr. President, I would like to remind my colleagues that while in fact I did quote from a famous American Congressman, speaking on July 15, 1903, in London, it was the subsequent adoption of protectionist policies in England, more than any other policies, that came to the verge of destroying Great Britain as an industrial power. In fact, it is under the leadership of Margaret Thatcher that that process is at least beginning to be reversed.

So to argue that a person speaking in London in 1903 was praising them for their enlightened trade policy and yet we should look what happened to England, is totally fallacious. England was virtually destroyed as a trading nation and as an industrial power because it deviated from the very policies that made a country with relatively few natural resources the world's greatest trading and most powerful nation in the world.

Second, every time we have this debate, this prop of these two shirts is brought out. It is interesting but it is totally irrelevant to this debate. Let me explain why. Cost does not determine price. Supply and demand determine price. Cost would determine price if you had the opportunity for people to produce shirts and ship them into the United States on an unrestricted basis. But when you limit supply, then price is set by the supply that is available relative to the demand for shirts.

So the fact that the shirt produced abroad cost \$10 and was sold for \$25 simply shows you the result of protectionism, because the demand for the shirt is there at \$25 for all of the shirts that we are allowed by existing protectionist measures to import. Without those measures, shirts would come in until the price was driven down to \$10.

So the fact that U.S. and foreign shirts sell at the same price, even though they do not cost the same amount to produce, is simply to say that the laws of economics work, which nobody ever doubted. Price is determined by supply and demand. So if you are limiting supply, people are going to sell the shirt at a price up to the point where people will buy all they have.

That price in this case is quite a bit above the selling, free market price. That is why working people are being hurt.

Lawyers and economists increasingly have client relationships, and you can find one to make any argument you want to make. But without any fear of contradiction, I want to say here that there has been no self-respecting economist on the face of the Earth in over 200 years that has argued in favor of protectionism.

If there is one fundamental point that liberals and conservatives have agreed on in economics, it is that protectionism is a disaster for a nation, that it creates poverty, that it stagnates growth, and that it is anathema to everything to which a free people should aspire to.

Finally, to quote on the floor of the Senate that the cost of protectionism in any one year is only equal to one-fifth the cost of the savings and loan bailout, if that is praise of protectionism, then we should be spared all of this debate. The apologists for protectionism say, oh, protectionism in any one year is only about one-fifth of total cost of the savings and loan bailout and therefore we ought not to worry about it. What more needs to be said against protectionism with such arguments from its supporters?

I would not make that case if I were arguing for protectionism. That only means that over the next 5 years we are creating by Government edict a new savings and loan bailout, and we are imposing the cost not generally across the American public but principally on the backs of low-income working Americans.

Finally, we have heard here a lot of talk about a big surge in imports. That process is being reversed as American exports grow. I think when we get beyond this period and we can look back on it, we will see that in the decade of the 1980's what was happening was that as we were running big budget deficits, as the savings rate was falling through the floor. The American economy attracted foreign capital which inflated the value of the U.S. dollar and encouraged Americans to buy foreign goods while discouraging foreigners from buying American goods. I think historians looking at this period will say that, instead of addressing that fundamental problem, politicians found it easier to blame foreigners than they did to blame themselves.

Mr. President, this is a straightforward amendment. If the proponents of this bill are right and costs will not go up, this amendment will never kick in. But all this amendment says is that if the cost of textiles and apparel and footwear rise by 5 percent or more, as borne by low-income and middle-income Americans, if the Secretary of Labor certifies that in fact costs of these important items purchased with large portions of the budget of low-income Americans have risen by over 5 percent, then the President will have the power to suspend this bill.

Those who say this bill will not drive up costs can vote for this amendment, and in the process they can guarantee people, who are concerned about what this will do to low-income Americans, that they do not intend for low-income Americans to suffer as a result of this bill. Quite frankly, I think that this

amendment is a way that fears of many could be lessened, and that support for this bill might grow. It would not induce me to vote for the bill, because I do not believe the bill will increase jobs. I think it will reduce jobs. But I think for many that this would be an important amendment, and I hope that the supporters of this bill who say that costs will not rise will give a guarantee of that and support this amendment.

I yield the floor.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. THURMOND. Mr. President, this amendment by the able Senator from Texas is similar to an amendment that he offered in 1988, and which was defeated by a 2 to 1 vote. It was tabled by a vote of 60 to 34. This amendment is basically the same as the previous one.

Mr. President, the Office of Technology Assessment found that the benefits of cheap foreign labor rarely reach consumers. By far, most of the difference between the foreign production costs and the domestic selling price ends up in the hands of shippers, wholesalers, importers and retailers. Usually the consumer pays the same price for equivalent imported and domestic products.

There are more than 5,300 textile companies, and more than 12,000 apparel companies in the United States. The level of competition is intense. With this large number of domestic textile and apparel companies there is no reason to believe that passage of this bill will raise consumer costs.

Mr. President, I have been handed a pamphlet here that raises some points that I would like to bring out. This pamphlet is put out by the Coalition of Textile people. Imports do not cost consumers less at the cash register. But the higher markup potential for imported goods has made them attractive at the wholesale level and consequently retail shelves are stocked overwhelmingly with imported products. Imported clothing and apparel now account for fully 60 percent—get that figure, 60 percent—of America's domestic market. In other words, 6 out of every 10 Americans are wearing imported clothes.

For nonrubber footwear, the import total is a whopping 80 percent. Mr. President, does that make sense that we are bringing into this country imports to such an extent that 60 percent come from foreign markets and 80 percent of shoes? Why not give these jobs to Americans?

These staggering losses in domestic sales have brought America's largest manufacturing employers to their knees and has cost textile, apparel, and footwear workers more than 400,000 jobs in the last decade. That is

400,000 jobs lost over the last 10 years due to imports.

The most recent figures released by the U.S. Department of Commerce, and that is June 20, 1990, show that the American textile industry lost \$47 million during the first quarter of 1990.

Some try to claim textile industry is doing well, and does not need anything. Here are your figures. They lost \$47 million in the first quarter of 1990. How are they going to stay in business on that basis? They will all go out. Then what is going to happen? Where are we going to get parachutes, uniforms, and everything we need for our defense? Again, I repeat the Defense Department says textiles rank second to steel. There is nothing more important than textiles except steel. Are we going to recognize that? Are we going to harken to that?

This year 48 more textile, apparel, and footwear plants closed or been reduced. Operations dropped dramatically in the last 12 months. More than 70,000 textile, apparel, and footwear workers have lost their jobs. In the last 12 months, I want to repeat that, more than 70,000 textile, apparel, and footwear workers have lost their jobs. I think the passage of the Textile, Apparel, and Footwear Trade Act of 1990 will determine the future of the textile, apparel, and footwear industries, and whether or not they can continue to exist.

My good friend from Texas has offered this amendment, which says if prices rise by more than 5 percent, as determined by the Secretary of Labor, the President may void this bill.

Who is going to determine these figures? If the President wants something done and word gets out that is what he wants, there will be some way found to manipulate the figures. You cannot rely on that. You just cannot do it. We know that the situation is such that this textile business is going down the drain, if we do not do something about it.

Here are plant closings this year alone, in 1990: the Cone Mills Corp. of Greenville, SC, 450 jobs lost; Milliken & Co., Spartanburg, SC, 129 jobs lost; Milliken & Co., Robbins, NC, 235 jobs lost.

I am speaking of jobs lost this year alone.

Hart Wool Combing, Holyoke, MA, 50 jobs; Springs Industries, Anderson, SC, 400 jobs; Delta Woodside, Easley, SC, 360 jobs.

This is for this year, 1990.

Dacotah Mills, Lexington, NC, 375 jobs; Forstmann & Co., Tifton, GA, 315 jobs; Dixie Yarns, Belmont, NC, 83 jobs; Ames & Smith Hosiery, Pilot Mountain, NC, 130 jobs; Health-Tex (fabric), Cowpens, SC, 400 jobs; Doran Textiles, Shelby, NC, 210 jobs; Amoco Fabrics, Salisbury, NC, 86 jobs; Stan-



ley Woolen Co., Uxbridge, MA, 100 jobs; Washington Manufacturing, Savannah, GA, 200 jobs; Lowell Covered Thread, Lowell, MA; Laurel Industrial Textiles, Skowhegan, ME; Guilford Mills, Augusta, GA, 300 jobs; Gra-Tex, Inc., Burlington, NC; Orinoke Mills, York, PA, 65 jobs; Roxboro Dye Co., Roxboro, NC, 60 jobs; Kraemer Textile, Womelsdorf, PA, 300 jobs; Lion Knitting Mills, Cleveland, OH, 180 jobs; Venture Associates, Los Angeles, CA, a number of jobs; Garland Co. (Bristol Knit), Fall River, MA, 350 jobs.

That is just some of the mills that have closed this year. Are we going to continue to stall this industry? That is where we are headed. Is it worthwhile to keep the textile industry to give jobs to Americans, instead of letting the foreign imports come in and close our plants and put our people out of jobs. Is that what we want to do? That is what we are doing when we do not pass this legislation and do not allow the textile industry to play on a level field.

The growth in imports in this country is 1 percent a year. We are bringing in foreign goods to the extent of 3 to 5 percent a year. That is not a level playing field. What fair-minded person wants to do that to the American people? That is exactly what is taking place. Talk about free trade; how is it free? Foreign importers are subsidizing their plants; they are subsidizing them. We are not doing that in this country. Foreign producers are paying as low as 27 cents an hour, and the highest is about \$2.50 or \$3 an hour. What are we paying? About \$10 an hour. Is that fair?

Again, all we want to do is to have the opportunity to let our own working people compete on a level playing field. That is all we are asking for.

Mr. President, again, I say that this amendment ought to be defeated, just like a similar amendment was defeated almost two to one in 1988, and I hope the Senate will do that.

Mr. HOLLINGS. Mr. President, I do not know whether my senior colleague will make a motion to table. I do not want to cut our distinguished colleague off. I will get right to the point.

The Consumer Price Index is 1.2 percent. If apparel went along with the regular CPI—the truth is it is less than that. If it went along with the CPI, you could get rid of the bill.

On the other hand, since we are not in control of this market and the foreigners are, in this particular provision, the distinguished Senator from Texas maintains that all the foreign importers had to do is run up the price for 1 year and get rid of the textile bill and continue on their monopolistic march of the takeover of this basic industry.

So we know exactly what is in the balance there. We do not want to cut

it off, but my colleagues, I think, want to vote. I do not want to cut off anybody.

I do not know whether my senior colleague will make the motion or I will, after the Senator from Texas is completed.

Mr. GRAMM. Mr. President, let me just make a few remarks in response to the comments that have been made, and I will be ready to vote.

First of all, the amendment makes it clear that it would be the act that would produce the increase in price, not general price inflation. The Secretary of Labor would have to find that this act results in the increase in price, not general inflation.

Second, everybody is entitled to their own opinion but not their own facts. You cannot argue at one point by saying that restricted imports do not sell at their production cost, that they sell way above it, and then say price will go up if restrictions are removed. The truth is that the price of imports is way above the import cost, because we are limiting the amount that is imported, and that is what is causing the situation where American families pay as much as 40 percent more for clothing than they would if we had any kind of open market.

Finally, let me say to my dear colleague, the senior Senator from South Carolina, a man that I respect and revere as much or more than anybody in this body, that there is no doubt about the fact that we are talking about competition in the textile industry. But there are two points I want to make:

One, we cannot save those jobs with protectionism; only modernization can save those jobs in the longrun. And we are putting off the only pressure that can save the industry if we engage in more protectionism.

Finally, every State that the Senator mentioned as losing jobs from textiles in the decade of the 1980's has gained more jobs on average as a percentage of their employment base than the national average.

I remind my colleagues that, in the same period we are discussing here, America has created 21 million net new jobs. If you take the textile-producing States, with a few exceptions, such as Texas, which has had a problem with oil and real estate, and now with S&L's, the textile-producing States have grown more, created more jobs, had lower unemployment, have had their living standards rise faster than the rest of the Nation as a whole. In fact, the Department of Commerce presents data that indicates that a major factor pulling employees out of the textile industry is that in those very States people are being hired into other industries at higher wage rates. I refer my colleagues to the U.S. Industrial Outlook, 1990, the section on apparel, which is page 35-2.

So, Mr. President, just summing up—and we will be ready to vote—this bill, if adopted, will not save American jobs. Under GATT, those nations that claim damage as a result of these restrictions will have the right of offset. They will have the right to impose protective tariffs against American products. What products are they going to pick? They are going to pick the very products in which we are the most efficient, in which we are the most competitive. As a result, we are going to end up losing jobs in areas where we are competitive, where our employment base is growing, where we have higher wages. So, Mr. President, the net result will be higher costs to the American consumer for textiles, higher costs to foreign consumers for items such as aircraft and aircraft parts, chemicals and applied products, fabricated metals, industries where we are competitive and where wages are several times the wage in the textile industry.

The net result will be not the retention of jobs, but the loss of jobs in areas that represent growth industries for America, the loss of markets from the retaliation which will occur under law and which in fact is called for under law because this bill violates our GATT agreements.

Mr. President, unless someone else wishes speak—I have been passed a note that Senator PACKWOOD is on his way here and would like to be heard a moment before we vote—if anyone else would like to speak—if not, I would suggest the absence of a quorum so we can give him a chance to be here.

Mr. PRYOR. Mr. President, if the distinguished Senator from Texas will withhold the request for a quorum call, it is now 1:40 p.m. and we have been on this amendment for a considerable amount of time. I am not trying to cut anyone off, but there are certainly definite programs going on this afternoon for which Members have to be available.

Could I get an idea from the Senator from Texas when we might be able to reach a vote on this amendment?

Mr. GRAMM. Mr. President, let me say that Senator PACKWOOD is coming here to speak; so as far as I am concerned, unless someone else speaks in opposition to the amendment and makes points that need be responded to, I would consider myself to be finished on the debate. I am not aware of what Senator PACKWOOD has to say. I do not know who else will be speaking against the amendment. I cannot say to what extent they would raise points I would need to respond to.

It is my understanding that the leadership is trying to work out an agreement on having this vote and possibly having it the last one of the day. I do not control that, being only a private in the Army.

So, that is the extent of my knowledge as to where we are in this procedure.

Mr. PRYOR. Mr. President, that being the case, I see the Senator from Massachusetts may be seeking recognition.

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

Mr. THURMOND. Will the Senator withdraw that?

Mr. PRYOR. I withdraw the request.

The PRESIDING OFFICER (Mr. KOHL). The Chair recognizes the Senator from South Carolina.

Mr. THURMOND. Mr. President, I understand we have about seven more amendments. I wonder if we could not reach some agreement to limit these amendments, maybe 40 minutes, to be equally divided to each side, and get through this bill. Otherwise we will be here late tonight or tomorrow.

Mr. PRYOR. Does the Senator from South Carolina say that on seven amendments we have 40 minutes on all the amendments or each of the amendments?

Mr. THURMOND. I think give the other side a chance. Maybe 20 minutes.

Mr. PRYOR. I understand.

Mr. THURMOND. We have been on this amendment here about an hour. If we could cut down 30 minutes or 15 minutes to a side.

Mr. PRYOR. Mr. President, I do see the Senator from Oregon coming in now.

Mr. THURMOND. Maybe Senator Packwood can give us an answer to Senator GRAMM on that question. Possibly we could have 30 minutes equally divided on each amendment. That would be 15 minutes to the side. That would save a lot of time. Then that is going to run us into about 6 or 7 o'clock tonight.

Mr. HOLLINGS. The Senator will propose it and I will agree to it.

Mr. THURMOND. We might cut it down.

Mr. HOLLINGS. I am glad to agree to it; 15 minutes to a side.

Mr. THURMOND. Maybe 20 minutes equally divided, 10 minutes each side for each amendment.

Mr. HOLLINGS. I wonder if the Senator from Oregon would enter into some time agreement. So obviously this is going to put us over. I get this kind of feeling, having been on the floor, we could conclude this one and see what type of time agreement we could have. The time agreement, I guess we would have to check with the majority leader and minority leader and they would agree to vote at a time certain, let us say on Monday or whatever it is. I am not authorized. Of course it would have to be up to the majority and minority leaders.

Mr. PACKWOOD. I am not, either. I would be happy to conclude on this

one. I would speak briefly and have a vote and be happy to see what kind of agreements can be reached. I have not talked to anybody.

Mr. HOLLINGS. Let us do that.

Mr. PRYOR. If I might request of the Senator from Oregon, would it be all right to agree then that at, say, 1:50 p.m., does this give the Senator—

Mr. PACKWOOD. Three minutes?

Mr. PRYOR. Pardon me. I apologize. I could not see very well. What about 2 o'clock?

Mr. PACKWOOD. That is fine.

Mr. PRYOR. We will not seek a unanimous-consent request. We will put Members on notice it would probably be in the neighborhood of 2 o'clock there would be a vote. I am not authorized, by the way, to proceed with unanimous consent.

Mr. GRAMM. Let me make it clear on our side I do not know we are authorized to enter into that agreement, either.

Mr. PACKWOOD. I have not talked to anybody. I know Senator WILSON has an amendment, Senator GRAMM has more, and Senator GORTON has one more. I have not talked with any of them. I have been gone for the last hour and have been out of touch.

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

Mr. PACKWOOD. Mr. President, I strongly support the amendment of the Senator from Texas for any number of reasons. First, I think the bill is a turkey anyway and should not be passed in any way, shape, or form. But if we are going to pass this bill we should not be doing something that injures low- and middle-income people.

I know what the argument is that is made. We are going to save tremendous numbers of jobs if we pass this bill.

First, we are not likely to save tremendous numbers of jobs if we pass this bill. But if we were, should we consider what the tradeoffs are to save them? I emphasize again I am not conceding we will save the jobs by passing this. If we do, we do it at the expense of roughly, depending on whose figures you take, \$25 to \$50 billion a year in additional costs for the consumers of textiles and apparel. Some of those people are rich. More of them are poor. And more of them yet are middle income.

I am not going to get into a debate here what is middle income. I know the Chair and everybody in the Senate realizes when we talk to anybody, no matter how much money they make, they think they are middle income. Let me simply say that for the great bulk of Americans who make under \$30,000 or \$40,000 a year, and that is the great bulk of Americans, this bill is going to cost each and every one of them hundreds of dollars a year in

higher priced shoes, higher priced suits, higher priced T-shirts, bathing suits, everything you can think of.

That may be what the proponents of this bill want to do and are willing to do. But in fairness, if we are going to do it let us at least have the Senate and the bulk of the country understand the tradeoffs.

We have been through these debates before when we have gone through protectionist measures for steel, been going through domestic content debates for autos, as to what will happen if we enter into some kind of protectionist legislation. The best example that we probably have had in this decade involves cars. In theory, the Japanese have entered into what they call voluntary restraints in which they said that they would not ship more than a certain number of cars to this country.

For those who can remember back to the price of cars in the mid-1970's, you will recall that you could buy good imported modestly priced cars for \$6,500, \$7,000, \$7,500.

But as soon as—I do not want to phrase this wrong, but I want to say as soon as we put in the import restraints, as soon as the Japanese voluntarily agreed to impose them upon themselves—although I would have to say it was with tremendous pressure from us—to restrain the number of cars that they would send to this country, what did they send and what did they cut off? What they cut off were the lower priced cars. You make more money selling Mercedes than you do selling those old Volkswagen buses.

I remember in 1964 buying my wife a new Volkswagen bus for \$1,600. So the cheaper cars were not sent. If you can only send so many cars, you are going to send the ones you make the most money on. And that is exactly what is going to happen.

Have you seen the advertisements that have been held up, here is a Ralph Lauren shirt that is imported; here is a Ralph Lauren shirt that is made in the United States. Same price. Then, the argument goes, therefore the consumers are not doing any better. The ones that are making profits are the retailers who are buying the cheap Ralph Lauren products from overseas and raising the price up to what it cost to buy the expensive Ralph Lauren shirt here.

I do not even concede that argument but for the moment, arguing do let us assume it is true. Now what happens if we put in the limitations and the lower cost Ralph Lauren shirts and the lower cost Liz Claiborne dresses do not come into the country? And what comes in are the higher priced goods, because that is where you can make a bigger margin of profit.



If the argument is made that American goods and imported goods are going to sell for the same price, and if suddenly the price of the imported goods goes up, what happens to the rest of the prices?

What has happened to the cost of the American automobile? Remember the arguments: Give us a year; give us these restraints, let us get back our share of the market.

So the Japanese and the Germans begin sending in their higher priced cars. What happened to the price of the American car? It went right straight up with the foreign cars. We did not suddenly have a panoply of middle-sized, middle-cost American cars underselling the foreign cars by \$2,000 or \$3,000. Our cars went right up in price.

That is what is going to happen to the consumer goods in this country, what is going to happen to all the athletic shoes. As said yesterday, Adidas, the most popular model, if this bill passes, because it has a quota, will go from about \$46 to \$63. You add that to most of the other clothes that you buy for most of the other young children and teenagers in this country, let alone the suits you buy for yourself, the dresses your spouse buys for herself, then say to yourself, are we willing to do that to this country in order to allegedly save some jobs—allegedly—in the textile industry?

I find the evidence overwhelming that the reason jobs are declining in most of the industries in this country is not imports, but productivity. We used to brag about that. As I recall, and figures are distant in my mind now, around the turn of the century, we had about 50 million farmers in this country. Today, we have around 2 million. Fifty million a century ago, and we say that is progress.

It is no wonder we sell wheat cheaper than any other country and better. It is no wonder, if we could get into the market, we could sell rice cheaper in Japan than the Japanese can make it for. They will not let us in their market. They are doing the same thing to their consumers that this bill will do to our consumers on textiles and apparel.

So we said when we were able to go from 50 million to 2 million farmers, "Look at that productivity." As a matter of fact, if you divide productivity in this country into three normal sectors—service, manufacturing, and agriculture—it is the service sector over the last 10 to 15 years that has gone up the least in terms of productivity. Manufacturing goes up 3 or 4 percent in a year. Agriculture goes up 5 to 6 percent a year. This is one area where we are better at it than anybody else in this world, and we continue to get better. The gap is widening, not getting worse.

I look at my own timber industry. My good friend who is managing the bill also has a significant timber industry, and I bet it is as true in Arkansas as it is in Oregon. In 1988, we produced as much in 1987—1988 was a good year, 1978 was a bad year—with about 70 percent the employees we had 10 years earlier. Part of that was due to a tremendous capital investment in the eighties of more efficient machines. That is why we can also sell wood, if we can get into the market, cheaper than any other country in this world.

It is interesting to see what the coalition is on this bill. It used to be the textile and the apparel manufacturers. The apparel manufacturers have now left the coalition. They left it because the K-Marts and the Limiteds of this world went to them and said, "We are your biggest customers. Why do you not listen to us?"

I do not know if you heard the story about Les Wexner, who operates the Limited, with 6,500 stores. He said, "I have a list of my customers. Every day I have to please my customers." And when he goes to Roger Milliken or somebody, or wherever he is buying apparel from, he says, "I am your biggest customer. Why don't you listen to them? I do not like this bill because it will not do my customers any good." And they could not get the textile manufacturers to listen and the coalition split. The apparel manufacturers are now saying no, count us out on this bill. They used to support us. Two years ago, they changed their minds.

What you really have are the textile unions and the textile manufacturers wanting a sweetheart deal; for example, tariff restrictions, limitations on anything they can get to jack up the prices on everybody else so that they can benefit. It is the kind of arrangement we used to see in some of the regulated industries in America before we have deregulated them.

I do not know how many years it took us to learn what really happened and why wages went up so tremendously high in the trucking industry in the sixties and seventies. We grasp the concept, and Jimmy Hoffa was a genius. He realized once he organized all of the trucking industry so that if all of the majors were unionized and you could not play off one against the other, then if they all agreed to extraordinary wage increases, they were then all in a position to go to the Interstate Commerce Commission and say, "Sirs and madams, our costs have gone up," and under the law, the Interstate Commerce Commission had to let the truckers raise their prices to the shippers.

And then they both discovered that so long as the unions could keep everybody organized and so long as the Interstate Commerce Commission under the laws that then existed

almost prohibited anybody else from getting into the business, then it did not matter what their costs were. If you were going to ship by truck, you shipped on their trucks at their prices. And there was not even any competition on prices, because you had anti-trust exemption for all the pricing agencies and the prices were uniform and high.

And then when we finally passed trucking deregulations, what did we discover? You could not get a shipper today that would go back to regulation. They have companies that want to compete for their business, and to their credit you could now not get most of the trucking companies to go back. You could get some. But what has happened over the last 10 years is that some trucking companies have discovered that the market system works and they are run by good entrepreneurs, and they are making money.

Some of the trucking companies in the last years, and I might say some of the biggest trucking companies, have gone bankrupt. Gone bankrupt. And I know people will say that is terrible, and I would say no. That is what the system was intended to do. Those who are good will prosper. Those who are not will go out of business.

We are not lacking for trucking companies in this country. We are not looking for new entrants into the business.

I will give an example what has happened. I had a young kid named Tim Lee working for me just out of Oregon State University in 1975 or 1976 or 1977, I would say about 1977. He worked for me only about a year and a half but was around just as the stirrings of truck deregulation were coming on. He left to go back to Oregon before the act had actually passed, but as soon as it passed he grasped something. He was the first person in the country to grasp it. There is money to be made in bringing together truckers and shippers and he was the middle man. His company today, S.T.S., Superior Transportation, is a multimillion-dollar company. He is a multimillionaire, employing hundreds of people, and to the best of my knowledge he does not yet own a truck. But when he quotes a price to the shipper, he says this price and this bid is a guarantee that I will get the truck and deliver it and I will be responsible for the insurance and I will be responsible for the delivery, and the shipper does not even have to worry about finding the truck.

Clearly, Tim Lee has to be sure he can find truckers who are reliable. You could not have done that, you were not allowed to do that, under the old rules.

What we will have here when this textile bill passes, because I am afraid it is going to pass, when it becomes

law, is on an international scale somewhat the same system. So long as we can keep this a small and tightly bound industry with a good sweet-heart relationship between the unions and the businesses, and so long as we can keep out good competitive foreign merchandise, then we are in a better position to charge what we want. Because, make no mistake, there has not been a study done that would indicate that this bill is going to do anything but raise prices. Some say it will raise them more than others, but I have not seen any study that says this bill is going to lower prices.

So, why are we willing to do this? It is because of the old axiom in politics about generalities versus specifics. The generalities are the consumers in this country. They do not know what is going to happen to them. And they may not even notice it. Shoes go up from \$3.95 to \$4.95 for those very cheap mass-produced shoes or they go up from \$40 to \$50 for a middle-priced shoe—those are middle-priced shoes now, those athletic shoes—and the consumer does not know who to blame. They blame the store probably. Or they may blame the manufacturer. Both Nike and Avia are headquartered in my State. They are terribly opposed to this bill. I suppose Nike and Avia will be blamed when this bill passes. But it is so incremental that the consumer is unaware as to who is to blame. If it is incremental enough, 1 percent a year, 2 percent a year, 3 percent a year, 4 percent a year, they do not quite feel it.

Therefore, we do not have a massive letter-writing effort from the average consumer in opposition to this bill. But, on the other hand, the proponents of the bill are very narrow, very specific, very organized, and they know what they want. They want to limit the competitive system. They want to limit imports so they can raise prices.

I was intrigued, by the way, by the story in the Wall Street Journal today. Again, I do not know if my colleagues saw the debate that went on at the apparel manufacturers meeting and it was again Les Wexler of the Limited. One of the people who supplies some of his cloth is Roger Millikin, one of the larger textile operators in the country. He was arguing for this bill.

Mr. Wexler asked him why it was he was buying imported machinery for his mills? Well, of course, the answer was the machinery was good and competitive. Mr. Millikin answered he was unable to get the kind of machinery he wanted in this country so he had to buy it overseas. To which Mr. Wexler answered, "And I am unable, on occasion, to get the textiles I want in this country for my business. Why is there one standard for you, Mr. Millikin, and a different standard for me?"

The reason, if there is a reason, is because bills like this might pass, protecting certain industries.

We saw it again—although I do not think it affected my friend's State, Arkansas, and mine—when the State of New York was finally successful in their lawsuit on the milk marketing orders. This was an agreement on what you can get for your milk, and only so much milk could be raised. That was broken in a court suit and the price of milk went down immediately.

There has never been a cabal or a conspiracy or an antitrust exemption that ever helped the consumer in this country. What it may do is help the producer make more profits with less effort. But that is not what the entrepreneurial system is designed to do. It is designed to encourage people to make more profits from the best effort and not from as little effort as is needed to stay profitable and be protected from competitors.

So, Mr. President, I very much hope that the amendment of the Senator from Texas passes. Take a look again at what the amendment does.

If the Secretary of Labor determines that implementation of the provisions of this Act will result in, or has resulted in, the cost of textiles or apparel or footwear for lower-income and middle-income Americans increasing by 5 percent or more, the President may suspend the provisions of this Act.

If this act results in a 5-percent increase on the goods purchased by low- or middle-income Americans, the President may suspend it. Without this provision, Mr. President, the goods are not going to go up 5 percent, they are not going to go up 10 percent; they are going to go up 15 percent, 20 percent or more, and the President will be able to do nothing about it.

So I very much hope the Senate will adopt the amendment of the Senator from Texas.

Mr. LEVIN. Mr. President, as I indicated when an amendment similar to this one was offered 2 years ago, we ought to be concerned about the effect of this bill on consumer prices. However, that amendment was too loosely worded in a number of respects. The amendment offered today is also too vague regarding the power to suspend the textile and footwear provisions which is given to the President.

The amendment allows the President to suspend the textile and footwear provisions if prices increase on middle- and low-income Americans by 5 percent or more. The amendment specifies neither how long the President could suspend the provisions for nor over what period of time a 5-percent increase is to be measured. These ambiguities are particularly important in light of the fact that this bill, if enacted, will be enacted over a presidential veto. Therefore, the administration is likely to be inclined to resolve

ambiguities of language in ways that would minimize the enforcement of this legislation. For example, is the 5-percent increase in costs to be measured over 1 month, 1 year, 2 years? Once the President suspends the textile and footwear provisions, how long do they stay suspended? Is it possible for the President to suspend the provisions for 3 years even though the costs of textiles and footwear increase 5 percent for 1 or 2 years?

Mr. President, I am sympathetic with the concerns which underlie this amendment. However, it is worded too vaguely for me to be able to support it.

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

Mr. THURMOND. Mr. President, if nobody else desires to speak, I move to table the amendment.

Mr. HOLLINGS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. There being no further debate, the question is on agreeing to the motion of the Senator from South Carolina. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Oklahoma [Mr. BOREN] and the Senator from North Carolina [Mr. SANFORD] are necessarily absent.

Mr. DOLE. I announce that the Senator from Missouri [Mr. DANFORTH], the Senator from Arizona [Mr. MCCAIN], the Senator from Idaho [Mr. MCCLURE], the Senator from Wyoming [Mr. SIMPSON], and the Senator from Wyoming [Mr. WALLOP] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. WALLOP] would vote "nay."

The PRESIDING OFFICER (Mr. PRYOR). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 69, nays 24, as follows:

[Rollcall Vote No. 154 Leg.]

YEAS—69

Akaka	Exon	Kerry
Bentsen	Ford	Kohl
Biden	Fowler	Lautenberg
Breaux	Garn	Leahy
Bryan	Glenn	Levin
Bumpers	Gore	Lieberman
Burdick	Graham	Lott
Byrd	Harkin	McConnell
Cochran	Heflin	Metzenbaum
Cohen	Heinz	Mikulski
Conrad	Helms	Mitchell
Cranston	Hollings	Moynihan
D'Amato	Humphrey	Murkowski
Daschle	Inouye	Nunn
DeConcini	Jeffords	Pell
Dixon	Johnston	Pryor
Dodd	Kasten	Reid
Dole	Kennedy	Riegle
Domenici	Kerrey	Robb



Rockefeller  
Roth  
Rudman  
Sarbanes

Sasser  
Shelby  
Simon  
Specter

Stevens  
Thurmond  
Warner  
Wirth

# NAYS—24

Adams  
Armstrong  
Baucus  
Bingaman  
Bond  
Boschwitz  
Bradley  
Burns

Chafee  
Coats  
Durenberger  
Gorton  
Gramm  
Grassley  
Hatch  
Hatfield

Kassebaum  
Lugar  
Mack  
Nickles  
Packwood  
Pressler  
Symms  
Wilson

# NOT VOTING—7

Boren  
Danforth  
McCain

McClure  
Sanford  
Simpson

Wallop

So the motion to lay on the table the amendment (No. 2125) was agreed to.

Mr. HOLLINGS addressed the chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. If our distinguished colleague, the Senator from North Carolina [Mr. SANFORD] had been present, he would have voted "aye." He was necessarily absent on official business. I want the record to show that.

I thank the Chair.

Mr. ROCKEFELLER. Mr. President, I rise to express my strong support for the Textile, Apparel, and Footwear Trade Act of 1990, a bill which I am proud to cosponsor. I also commend Senator HOLLINGS, the chairman of the Senate Commerce Committee, for his valiant and effective leadership that has brought us once again to acting on this crucial trade measure.

Each day that we delay passage of this bill, we risk the loss of more American jobs in a critical industry. We simply have to take action, and it is our responsibility to provide the leadership that the American people expect. At risk are thousands of jobs in my State, West Virginia—the workers, for example, at M. Serman Co. in Ritchie County, or those at Hanover Shoe in Pendleton County—and hundreds of thousands of jobs across the United States.

I was appalled to learn recently that in the first 4 months of this year alone, 22 textile, apparel, or footwear plants across the country were forced to close or lay off employees—causing a devastating loss of over 5,000 jobs. One 4-month period, and 5,000 jobs gone, all attributed to the flood of imported textile and apparel goods across our borders. That means thousands of families without a wage earner, thousands of families without health insurance, and thousands who are in danger of losing their homes or struggling to put food on the table.

Mr. President, to those who say that the unregulated flood of textile and footwear imports is necessary to help other countries to build their economies, I reply that charity begins at home. Our own people, our own businesses deserve the leadership, the at-

tention, and the help that the bill before us represents. Our first and foremost priority should be to ensure that America's textile workers and companies can survive, prosper, and compete.

The people of West Virginia know hard times, and they know the value of hard work. West Virginians aren't afraid of fair competition. But they ask and they should expect, I would argue, that Congress exercise its constitutional responsibility to regulate foreign commerce and ensure that our workers have a level playing field on which to compete. Passage of this bill will ensure that the American textile, apparel, and footwear industry, a major employer in West Virginia and in many other States, gets that level playing field. American workers should not have to accept unemployment because of the unfair trade practices of foreign textile and footwear manufacturers. Passage of this bill will regulate those imports until unfair trade practices are eliminated. I urge all of my Senate colleagues to vote for passage of this vital legislation.

Thank you, Mr. President.

Mr. HATFIELD. Mr. President, I rise in opposition to H.R. 4328, the Textile, Apparel and Footwear Trade Act; it is the wrong bill at the wrong time. Frankly, this bill is flagrantly, recklessly, almost comically wrong-headed.

This is not a case where the legislation before us has some good provisions and a few troublesome ones; where one votes "yea" or "nay" depending on how the scale tips. In its entirety, this bill is blatantly protectionist, unnecessary, harmful to the economy and anticonsumer. It should be soundly defeated.

The bill limits the growth of imported apparel and textiles to 1 percent per year and prevents any growth of nonrubber footwear imports. In addition, a foreign textile supplier's access to this restricted American market would now depend on that country's increased importation of U.S. agricultural products.

Finally, the bill institutes a new pilot program whereby import licenses will be sold to U.S. importers at a public auction. These provisions are unprecedented, and dangerous.

All of this to further protect a domestic industry which has been one of the most heavily protected in the past 30 years. Apparently, past efforts are not enough to satisfy the textile industry. As the Wall Street Journal sarcastically noted 2 years ago during consideration of 1988 textile quota bill, " \* \* \* the special-interest gods are never satisfied with merely one sacrifice \* \* \* indeed, the textile and apparel industries and their unions demand regular care and feeding."

Thanks to prior law, the American textile industry already enjoys the

protection of tariffs on imports averaging almost 18 percent and benefits from more than 1,000 quotas in place with 38 countries, further raising the high wall of protection which has been built around this economic sector. As our U.S. Trade Representative has declared, the textile and apparel industry probably has the least persuasive case for further import protection of any major industry in this country.

Economic indicators show that these industries are doing well, with steady increases reported in domestic shipments—up by nearly 7 percent in 1989—and exports—up 27 percent in 1989. In addition, this industry is running at full speed; in 1989 the industry operated at 88.9 percent of capacity, outpacing the all-manufacturing average of 84 percent. And unemployment in major textile producing States was generally lower than the national average. Clearly this is not an industry that cries out for more special treatment.

If enacted, the bill would invite retaliation from our trading partners against U.S. exports at the precise moment that these exports are increasing. The steady decrease in our trade deficit is a direct result of increased exports. Greater access to foreign markets has been a key concern of Congress and the administration. Numerous bilateral agreements have been reached with our major trading partners to eliminate foreign trade barriers, and our improved export figures bear testimony to that success. For example, our trade deficit dipped 17 percent in April, the best showing since 1983.

The inevitable response by our trading partners if this import quota bill is enacted will be to retaliate by restricting access to their markets, eliminating all of the gains the United States has made in achieving greater access to foreign markets. As a result, our trade deficit will swell once again and our relationships with foreign governments, in the context of our globalized economy, will become increasingly complicated. Why eliminate the hard-fought gains in export growth and market access just when this steady improvement is helping to reduce our trade deficit? Are we to risk damaging our national economy in the name of protecting an industry that is more protected and more prosperous than other sectors of our economy? The answer is obvious.

The bill also violates some 38 separate bilateral agreements with foreign countries voluntarily limiting their textile imports, not to mention the provisions of the General Agreement on Tariffs and Trade, the Multifiber Arrangement and various other bilateral trade agreements. How can the U.S. Government, in good faith, reach

agreements with various foreign governments regarding trade, only to turn around and knowingly enact legislation that violates those agreements? And how do we respond to our U.S. Trade Representative, who states that passage of this bill will "virtually destroy any chance of a successful conclusion of the Uruguay round of the GATT negotiations"?

And what about the American consumer? There's no question but that prices will rise, and the burden of these higher prices will fall heaviest on those least able to afford it. The USTR estimates that consumer costs per job saved in the textile and apparel industries could average more than \$100,000 annually during the first 5 years alone. That is a price tag that the American consumer, and the American economy, can ill-afford to pay.

Whatever textile jobs will be saved from this bill will be more than offset by the employment loss in other sectors of the economy, particularly in the import and retail sectors. As most of my colleagues know, Oregon is home to two of the country's leading athletic shoe companies, Nike and Avia, and their collective imports create thousands of jobs in our State and many more throughout the Nation. Enactment of this bill will effect almost 80 percent of the shoes manufactured by Nike and Avia, resulting in a reduction in supply, a loss of jobs and substantially higher prices.

For all of these reasons, I urge my colleagues to defeat this bill.

The PRESIDING OFFICER. The majority leader is recognized.

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

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

#### ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, for the information of Senators, I have been discussing with the distinguished Republican leader and the managers of the pending bill and other measures to be taken up shortly an agreement which would set forth the process by which we will dispose finally of the pending textile bill and proceed to action on other matters. I expect that to take a few more minutes. I hope to have an announcement and to propound a unanimous-consent request shortly in that regard.

The distinguished Republican leader is presently checking with some of his colleagues on some aspects of that proposal.

In the interim, I understand the distinguished Senator from Oregon wishes to address the Senate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I ask unanimous consent that I may proceed as if in morning business.

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

#### OPEN AIR RELEASE OF IODINE-131 AT HANFORD, WA

Mr. HATFIELD. Mr. President, the Manhattan nuclear project has been hailed as one of this country's greatest scientific and engineering achievements because in just a few short years, at the height of World War II, we were able to construct the entire atomic energy production complex, from Hanford, WA, to Los Alamos, NM, to Oak Ridge, TN, and we successfully tested and delivered the first nuclear device which brought about the end of World War II.

A poignant reminder of this achievement is that, from the time Enrico Fermi first demonstrated the scientific feasibility of a nuclear chain reaction under a Chicago football stadium in December 1942, it took the U.S. Army Corps of Engineers just 19 days to select Hanford, WA, as the nuclear production site which would manufacture the materials for this country's first arsenal of atomic bombs.

Today, Hanford has for all practical purposes been shutdown but unfortunately Hanford is still home to one-half of all the defense nuclear waste ever produced in this country.

While historians have portrayed the scientific and engineering accomplishments of this era as one of the Nation's greatest, only today are we learning what prices have been paid—what human sacrifices have been levied—due to our pursuit of the atom bomb.

Mr. President, it is with a great deal of concern that I take the floor today to bring to the attention of my colleagues a development that already has been widely reported in the media, but which I believe needs to be placed into a broader historical context—that is that independent scientists have now confirmed that the U.S. Government knowingly exposed innocent U.S. civilians, including children, to extraordinarily high doses of radiation through open air emissions of iodine 131. In addition to open air releases, lesser quantities of radiation also were released into the Columbia River.

Specifically, a group of scientists called the Technical Steering Panel led by Dr. John Till, of South Carolina, just yesterday released their initial Hanford radiation dose estimates which indicate that half of the estimated 270,000 residents living in

Washington and Oregon and in the communities along that river particularly between 1944 and 1947 were exposed to some level of radiation, and that about 13,500 of these individuals, including 1,200 children, were exposed to doses as high as 2,900 rads. Residents in my State and in Washington have been known for some time to experience increased incidents of cancer related to these Hanford emissions although the Government wants to conduct further epidemiological studies before making any final conclusions.

Mr. President, in my mind the release of the initial Hanford radiation dose estimates by the scientific Technical Steering Panel is not just another wire story, or interview material for the morning news programs. The release of this report should be known to everyone as part of the enormous human toll that has been taken by the presence of nuclear weapons—a toll that many people believe was incurred only by the victims of Hiroshima, Nagasaki, and Chernobyl—but which we now know has victimized thousands of innocent Americans, including small children.

As many as my colleagues are already aware, I served as a member of a crew that conducted observations at Hiroshima one month after the bomb and since that experience I have feared the continued development and potential use of these weapons of mass destruction. The issuance of the Hanford radiation dose report resurfaces in my mind many of the same emotions that have haunted me since that time in August 1945. Knowing that the nuclear materials for the first atomic bomb may have been manufactured at Hanford, would it not be a sad bit of irony if these innocent citizens were contaminated with the same nuclear materials that went on to destroy 5 square miles of Hiroshima, and take the lives of 100,000 Japanese civilians on that dreadful day of August 6, 1945?

Mr. President, as you can see we have been monitoring this issue for some time now. In fact, in 1988 I requested a GAO investigation into the presence of iodine-129 in the Columbia River ground water that had seeped to the Oregon side and found that not only had the Government discharged such materials but that the Government had systematically avoided telling the public anything about it.

Mr. President, in conclusion I just wanted to congratulate the Technical Steering Panel and Dr. Till for their excellent contribution but I very much wanted to put this report into an appropriate historical perspective. I also wanted to use this opportunity, Mr. President, to express my continued concern for the individuals and families in Washington and Oregon who for almost their entire lives have been



physically and emotionally victimized by their own Government.

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. MITCHELL. 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. MITCHELL. Mr. President, there will be no further rollcall votes today.

#### SCHEDULE

Mr. MITCHELL. Mr. President, let me describe for the Senators the proposed schedule for the early part of next week, including the agreement just obtained. Under this agreement the remaining amendments to the textile bill will be debated on Monday. There will not be any votes on Monday, but all amendments will have to be offered and debated on Monday, otherwise they will not be in order. During the day on Monday, I will announce, following consultation with the distinguished Republican leader, a time on Tuesday on which the votes will occur relative to the remaining amendments to the textile bill and final passage of the textile bill.

We will obviously attempt to do that in a manner that is most convenient for the largest number of Senators on Tuesday.

Later this afternoon, and that will be shortly—and I have discussed this with the distinguished Republican leader—I will return to consideration of the civil rights bill and file a cloture motion with respect to the bill. That cloture motion will ripen on Tuesday and will either occur under the rule within 1 hour after the Senate convenes or, more likely, I will announce on Monday, following consultation with the Republican leader again, a specific time for that vote, again to attempt to provide for the maximum convenience of Senators.

In addition, sometime early next week, I intend to attempt to proceed to the consideration of the farm bill. It is a very important measure to many Members of the Senate. I hope that we can get consent to proceed to it. But if we cannot do so, we will have to move by whatever means are available. I hope to get on that bill early next week.

With respect to the civil rights bill, I know that discussions—indeed, I think they can be called intense negotiations—have been occurring for several days and that considerable progress has been made. It is my hope that agreement will be reached prior to Tuesday and that we will be able to vitiate the cloture vote and proceed to

act on that during the day on Tuesday. However, if that is not possible, a cloture vote will occur on Tuesday and then we will, depending upon the result of that vote, either proceed to completion of the bill or, of course, cloture will not have been obtained.

In any event, for the information of Senators, there will be no votes on Monday. We will complete debate on the textile bill and complete voting on that on Tuesday. We will either vote cloture on the civil rights bill on Tuesday, or an agreement will have been reached which will enable us to proceed to it, and we will attempt at the earliest opportunity to proceed to the consideration of the farm bill.

I have previously discussed with the distinguished Republican leader my intentions with respect to the remainder of this legislative period. It may be useful for Senators to be aware of that in consideration of their schedules for the next 3 weeks.

Following the completion of the farm bill, it is my hope that we can turn to the campaign finance reform measure. We are continuing our discussions. I believe that there is a widespread desire on both sides of the aisle that we reach a bipartisan agreement, notwithstanding the differences on the measure. I hope that is possible. In any event, whether it is possible or not, we will proceed to that bill probably as soon after completion of the farm bill as possible.

Thereafter, as I previously indicated in correspondence with all Senators, we will attempt to take up any appropriations bills that are available, and we hope some will become available during the next few weeks. Then, not later than July 30, I hope to move to the debt limit extension and the Department of Defense authorization bill.

As I indicated, if we can complete action on those, and I have much hope we can, by August, the recess will begin on that date. If we cannot, we will remain in session until we do complete action on them. I want to make clear I do not intend this to be a wholly exclusive list. There may well be other measures that we will want to be able to take up during that period. The Commodity Futures Trading Corp. bill is one that comes to mind. I know there has been a great deal of interest on both sides of the aisle on that and we may be able to work that in along with some other measures. And we are going to try to do others.

But this represents the items that I have previously discussed with the distinguished Republican leader and set forth over a substantial period of several weeks and the anticipated schedule for the Senate.

So the textile bill, civil rights, farm, campaign finance, debt limit, DOD authorization, and such appropriations bills that are available as well as possi-

ble additional measures, some I have mentioned, others I may not have mentioned because they do not come readily to mind. I hope we can make good progress next week on the measures that I have described, particularly the civil rights and the farm bill.

I invite the distinguished Republican leader to make any comments that he wishes to make.

Mr. DOLE. Mr. President, I would only indicate to the majority leader that we have discussed these measures. I hope we can, first of all, reach some agreement on the civil rights bill. There have been intense negotiations. They are not partisan. Different people have different views on both sides of the aisle.

The administration has been working closely with us on civil rights legislation. We had a meeting in my office this morning for about an hour or an hour and a half. I understand now there may be another meeting taking place somewhere in the neighborhood to see if we could still work out some agreement.

On the farm bill, I know the Senator from Alaska [Mr. STEVENS] is staunchly opposed to some provision on fish inspection. I am not aware of the specific concern that he has but he indicates that he will be here if any attempt is made to proceed to that bill and explain in some detail his concern. I am not certain that is something that can be worked out or not.

But, hopefully, if we can work out some agreement on the civil rights legislation, that can be done quickly. If not, then it could take probably most of next week, which would delay the farm bill into next week, which piles up everything else behind that.

But I am an optimist. I still believe we might reach some agreement to satisfy the great majority of Senators, not every Senator, on the civil rights legislation.

#### TEXTILE, APPAREL, AND FOOTWEAR TRADE ACT OF 1990.

Mr. MITCHELL. Mr. President, I call for the regular order.

The PRESIDING OFFICER. Under the previous order, the call for the regular order places H.R. 4328 back on the calendar.

#### CIVIL RIGHTS ACT OF 1990

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

The legislative clerk read as follows:

A bill (S. 2104) to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes.

## CLOTURE MOTION

Mr. MITCHELL. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

## CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the Kennedy substitute amendment, No. 2110, to S. 2104, a bill to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes.

George Mitchell, Patrick Leahy, Edward M. Kennedy, Barbara A. Mikulski, Terry Sanford, Joseph Lieberman, Wendell Ford, Daniel Akaka, Paul Simon, Tom Harkin, Howard M. Metzenbaum, John D. Rockefeller, John F. Kerry, Alan Cranston, Brock Adams, Frank R. Lautenberg.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the vote on the cloture motion occur at 2:15 p.m. on next Tuesday.

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

Mr. MITCHELL. Mr. President, I further ask unanimous consent that the live quorum be waived.

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

## COMMENDING CHAIRMAN GREENSPAN

Mr. DOLE. Mr. President, at this time I would like to take a moment to commend Chairman Greenspan of the Federal Reserve Board for his foresighted comments at yesterday's Banking Committee hearing.

He should be commended for his statements recognizing the financial difficulties—the so-called credit crunch—that households and businesses are currently experiencing, and his willingness to take offsetting action to make up for cutbacks in bank lending.

Chairman Greenspan stated that after watching to see "if the pulling back of commercial banks to less lax lending standards is moving over the line and, in effect, creating a tightening in credit markets," he concluded that "a market tightening of modest dimensions may be occurring."

Key indicators such as slow growth in the money supply, increases in interest rates that banks charge on commercial loans, and subdued inflation numbers indicate that the Federal Reserve can and should step in to offset current credit conditions.

In our current environment of weak economic growth, his actions will support and complement the congressional-administration agreement for fiscal policy that is being hammered out.

This only highlights the importance of a successful agreement as soon as possible.

A successful agreement accompanied by monetary policy that is forward-looking and directed toward offsetting tightened credit lending standards will help us to continue our current economic expansion, the longest peacetime expansion on record.

The current expansion will not only be the longest in peacetime but the longest ever recorded in October 1991. We can hit this goal and extend it further if Congress, the administration, and the Federal Reserve exhibit the will and determination to make it happen.

## FOOD, AGRICULTURE, CONSERVATION AND TRADE ACT OF 1990

## NEED TO MOVE QUICKLY ON FLOOR

Mr. DOLE. Mr. President, on another topic, we have already had indication this afternoon that next Monday, if it works out, or Tuesday or Wednesday probably at the latest, we will be on the 1990 farm bill.

The Agriculture Committee has put in seemingly endless time and effort in order to get the bill written and introduced on the floor. I am pleased that the distinguished majority leader shares the commitment to a swift and timely period of floor debate, as he has allowed floor time so quickly after we voted the bill out of committee. Timeliness is a top priority to our Nation's Winter wheat farmers, who will be seeding their crops in the near future. Over the life of the 1985 farm bill, farmers have known the tentative program details 60 days in advance of normal planting dates. We are already too late for that, but if we act quickly we can assist those farmers with guidelines that will aid in purchasing and financial decisionmaking. After all, we are writing this bill for our Nation's farmers as well as the consumer, and since farming requires year-round decisionmaking we must keep their needs in mind.

## BUDGET WILL PLAY A CENTRAL ROLE

Aside from the factor of time, the bottom line for acceptance and passage of this legislation must be the budget. We are in the midst of budget negotiations which will hopefully result in some bipartisan commitment to addressing the budget deficit. Although all of us from farm country would surely like to think we could somehow exempt agriculture from this fiscal reckoning, we would only be fooling ourselves and creating false hopes for farmers. Agriculture will not be exempt from budget cuts, so it is in the best interest of agriculture to write a bill which has some real savings. If we do not, we face the prospects of a sequester which will be

more painful to farmers than implementing fiscally sound policy.

I have heard some comments that those of us who have voted against loan rate increases or target price escalators are voting against farm income. What we are voting for are the market-oriented policies of the 1985 farm bill, under which farm income has reached record levels. We are voting for loan rates which allow the market to reflect worldwide demand, rather than isolationist loan rates which price us out of the world market. And we are voting to protect farm country from adverse swings in interest rates and the value of the dollar which may arise due to a continual disregard for the Federal deficit. Given the highly leveraged nature of farming and the impact which a strong dollar has upon trade, we may be hurting producers more by worrying about a nickel raise for target prices rather than the long-term health of the economy.

## NEED TO WORK TOGETHER

In order to accomplish either of these goals of timeliness and fiscal responsibility, we are going to need a bipartisan commitment over the next few weeks. We have faced several contentious issues in committee that became highly partisan, and progress stalled for a period of time. I hope we can avoid such a stalemate on the floor and recognize that at some point both sides may have to compromise. Nobody in this body needs to be told of the pitfalls arising from partisan standoffs, so I hope that we will all keep that and the best interests of American farmers in mind as we proceed.

## WORK TO BE DONE

I am pleased that both the committee chairman and the ranking minority member have remained committed to tailoring a bill which remains within the budget constraints. Given that bipartisan commitment, it is time for us to get to work. The farm bill which was voted out of committee is scored over budget by \$7 to \$8 billion. The commodity titles alone put the 5-year cost of the bill more than \$4 to \$5 billion over the baseline. This must be addressed, and we can do so by implementing some policy revisions which make budgetary sense and provide for the long-term well-being of American agriculture. Leadership from both sides have stated their budgetary priorities, now it is time to test our mettle and get down to some real fiscal reckoning.

## STALEMATE WILL FORCE ALTERNATIVES

If we cannot strike an agreement to get this bill under budget, I will not be able to cast a favorable vote. In that event, I have prepared a substitute farm bill which retains the market-oriented, proven, and fiscally responsible policies enacted in 1985. My substitute



is based on policies which have a track record of success for the farmer, the consumer, and the budget. And if we arrive at a point where progress on the committee bill stalls, I believe my substitute is a bill which makes sense and can be supported by a bipartisan cast of Senators.

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. FOWLER. Mr. President, I ask unanimous consent the quorum call be rescinded.

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

#### MORNING BUSINESS

Mr. FOWLER. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

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

#### SPECIAL TRIBUTE TO A RESPECTED COLLEAGUE QUENTIN BURDICK

Mr. SIMPSON. Mr. President, I certainly feel remiss, for last week I understand that there was a time to pay special tribute to our fine and respected colleague from North Dakota, Senator QUENTIN BURDICK—who has now completed three decades of distinguished service in the U.S. Senate. I had not realized that opportunity had been presented. I very much want to contribute remarks to this extraordinary gentleman.

QUENTIN BURDICK served here when my dad was here from 1962 to 1966. QUENTIN was always very courteous and kind to my father as a freshman, and my father always deeply appreciated that. My dear dad is in his 92d year of life and living in Cody, WY.

In the nearly 12 years that I have served in this body with Senator BURDICK, neither he nor I were "military brats," we were "political brats." Relatives of ours have served in various capacities as Governor and U.S. Senator. I have come to develop a great respect and appreciation for this remarkable man who has represented the State of North Dakota so tenaciously, courageously, and admirably for a very long time.

During his 30 years of Senate service, Senator BURDICK has conducted himself with great dedication and a consistent theme of assisting his North Dakota constituents. He has also become known by his colleagues for work in many areas of interest. It has been my personal privilege to witness Senator BURDICK's leadership during his tenure as chairman of the Environment and Public Works Com-

mittee. During his tenure on the committee, he has been instrumental in helping pass into law a number of much needed and effective bills, including the Clean Water Act of 1987 and the overhaul of the Federal Highway Program. He also succeeded in influencing legislation relating to groundwater research programs, radon gas and toxic waste cleanup. Throughout his efforts, he has consistently worked diligently to protect the needs and interests of the people of his State—the agricultural industry, the minerals industry and the rural Western States.

He pays attention to those who sent him here. I found that out in the last campaign. I was asked by my party people to assist QUENTIN BURDICK's opponent in his campaign efforts against him in 1988. I was a foolish young lad to wander into that one. And I said some things that were harsh and uncharacteristic—and I know that they hurt QUENTIN BURDICK. I felt that they were a source of surprise to him and they were certainly unnecessary for me to have related. Suffice it to say that in the lifetime of politics, the participants have very short memories—although some things said in the heat of combat are hard to forget—my dear mother will never forgive the democratic State chairman who brought down my dear father in his reelection for Governor in 1958. But that is politics. I think we who participate in it understand it.

In any event, at the conclusion of Senator BURDICK's successful campaign, I sought him out and indicated my apology to him for some of the strident things I had said during the course of the campaign. I also had the opportunity to share that expression with Jocelyn Burdick. She was most gracious in accepting my entreaty and so was Senator QUENTIN BURDICK. I appreciate that very much. It set our relationship on the same steady course it had pursued previously. He handled it with great grace and I chalked it down on my ledger as a lesson learned.

I have only done two of those in my 12 years in the Senate, when I campaigned against my colleagues on the other side of the aisle. The first one happened in 1982 and this one in 1988. I will be more circumspect when out on the road in some future campaign endeavor for a colleague of my particular faith.

The important lesson learned is a simple one that we often forget in politics. You can campaign vigorously in praise of your man. You can do that without in any way being detrimental or disparaging of the opponent. My old grandfather had a phrase: "You don't sell your own product by knocking the other guy's." And so it is. So, it was a very gracious and understanding act of Senator BURDICK's to accept my

expression of regard at the conclusion of the campaign.

He has had a rich and lively career in Congress and that career has been highlighted by his remarkable longevity and energy. And his father served in the House of Representatives for 20 years. QUENTIN was elected to the House in 1958 and to the Senate in 1960. All during that time, the people of the rugged State of North Dakota have demonstrated—again and again—their extraordinary respect, appreciation, admiration and affection for Senator QUENTIN BURDICK by reelecting him five additional times to the U.S. Senate.

I think all of us are a little bit in awe as to his ability to fully represent his constituents' best interest. Evidenced by that tremendous popularity right there in his home State and by the respect he commands among us—his colleagues in the U.S. Senate.

I personally wish him every further success. I express my most sincere and earnest regard and admiration for him. Ann and I wish him and Jocelyn well as they both continue their remarkable service to their beloved State here in the city of Washington and in the U.S. Senate. God bless him and sustain him for many years to come.

#### EXECUTIVE SESSION

#### EXECUTIVE CALENDAR

Mr. FOWLER. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 877, A. Raymond Randolph, to be U.S. circuit judge;

Calendar 878, Federico A. Moreno, to be U.S. circuit judge;

Calendar 880, Michael L. Johnson, to be U.S. marshal;

Calendar 881, John W. Raley, Jr., to be U.S. Attorney;

Calendar 882, Joseph G. Schiff, to be Assistant Secretary of Housing and Urban Development;

Calendar 883, Andrew C. Hove, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation; and

Calendar 884, Andrew C. Hove, to be Vice Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation.

I further ask unanimous consent that the nominees be confirmed, en bloc, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

#### THE JUDICIARY

A. Raymond Randolph, of Maryland, to be U.S. circuit judge for the District of Columbia Circuit.

Federico A. Moreno, of Florida, to be U.S. district judge for the Southern District of Florida.

#### DEPARTMENT OF JUSTICE

Michael L. Johnson, of Idaho, to be U.S. marshal for the District of Idaho for the term of 4 years.

John W. Raley, Jr., of Oklahoma, to be U.S. attorney for the Eastern District of Oklahoma for the term of 4 years.

#### DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Joseph G. Schiff, of Kentucky, to be an Assistant Secretary of Housing and Urban Development.

#### FEDERAL DEPOSIT INSURANCE CORPORATION

Andrew C. Hove, of Nebraska, to be a member of the Board of Directors of the Federal Deposit Insurance Corporation for a term expiring February 28, 1993.

Andrew C. Hove, of Nebraska, to be Vice Chairperson of the Board of Directors of the Federal Deposit Insurance Corporation.

#### STATEMENT ON THE NOMINATION OF FEDERICO MORENO

Mr. MACK. Mr. President, I am pleased the U.S. Senate has approved the nomination of the Honorable Federico Moreno. Judge Moreno was nominated by President Bush to fill one of the two vacancies on the U.S. District Court for the Southern District of Florida.

Judge Moreno attended the University of Notre Dame where he graduated cum laude with a degree in government. He received his Juris doctor degree from the University of Miami School of Law. During law school, Fred served as the student bar president and on the Moot Court Board.

Fred most recently served as a circuit judge in the Eleventh Judicial Circuit of Florida. He is very well respected in his community of Miami and enjoys an outstanding reputation as a jurist. He has been rated very highly by both the Dade County Bar Association Judicial Poll and by the Cuban-American Bar Association Judicial Poll.

In addition to several other community activities, Judge Moreno has been actively involved in pro bono work. In 1986 he was awarded the Cuban American Bar Association Pro Bono Service Award. Through this service, Judge Moreno demonstrated devotion to serving the disadvantaged.

In numerous letters and telephone calls that I have received in support of Judge Moreno, there has been a central message. Judge Moreno is known for his calm demeanor in the courtroom, his impartiality, and his keen sense of fairness—three characteristics I believe are essential for a judge to possess.

Prior to recommending Judge Moreno to the Attorney General, I

had the opportunity to discuss with Fred his desire to become a Federal judge. I was not only impressed with his intellect but also with his sincerity and dedication to public service.

The southern district of Florida is one of the busiest district courts in the Nation. Not only does the southern district court have complex drug cases, but also a growing civil case docket as well. I know Judge Moreno's colleagues are anxious to put him to work and I am confident that as a jurist on the Federal bench, Judge Moreno will continue to fairly and efficiently administer justice.

Mr. President, I enthusiastically support Judge Moreno's nomination and I thank the Chair.

#### STATEMENT ON THE NOMINATION OF ANDREW (SKIP) HOVE

Mr. EXON. Mr. President, I rise today in support of the nomination of Mr. Andrew (Skip) Hove to be a member and vice chairperson of the Board of Directors of the Federal Deposit Insurance Corporation. Mr. Hove's nomination was just yesterday approved by an overwhelming 19-0 vote in the Committee on Banking, Housing, and Urban Affairs.

I am very pleased to be on the floor today in support of this nomination. Skip Hove has been a lifelong resident of my home State of Nebraska. I have known Skip for many years and am confident that Skip has the knowledge, experience, and good judgment that will be necessary for what will be a very difficult assignment.

Skip Hove is truly a community banker and will bring added insight to the FDIC. He is currently the chief executive officer of the Minden Exchange Bank & Trust Co., a small bank in a rural, Nebraska community. He has been with his bank for approximately 30 years and is well versed in all aspects of community banking.

At his hearing before the Senate Banking Committee, Skip received strong endorsements from myself, Senator KERREY and Representative SMITH. And, the chairman of the committee, Senator RIEGLE, joked following the introductions that it would not get any better than that. What was perhaps intended as a comment for the short term clearly can apply to the long term as well.

This nomination comes at what is in my view a very critical juncture in the history of our financial system. In recent years, we have witnessed an unprecedented and complete collapse of our system for insuring deposits in savings and loan institutions. The public's faith in our ability to regulate our financial systems has clearly been eroded. Public confidence in our financial system is the foundation upon which that system is based and it will

not be an easy task to reestablish that which has been lost.

One of the key lessons of the S&L fiasco is that we need strong regulators with ample experience in their fields. Skip has the requisite experience. In addition to his experience with his own bank, Skip has served as mayor of his community and has served as president of the Nebraska Bankers Association.

But, to be a strong regulator means that Skip must change his role from being an advocate for the banking industry to becoming an advocate for the American public. Once again, I am confident in Skip's abilities in that regard. He has agreed to sever all ties with his bank upon acceptance of his new position, a step that will be crucial to his keeping the public's interest foremost in his deliberations.

We will need a steady hand at the helm of the FDIC. Our Nation's financial system is rapidly changing and we will be facing many critical decisions in the coming years. One of the first matters facing Skip will be to provide leadership in the area of whether our current system of deposit insurance should be reformed.

Mr. President, I do not envy the difficult task that Skip will face upon confirmation but do not believe that the Senate will be disappointed in his performance in his important new assignment.

#### LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

#### MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

#### EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

#### REPORT ON NATIONAL EMERGENCY WITH RESPECT TO LIBYA—MESSAGE FROM THE PRESIDENT—PM 130

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Com-



mittee on Banking, Housing, and Urban Affairs:

*To the Congress of the United States:*

1. I hereby report to the Congress on developments since my last report of January 25, 1990, concerning the national emergency with respect to Libya that was declared in Executive Order No. 12543 of January 7, 1986. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c); section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c) ("IEEPA"); and section 505(c) of the International Security and Development Cooperation Act of 1985, 22 U.S.C. 2349aa-9(c).

2. Since my last report on January 25, 1990, there have been no amendments to the Libyan Sanctions Regulations, 31 C.F.R. Part 550 (the "Regulations"), administered by the Office of Foreign Assets Control ("FAC") of the Department of the Treasury. Additionally, since January 25, 1990, there have been no amendments or changes to orders of the Department of Commerce or the Department of Transportation implementing aspects of Executive Order No. 12543 relating to exports from the United States and air transportation, respectively.

3. During the current 6-month period, FAC has issued a limited number of specific licenses to individuals and corporations to permit them to engage in activities that would otherwise be prohibited by the Regulations. Under FAC licensing procedures, 15 individuals registered to travel to or remain in Libya with Libyan immediate family members. Fifteen licensing decisions were made authorizing or prohibiting transactions in connection with Libya. The most significant licensing activity since the last report was the authorization of U.S. involvement in a U.N. Food and Agriculture Organization program to eradicate the screw worm, an infestation that threatened both humans and animals in North Africa.

4. Various enforcement actions mentioned in previous reports continue to be pursued. In February 1990, in the U.S. District Court for the District of Minnesota, Sealed Air Corporation and two of its former corporate officers each received criminal sentences for engaging in shipments of rust inhibitor chemicals to Libya in violation of the Regulations. The corporation was fined \$500,000, the maximum penalty permitted for a violation of IEEPA. A senior vice president of the firm was fined \$100,000 and was ordered to perform 400 hours of community service. A general manager was fined \$40,000 and was ordered to perform 200 hours of community service.

In April 1990, FAC closed the offices of a Libyan student group for failure to abide by the terms of its FAC license. All tangible property of the or-

ganization and all bank accounts of the organization were blocked. The student group has since elected a new board of directors and has agreed to renew its licensed contractual arrangements for outside monitoring of financial transactions and to obtain funds from Libya in order to resume its operation in accordance with FAC licensing requirements.

5. The expenses incurred by the Federal Government in the period from January 25, 1990, through June 1, 1990, that are directly attributable to the exercise of powers and authorities conferred by the declaration of the Libyan national emergency are estimated at \$442,541. Personnel costs were largely centered in the Department of the Treasury (particularly in the Office of Foreign Assets Control, the Customs Service, the Office of the Assistant Secretary for Enforcement, the Office of the Assistant Secretary for International Affairs, and the Office of the General Counsel), the Department of State, the Department of Commerce, the Department of Justice, the Federal Reserve Board, and the National Security Council.

6. The policies and actions of the Government of Libya continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States. I shall continue to exercise the powers at my disposal to apply economic sanctions against Libya as long as these measures are appropriate and will continue to report periodically to the Congress on significant developments as required by law.

GEORGE BUSH.

THE WHITE HOUSE, July 13, 1990.

#### REPORT ON EMIGRATION LAWS AND POLICIES OF THE REPUBLIC OF HUNGARY—MESSAGE FROM THE PRESIDENT—PM 131

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance:

*To the Congress of the United States:*

In October 1989 I determined and reported to the Congress that Hungary meets the emigration criteria of the Jackson-Vanik amendment to the Trade Act of 1974. This determination allowed for the continuation of Hungary's most favored nation (MFN) status without the requirement of an annual waiver.

As required by law, I am submitting a formal report to the Congress concerning emigration laws and policies of the Republic of Hungary. You will find that the report certifies continued Hungarian compliance with U.S. and international standards in the

areas of emigration and human rights policy.

GEORGE BUSH.

THE WHITE HOUSE, July 13, 1990.

#### ANNUAL REPORT ON PREVENTION OF NUCLEAR PROLIFERATION—MESSAGE FROM THE PRESIDENT—PM 132

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

*To the Congress of the United States:*

I have reviewed the activities of the United States Government departments and agencies during calendar year 1989 related to preventing nuclear proliferation, and I am pleased to submit my annual report pursuant to section 601(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95-242, 22 U.S.C. 3281(a)).

As the report demonstrates, the United States continued its efforts during 1989 to prevent the spread of nuclear explosives to additional countries. This is an important element of our overall national security policy, which seeks to reduce the risk of war and increase international stability. I want to build on the positive achievements cited in this report and to work with the Congress toward our common goal: a safer and more secure future for all mankind.

GEORGE BUSH.

THE WHITE HOUSE, July 13, 1990.

#### MESSAGES FROM THE HOUSE

##### ENROLLED BILL SIGNED

At 12:05 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 2844. An act to improve the ability of the Secretary of the Interior to properly manage certain resources of the National Park System.

The enrolled bill was subsequently signed by the President pro tempore [Mr. BYRD].

At 2:10 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 bill (S. 1191) to authorize appropriations for the Department of Commerce's Technology Administration, to speed the development and application of economically strategic technologies, and for other purposes; with amendments, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 291. A concurrent resolution expressing the sense of the Congress regarding the need to account as fully as possible for Americans still missing or otherwise unaccounted for in Southeast Asia and to secure the return of Americans who may still be held captive in Southeast Asia.

### MEASURES REFERRED

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 291. A concurrent resolution expressing the sense of the Congress regarding the need to account as fully as possible for Americans still missing or otherwise unaccounted for in Southeast Asia and to secure the return of Americans who may still be held captive in Southeast Asia; to the Committee on Foreign Relations.

### 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-3246. A communication from the Secretary of Agriculture, transmitting, pursuant to law, a report on the evaluation of the reorganization recommendations contained in the 1986 report of the National Commission on Agricultural Trade and Export Policy; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3247. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on budget rescissions and deferrals dated July 1, referred jointly to the Committee on Appropriations and the Committee on the Budget.

EC-3248. A communication from the Under Secretary of Defense (Acquisition), transmitting, pursuant to law, notice that the use of a competitive prototype program strategy for the development of the Kinetic Energy Anti-Satellite program is not practicable; to the Committee on Armed Services.

EC-3249. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to Indonesia for defense articles estimated to cost in excess of \$50 million; to the Committee on Armed Services.

EC-3250. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to Greece for defense articles estimated to cost in excess of \$50 million; to the Committee on Armed Services.

EC-3251. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Air Force's proposed letter of offer to Spain for defense articles estimated to cost in excess of \$50 million; to the Committee on Armed Services.

EC-3252. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the first report on the Federal Home Loan Association and the third report on the Federal National Mortgage Association; to the Committee on Banking, Housing, and Urban Affairs.

EC-3253. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the third and final report regarding the processing of deposits made at automatic teller machines; to the Committee on Banking, Housing, and Urban Affairs.

EC-3254. A communication from the President of the Oversight Board of the Resolution Trust Corporation, transmitting, pursuant to law, the annual report of the Board on the Resolution Funding Corporation for calendar year 1989; to the Committee on Banking, Housing, and Urban Affairs.

EC-3255. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report on highway accidents which will permit evaluation or comparison of highway safety performance of the States, dated June 1990; to the Committee on Commerce, Science, and Transportation.

EC-3256. A communication from the Administrator of the Federal Aviation Administration, transmitting, pursuant to law, a report on progress in developing and certifying the Traffic Alert and Collision Avoidance System; to the Committee on Commerce, Science, and Transportation.

EC-3257. A communication from the Administrator of General Services, transmitting, pursuant to law, informational copies of proposed prospectuses; to the Committee on Environment and Public Works.

EC-3258. A communication from the Administrator of the Energy Information Administration, Department of Energy, transmitting, pursuant to law, the Annual Energy Review for 1989; to the Committee on Energy and Natural Resources.

EC-3259. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual update to the Comprehensive Ocean Thermal Technology Application and Market Development Plan; to the Committee on Energy and Natural Resources.

EC-3260. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3261. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3262. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3263. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3264. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to

the Committee on Energy and Natural Resources.

EC-3265. A communication from the Deputy Associate Director Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3266. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on a project negotiated under the Department of Energy's Clean Coal Technology; to the Committee on Energy and Natural Resources.

EC-3267. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on a project negotiated under the Department of Energy's Clean Coal Technology Demonstration Project; to the Committee on Energy and Natural Resources.

EC-3268. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on a project negotiated under the Department of Energy's Clean Coal Technology Demonstration Program; to the Committee on Energy and Natural Resources.

EC-3269. A communication from the Secretary of the Interior, transmitting, pursuant to law, notice that soil survey and land classification studies have been accomplished for the Tohono O'odham Nation, Papago Water Supply Project, Central Arizona Project, Arizona; to the Committee on Energy and Natural Resources.

EC-3270. A communication from the Acting Director of the Office of Energy Research, Department of Energy, transmitting, pursuant to law, notice that the report of the Interagency Coordinating Group for Continental Scientific Drilling will be submitted in the near future; to the Committee on Energy and Natural Resources.

EC-3271. A communication from the President of the United States, transmitting, pursuant to law, notice of his intent to add Bahrain to the list of beneficiary developing countries under the Generalized System of Preferences; to the Committee on Finance.

EC-3272. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements other than treaties, entered into by the United States in the sixty day period prior to July 5, 1990; to the Committee on Foreign Relations.

EC-3273. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on the extent and disposition of United States contributions to international organizations; to the Committee on Foreign Relations.

EC-3274. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on United Nations consensus decision-making procedures, limitations on second employees, and reductions in United Nations Secretariat staff; to the Committee on Foreign Relations.

EC-3275. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report on decision-making procedures on budgetary matters in any specialized agency of the United Nations system before outstanding fiscal year 1990 funds for the U.S. contribution to the specialized agencies of



the United States; to the Committee on Foreign Relations.

EC-3276. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, a management report on the status of audit follow-up for the period October 1, 1989 through March 31, 1990; to the Committee on Governmental Affairs.

EC-3277. A communication from the Administrator of the Agency for International Development, transmitting, pursuant to law, the semiannual report of the Office of Inspector General, Agency for International Development, for the period October 1, 1989 through March 31, 1990; to the Committee on Governmental Affairs.

EC-3278. A communication from the Chairman of the Advisory Committee on Federal Pay, transmitting, pursuant to law, the annual report of the Committee for 1990; to the Committee on Governmental Affairs.

EC-3279. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Analysis of Appropriated Out-of-Town Travel Funds Shown in Current Budget"; to the Committee on Governmental Affairs.

EC-3280. A communication from the Benefits and Risk Manager, Fourth District Farm Credit Institutions, transmitting, pursuant to law, the annual report on the Farm Credit Institutions in the Fourth District Amended Retirement Plan for plan year 1989; to the Committee on Governmental Affairs.

EC-3281. A communication from the Comptroller of the Department of Defense, transmitting, pursuant to law, a supplemental contract award report for the period July 1 to August 31, 1990; to the Committee on Armed Services.

EC-3282. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, notice of the approval of a personnel management demonstration project; to the Committee on Governmental Affairs.

EC-3283. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 8-227 adopted by the Council on June 12, 1990; to the Committee on Governmental Affairs.

EC-3284. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of the D.C. Act 8-225 adopted by the Council on June 12, 1990; to the Committee on Governmental Affairs.

EC-3285. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of the D.C. Act 8-224 adopted by the Council on June 12, 1990; to the Committee on Governmental Affairs.

EC-3286. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of the D.C. Act 8-223 adopted by the Council on June 12, 1990; to the Committee on Governmental Affairs.

EC-3287. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1989; to the Committee on the Judiciary.

EC-3288. A communication from the Auditor of the National Council on Radiation Protection and Measurements, transmitting, pursuant to law, the annual audit report of

the Council for calendar year 1989; to the Committee on the Judiciary.

EC-3289. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the annual report of the Student Loan Marketing Association (Sallie Mae) for calendar year 1989; to the Committee on Labor and Human Resources.

EC-3290. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, reporting forms for use by party and non-party political committees whose activities affect both federal and non-federal elections and who allocate disbursements for those activities between separate federal and non-federal accounts; to the Committee on Rules and Administration.

EC-3291. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, proposed regulations regarding the production of computerized magnetic media for the Commission's audits of the authorized committees of presidential primary and general election candidates receiving public funding; to the Committee on Rules and Administration.

EC-3292. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, proposed regulations governing debts and obligations owed by candidates and political committees; to the Committee on Rules and Administration.

EC-3293. A communication from the Deputy Under Secretary of Defense (Acquisition), transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for the period October 1989 through April 1990; to the Committee on Small Business.

EC-3294. A communication from the President of the Oversight Board of the Resolution Trust Corporations, transmitting, pursuant to law, the annual report on the operations, activities, budgets, receipts, and expenditures of the Board for calendar year 1989; to the Committee on Banking, Housing, and Urban Affairs.

## PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-541. A concurrent resolution adopted by the Legislature of the State of Mississippi; to the Committee on Environment and Public Works.

### "SENATE CONCURRENT RESOLUTION No. 502

"Whereas, the U.S. Army Corps of Engineers and the United States Environmental Protection Agency have promulgated guidelines regulating the classification and use of wetlands; and

"Whereas, under administrative guidelines applying a broad definition of wetlands, hundreds of thousands of acres already in cultivation or development have been classified as wetlands; and

"Whereas, administrative mitigation guidelines for broadly defined wetlands have placed excessive prohibitions on development possibilities; and

"Whereas, these administrative guidelines have deprived landowners of the use of their property without compensation; and

"Whereas, although wetlands constitute only a small percentage of the land area in the United States, wetlands constitute a very large percentage of the land area in

areas such as the Mississippi Delta and the Mississippi Gulf Coast; and

"Whereas, these administrative guidelines classifying wetlands and implementing no net loss standards are impacting lands never before considered wetlands in these areas; and

"Whereas, these administrative guidelines ignore the special needs of unique geographical areas such as the Mississippi Delta and Gulf Coast; and

"Whereas, the ill defined no net loss policy and the lack of specific criteria for evaluation of mitigation efforts and use permits have created a high level of uncertainty; and

"Whereas, the overly broad classification of land as wetlands in counties in the Delta and Gulf Coast regions applies to 40% to 85% of the land area in these counties; and

"Whereas, this will result in tax assessment reductions causing a devastating loss of the tax base and revenues for municipalities and counties in these areas; and

"Whereas, a common sense approach to developing reasonable classification, use and mitigation guidelines and standards will identify special geographical considerations that need recognition and will preserve and protect actual wetlands;

"Now, therefore be it resolved by the Mississippi State Senate, the House of Representatives concurring therein, That we urge the President and Congress to take speedy and appropriate action to ensure that regulatory agencies use a common sense approach in promulgating guidelines regulating the classification and use of wetlands and mitigation of loss of wetlands.

"Be it further resolved, That copies of this resolution be transmitted to the President of the United States, the President and Secretary of the United States Senate, the Speaker and Clerk of the United States House of Representatives and to the Mississippi congressional delegation."

POM-542. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Veterans' Affairs:

### "HOUSE CONCURRENT RESOLUTION No. 59

"Whereas, the Vietnam Veterans of Louisiana, Ruston Chapter, Post No. 1, is the first chapter in the state of Louisiana; and

"Whereas, all chapters of Vietnam Veterans in Louisiana must charter their inception from the Ruston Chapter, Post No. 1; and

"Whereas, the Ruston Chapter has dedicated itself to improving the overall image of the Vietnam veterans, and because of its high regard for civic pride and community involvement, this chapter has displayed strong and dedicated support to scouting, to scholarship support for higher education, and to countless civic activities through many hours of volunteer work for community projects; and

"Whereas, the Ruston Chapter, Post No. 1, serves as a model organization for all Vietnam Veteran chapters in the state of Louisiana; and

"Whereas, these valiant soldiers maintained those high standards that have been handed down from generations of American military veterans; and

"Whereas, the Armed Forces in Vietnam never surrendered their flag nor did they ever lay down their arms in the field of battle; and

"Whereas, it is appropriate that the Louisiana Legislature recognize the contributions of these dedicated citizens and express

their appreciation and that of the people of the state for their loyalty and sacrifice.

*"Therefore, be it resolved,* That the Legislature of Louisiana does hereby praise and express its heartfelt appreciation to the members of the American military forces, and particularly to the Vietnam Veterans of Louisiana, Ruston Chapter, Post No. 1, who valiantly fought to preserve a democratic government for the citizens of the Republic of South Vietnam.

*"Be it further resolved,* That the Legislature of Louisiana recognizes the Ruston Chapter, Post No. 1, as the first Vietnam Veteran chapter in the state of Louisiana and a model for all Vietnam Veteran chapters in the state, and particularly expresses the appreciation of the citizens of Louisiana for the many contributions of public service which the members of Post No. 1 have made to their community and state.

*"Be it further resolved,* That a copy of this Resolution shall be transmitted to the speaker of the House of Representatives and the president of the Senate of the United States Congress, to each member of the Louisiana congressional delegation, and to the Vietnam Veterans of Louisiana, Ruston Chapter, Post No. 1."

### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 2606. A bill for the relief of Conwell F. Robinson and Gerald R. Robinson (Rept. No. 101-365).

By Mr. BURDICK, from the Committee on Environment and Public Works, with amendments:

S. 2176. A bill to provide better enforcement of the environmental laws of the United States, and for other purposes (Rept. No. 101-366).

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs, with an amendment in the nature of a substitute:

S. 2028. A bill to amend the International Banking Act of 1978 and the Securities Exchange Act of 1934 to provide for fair trade in financial services (Rept. No. 101-367).

S. 1379. A bill to reauthorize and amend the Defense Production Act of 1950, and for other purposes (Rept. No. 101-368).

### 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. LEVIN:

S. 2852. A bill to reinstate as Federal service the services performed in temporary positions within the Bureau of the Census; to the Committee on Governmental Affairs.

By Mr. SANFORD:

S. 2853. A bill to prohibit oil and gas leasing, exploration, and development offshore North Carolina until adequate physical oceanographic, ecological, and socioeconomic information is available to enable informed decisionmaking, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. HATFIELD:

S. 2854. A bill to declare that certain public domain lands are held in trust for the Confederated Tribes of Siletz Indians of

Oregon; to the Select Committee on Indian Affairs.

By Mr. BINGAMAN:

S. 2855. A bill to require the establishment of Critical Technologies Institute as a federally funded research and development; to the Committee on Commerce, Science, and Transportation.

By Mr. DOMENICI:

S. 2856. A bill to enhance the use of the Department of Energy facilities so as to improve the Nation's competitive posture, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. THURMOND (for himself, Mr. DOLE, and Mr. HEFLIN):

S.J. Res. 348. A joint resolution to recognize and commend the Battle of the Bulge Historical Foundation in its efforts to create a gallery in the U.S. Army Museum, Fort George G. Meade, Maryland, to commemorate the Battle of the Bulge; to the Committee on Armed Services.

By Mr. DeCONCINI (for himself, Mr. D'AMATO, Mr. SHELBY, Mr. DOMENICI,

Mr. ROCKEFELLER, Mr. PELL, Mr. KERRY, Mr. DIXON, Mr. LEVIN, Mr. STEVENS, Mr. GARN, Mr. McCLURE, Mr. THURMOND, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. BURDICK, Mr. ADAMS, Mr. HEFLIN, Mr. BOSCHWITZ, Mr. LIEBERMAN, Mr. NUNN, Mr. DOLE, Mr. ROBB, Mr. SARBANES, Mr. CONRAD, Mr. SASSER, Mr. KENNEDY, Mr. INOUE, Mr. MITCHELL, Mr. LAUTENBERG, Mr. HATFIELD, Mr. JEFFORDS, and Mr. BOREN):

S.J. Res. 349. A joint resolution designating October 1990, as "Italian-American Heritage and Culture Month"; to the Committee on the Judiciary.

By Mr. BYRD:

S.J. Res. 350. A joint resolution to designate October 18, 1990, as "National Hardwood Day"; to the Committee on the Judiciary.

S.J. Res. 351. A joint resolution to designate the month of May 1991, as "National Trauma Awareness Month"; to the Committee on the Judiciary.

### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SANFORD:

S. 2853. A bill to prohibit oil and gas leasing, exploration, and development offshore North Carolina until adequate physical oceanographic, ecological, and socioeconomic information is available to enable informed decisionmaking, and for other purposes; to the Committee on Energy and Natural Resources.

#### OUTER BANKS PROTECTION ACT

● Mr. SANFORD. Mr. President, I rise today to address an issue that has created enormous controversy in coastal States across the country. The issue is framed by the following question: Under what circumstances and conditions should offshore oil and gas exploration and development activities be allowed to occur in areas where such activities have not previously occurred?

This question has been the subject of an increasingly strident debate in recent years. It has been posed in various forms from Massachusetts to California to Alaska. It is a question of

great national significance both in terms of energy policy and environmental policy. It is also a matter of intense local interest in most coastal States. Since 1988, it has been a matter of intense interest and concern—to say the least—in North Carolina.

Offshore oil and gas activities pose numerous complex questions that do not lend themselves to simple answers. And it is not my purpose today to attempt to find such answers in a national sense. Circumstances have demanded, however, that actions be taken with respect to proposals to allow certain oil and gas activities in the North Carolina Outer Continental Shelf area. Offshore oil and gas exploration would be a new activity for North Carolina, and our citizens are quite properly seeking to ensure that special precautions are taken before any such activities are allowed.

Mr. President, in August 1988, the Minerals Management Service notified me that the Mobil Oil Co., together with 8 other companies, intended to submit an exploration plan for up to 7 wells within a 21-block unit offshore from our Outer Banks. Mobil later decided to submit a plan for a single exploratory well some 45 miles northeast of Cape Hatteras, with a subsequent plan to follow if a discovery was made.

As might be expected in a State which is justifiably proud of its unique coastal resources—and a State with virtually no experience in dealing with offshore petroleum activities—a firestorm was created. Citizens from all walks of life, whether rich or poor; Republican or Democrat; coastal resident or coastal visitor; joined to express concern about the potential effects of offshore exploration and development on our beloved Outer Banks.

The issue galvanized people who do not normally involve themselves in environmental issues and attracted considerable attention even from those who do not normally pay much attention to the affairs of government. Citizens demanded to know more about what the proposal would mean to North Carolina, and urged caution in even permitting a single well.

We do not know a great deal about oil and gas, Mr. President. We are not, and have never been, a producing State. But we do know that we have been blessed with a rare gem indeed in our Outer Banks, our beaches, our coastal wetlands, and wildlife, and a very high quality of human life along our coast.

Most North Carolinians do not want to take a not-in-my-backyard approach to petroleum exploration. But North Carolinians are insisting, as they should, that we not roll out the red carpet for a significant new activity until we are sure what it means for the Outer Banks.



Mr. President, we have learned a great deal in a hurry since August 1988, as we have had to do. The State of North Carolina, Mobil, and the Minerals Management Service entered into an unprecedented agreement last year which was designed to ensure that better information on the environmental and socioeconomic impact of exploration and any subsequent production would be available before a decision was made on Mobil's proposed well. Since that time, Mobil, North Carolina, and the MMS have spent millions of dollars on various studies and models and have produced a draft environmental report designed to aid in the decisionmaking process.

I have tried very hard to keep an open mind on this issue, Mr. President. I have said from the start that we should carefully weigh the costs and benefits of Mobil's proposal, and make the best decision we can based on the most complete information that is reasonably possible. I announced in 1988 that I would pay careful attention to the views of citizens who may be affected by the proposal, and to the views of the scientific community in North Carolina. I have done so throughout this debate.

The issue has been a difficult one. On the one hand, evidence indicated that natural gas, not oil, would be the likely result of a discovery. A major natural gas discovery could provide very substantial, if uncertain, benefits to northeastern North Carolina. This is an underdeveloped area of our State which is in need of economic assistance. The lack of natural gas service to that area is currently a major economic constraint, and a new gas supply located close to that area could greatly enhance the possibility of economically feasible service.

On the other hand, an oil discovery raises the specter of a spill and the possibility, however remote, of the devastation of an extremely fragile ecosystem. We all remember the Santa Barbara blowout some 20 years ago, and the *Ixtoc* spill in the gulf. The recent rash of tanker spills, including of course the *Exxon Valdez*, demonstrate all too graphically what can happen if a major spill occurs, regardless of its source.

While it is true that the odds of an oilspill from exploration or production activities would be extremely slim off the North Carolina coast, such a spill cannot be ruled out. We must therefore take great pains to ensure that we understand the likely consequences of a major spill, and how we could respond, before we allow any exploration or production. After all, if we do not allow such activities, the additional risk of a spill is zero.

Mr. President, when I first began to study this issue in some detail, I learned many things. The evidence available clearly did not support a po-

sition of rejecting drilling out of hand, without carefully considering the specifics of a proposal. For example, it is clear that the risks of a major oilspill from offshore oil and gas activities, even if fairly substantial development occurred, would likely be small in comparison with existing risks of spills from the current tanker traffic off our coast. That may be a better argument for getting tough oilspill legislation out of conference than anything else, but that is what the figures show.

I also learned that there has never been a major spill from an exploration well in the OCS area. There has not been a major spill from a production well in the OCS area in over 20 years, although there have been some in other countries. Further, it would appear that the odds of finding oil are only about 1 in 100. If natural gas was found, environmental risks from production and associated infrastructure would be much less severe than would be the case if oil was found.

I further learned that the drilling muds used offshore are generally composed almost entirely of natural materials, such as barite, bentonite, and water. I am aware that trace metals associated with naturally occurring compounds, as well as special materials such as chromium and lignosulfates, can be of significant concern with respect to potential impacts on marine resources. Nonetheless, it cannot be assumed that drilling discharges will automatically result in any great harm, nor are fishery impacts obvious in many areas where production has occurred.

Finally, I should point out that we may be approaching a potential energy crisis that could be even worse than the gas lines of the 1970's. We are now importing half our oil, even more than in 1979. Imported oil is responsible for roughly half of our enormous trade deficit, and that is a major economic problem. So as long as people insist on driving big cars and driving them often, we are going to need to get more energy from somewhere, and that is not going to be from domestic onshore oil sources. Natural gas can substitute for oil in many circumstances, including motor vehicles, but we are not likely to find major new gas sources onshore either. This situation is frequently cited by drilling proponents as an argument for opening new areas to exploration.

My own view is that we ought to recognize this crisis, but we should look first to increasing energy efficiency and renewable sources before we start opening up environmentally sensitive areas to massive new petroleum exploration. In this connection, it may be instructive to note that the Reagan administration succeeded in cutting funding by 90 percent for some very successful renewable energy problems.

That administration also gutted promising energy efficiency programs, while attempting to slap fossil fuel leases on just about everything in sight. We in the United States still waste far more energy than any other nation in the world. So we ought to in general do the very easy things, such as reducing energy waste, before we start considering the tough decisions posed by the expansion of fossil fuel production in new areas.

My thoughts after some early study, then were to urge that intensive site-specific information should be collected with respect to the proposed well. We needed to look at the specifics of the drilling plan; baseline data on fishery resources and bird and marine mammal species that utilize the area at the proposed drill site; ocean bottom topography and stability; ocean currents; and a host of other environmental factors. We needed to look at the socioeconomic aspects of allowing a new and controversial industry into an area where both economy and culture are closely tied to unique natural resources.

I felt then, and continue to feel, that two principles should guide our decision on whether to allow drilling. First, the burden of proof should be on Mobil and the Minerals Management Service to demonstrate that, based upon adequate scientific information, the chances of ecological or socioeconomic damages from offshore oil and gas activities would be negligible. Second, although Mobil is seeking permission to drill only one well, we should carefully examine the consequences of full-scale development associated with a major discovery in advance, because North Carolina's ability to halt or condition such development after a discovery is made may be limited.

Since 1988, Mobile has worked closely with MMS and the State to provide the answers to many difficult questions. Last November, a comprehensive draft environmental report comprising over 800 pages of data was released. While containing a great deal of useful information, the draft ER was subject to considerable criticism from the State and the public in certain areas. A final draft, ER was recently released that includes a number of revisions.

While I am generally pleased with Mobil's cooperation and believe great progress has been made in terms of gathering the information we need to make an informed decision, Mr. President, I do not feel that the burden of proof has been met such that we can allow drilling to go forward at this time. Therefore, I have come to the conclusion that a moratorium on drilling is necessary and today am introducing legislation to accomplish that end. Congressman WALTER JONES has

introduced similar legislation in the other body.

Mr. President, I am not a believer in delay for delay's sake. I do not know whether, or under what conditions, we may wish to allow Mobil to proceed. I am simply convinced that there are still unresolved questions with respect to the potential impacts of drilling and North Carolina's ability to set any necessary conditions on exploration and production, and that we need an appropriate period in which to attempt to fill the gaps in the data.

It is quite clear that the citizens of North Carolina do not believe the current environmental report is adequate. The scientific community in North Carolina has also identified a number of areas in which current information ought to be improved. Among these areas are:

Ocean current data, including filaments and eddies, north of the proposed drilling site, which is necessary to predict accurately the worst-case consequences of an oil or diesel spill;

Baseline data on marine resources in the highly productive area adjacent to the drill site, including the possibility of unusual effects of discharges on juveniles or larvae of certain species even though any concentrations of toxics in such discharges are expected to be reduced to background levels within hundreds of meters of the drill site;

Designation of the "Point" area near the proposed drill site as an "Area of Biological Concern" under EPA regulations and potential restrictions on drilling mud composition or discharge based on such designation;

Exclusion of fishing activities, including both direct spatial exclusion and indirect exclusion through water quality or noise effects;

Stability of the sea floor and the potential for a "slope failure" event along the ocean bottom which may affect drilling operations;

Additional attention to socioeconomic factors, particularly in the event that a major discovery occurs, and planning which could help avoid adverse socioeconomic impacts; and

Additional attention to the possibility of adverse impacts to marine mammals, endangered species, and migratory pelagic bird species.

While there has been considerable public criticism of Mobil's environmental report, I want to make it clear that I do not agree with much of that criticism. It is indisputable that we have gathered far more information than is typically required under law for the drilling of a single well. I might prefer that we generally require more such data to be gathered for all wells proposed to be drilled in new areas, but I think we should generally praise Mobil's efforts. Those efforts clearly go far beyond what is required, and I have no reason to criticize the general

quality of their work. But due to the unique qualities of the Outer Banks, we must have an exceptionally high standard to meet here.

I would note that Mobil has been willing not only to go to unprecedented lengths in terms of data collection, but has also agreed to unusual measures to guard against a spill, and to try to ensure that North Carolina would receive as much of the economic benefits associated with its proposed activities as possible. While I believe it is important to have more independent review of Mobil's data, my concerns lie more with the process under which we are expected to make decisions rather than Mobil's actual performance.

Mr. President, my Outer Banks Protection Act is based largely on the efforts of Chairman WALTER JONES, who has done a great service to North Carolina with his consistent, thoughtful leadership on this issue. The bill would do the following:

Require the Secretary of the Interior to conduct additional ecological and socioeconomic studies, building upon the current efforts of Mobil, MMS, and the State of North Carolina;

Establish a five-member independent review panel to consult with the Secretary on such studies, assess the adequacy of the data, and report to the Secretary, with specific guidance as to topics that should be included in the review process;

Prohibit the approval of any exploration plan, permit to drill, or actual drilling, until 45 days of continuous session of Congress after the Secretary has found, based on the findings and recommendations of the review panel, that adequate and reliable data exists on which to proceed with environmentally sensitive exploration activities;

Prohibit the issuance of any new leases off North Carolina until January 1, 2000; and

Authorize appropriations for necessary activities as specified in the bill.

Mr. President, it is also my intention to seek a moratorium on all oil and gas activities off the North Carolina coast through the appropriations process.

When President Bush announced earlier this week that he would suspend oil and gas activities off broad segments of the Nation's coast, he stated that he had selected those segments based on five criteria. Those criteria were the availability of adequate information and analysis; environmental sensitivity; resource potential and existence of proven reserves; effect on the Nation's energy requirements; and national security. Based on any reasonable application of these same principles to North Carolina, the conclusion is inescapable that a moratorium applies to our situation at least as well as it does to the areas selected by the President.

I have no doubt that we have many difficult decisions ahead with respect

to the national OCS program. The 1989 National Research Council report, as well as the work of the President's task force, leaves little doubt on that score. But while that work proceeds, we must pay special attention to areas such as the Outer Banks. It is my hope that the Outer Banks Protection Act will provide the impetus we need in North Carolina to gain the information we must have to make an informed decision on offshore petroleum activities.●

By Mr. HATFIELD:

S. 2854. A bill to declare that certain public domain lands are held in trust for the Confederated Tribes of Siletz Indians of Oregon; to the Select Committee on Indian Affairs.

SILETZ RESERVATION ADDITION ACT

● Mr. HATFIELD. Mr. President, today, I am introducing legislation on behalf of the Confederated Tribes of Siletz Indians of Oregon. This bill is designed to assist the Siletz Indians in their quest to achieve economic self-sufficiency, enhance their opportunities to exercise a higher level of self-determination and sovereignty in the management of their natural resources, maintain environmental integrity in the positive use of their resources, and protect third-party interests.

This bill has also been structured in such a way as to offer a model to further the U.S. stated policy of Indian self-determination. This legislation adds a new dimension to that policy by authorizing the tribe to voluntarily waive certain legal trust responsibilities that are borne by the Government in its management of Indian timberlands, including the marketing of timber. The Siletz Tribe has requested this new and innovative authority to permit it to assume greater management control over its resources and to take advantage of rapidly changing timber-marketing conditions. The United States would be held harmless by the tribe in its exercise of this authority.

Under the provisions of this legislation, the tribe would exercise this new dimension of self-determination over approximately 11,500 acres of public domain timberlands which are authorized to be transferred to the tribe by this legislation and added to its present 3,600-acre reservation. These lands consist of over 100 parcels ranging in size from 20 to 500 acres. The lands are located wholly in Lincoln County, OR, and are managed by the Department of the Interior's Bureau of Land Management [BLM]. The fragmented nature of these lands pose management problems for the BLM which would be resolved by the adoption of this legislation.

Historically, the Siletz Tribe occupied a 1,200-acre reservation in west-



ern Oregon. The timber, wildlife, waterfowl, fruit, and berries located on the reservation provided the tribe with shelter and sustenance. Misguided Federal Indian policies eased the way for powerful economic interests to acquire virtually all of this land. The tribe's unique relationship with the United States was terminated by yet another misguided Indian policy in the 1950's. This so-called termination policy was designed to free Indians from the burdens of Federal trusteeship and open the doors of opportunity to mainstream America. The shortcomings and failures of that policy are well documented and require no further elaboration at this time.

In the 1970's, I sponsored legislation in the Senate to provide for the restoration of the Siletz Tribe's unique relationship with the United States. My legislation was enacted into law in 1977, and launched what I viewed as phase 1 of the tribe's drive to achieve economic self-sufficiency.

Following restoration, the Siletz Tribal Council made a conscious decision to exercise its full range of options under the Indian self-determination policy to give meaning and substance to its inherent sovereign powers. The council assumed control and management—save for legal trust responsibilities—over the programs of the Bureau of Indian Affairs and Indian Health Service pursuant to contractual arrangements.

Significantly, it should be noted that the council has managed its Federal grants and contracts in a responsible and businesslike manner. Federal audits of grants and contracts over several years have failed to disclose a single disallowed expenditure. It is fair to state further that the council is applying the same responsible and businesslike management qualities to all of its economic development endeavors.

While the Siletz Tribe has demonstrated important economic progress, its future economic growth is inhibited by an inadequate land and timber base. The 3,600-acre reservation, along with a projected \$8 million in Federal contracts and grants, was thought to be sufficient to provide an opportunity for tribal economic self-sufficiency. By 1983, however, the tribe realized that projected revenues from timber sales and Federal sources were overly optimistic. They concluded that the only way to achieve economic self-sufficiency was to seek additional land.

The tribe requested that I sponsor legislation to acquire the balance of public domain lands in Lincoln County for their beneficial use and ownership. But in making this request, the tribal leadership emphasized to me that they wanted more than a traditional Indian land transfer bill. The leadership expressed a strong desire to be vested with broader resource management authorities. The bill that I am intro-

ducing today reflects that desire. My introduction of this legislation launches phase 2 of the Siletz Tribe's quest to achieve economic self-sufficiency.

Mr. President, I do not want to give the impression that this legislation is without problems. Major issues need to be resolved in order for this bill to move forward.

As many of my colleagues are aware, the Northwest is in the midst of a highly polarized debate over the future of its forest lands. One facet of that debate deals with the spotted owl—a species that was just listed as a threatened species. At this time, we do not know what the plan for its protection will look like—either in the short term or the long term.

An interagency scientific committee recently issued a report that includes a plan to set aside habitat to assure the viability of the owl. That plan is largely based on large set-asides called habitat conservation areas [HCA's] and may form the basis for future protection of the owl. An initial look at the report would indicate that about half of the proposed reservation-addition lands contained in this bill are also located in potential HCA's.

Because the timber management activities envisioned by the tribe are clearly contrary to the minimal management scheme advocated by the interagency scientific committee, a transfer of these lands would do the tribe little good if the areas in question were set aside for habitat conservation.

Accordingly, we will have to wait for the major timber management questions to resolve themselves prior to any actual lands transfer. However, this should not stop the Select Committee on Indian Affairs from holding hearings to address the underlying concepts in my legislation.

There is no question that those concepts will stir up controversy with regard to their departure from the more traditional view of trust responsibility. Clearly, there have been recent examples of trust mismanagement that would suggest that a more independent tribal role is not warranted. However, there will be those who will claim that eroding the Federal Government's role in overseeing management of trust resources is not in the long-term interest of tribes. These issues need to be explored. I am introducing this legislation today so that we can get the issues out on the table and provide a forum for their discussion.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

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

S. 2854

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

## DEFINITIONS

SECTION 1. For purposes of this Act—

- (1) The term "tribe" means the Confederated Tribes of Siletz Indians of Oregon.
- (2) The term "Secretary" means the Secretary of the Interior.

## DECLARATION OF TRUST

SEC. 2. (a) The Secretary shall declare that all rights, title, and interest of the United States in surface and mineral estates of certain lands located in Lincoln County, Oregon, that are public domain lands other than—

- (1) National Forest lands,
- (2) the lands of the Oregon and California Railroad, and
- (3) Yaquina Head,

are held in trust by the United States for the benefit of the Tribe.

(b) Lands that are declared to be held in trust under subsection (a) shall be part of the reservation of the Confederated Tribes of Siletz Indians of Oregon.

(c) The Secretary shall publish in the Federal Register a legal description of the lands that are declared to be held in trust under subsection (a).

## MANAGEMENT OF RESOURCES

SEC. 3. (a)(1) Notwithstanding the Act of September 4, 1980 (94 Stat. 1072; 25 U.S.C. 711e note); sections 2116 and 2118 of the Revised Statutes (25 U.S.C. 177, 180); the Act of February 16, 1889 (25 Stat. 673; 25 U.S.C. 196); sections 5, 7, and 8 of the Act of June 25, 1910 (36 Stat. 857; 25 U.S.C. 202, 407, 406); section 6 of the Act of June 18, 1934 (48 Stat. 986; 25 U.S.C. 466); or any other provision of law, the Tribe is authorized to—

(A) manage, harvest, remove, sell, or otherwise alienate any timber, any interests in timber, or any other surface or subsurface resources on any lands held by, or in trust for, the Tribe, and

(B) perform any other activities on such lands incidental to the activities described in subparagraph (A), including forest presale activities and road construction and maintenance.

(2) Notwithstanding any other provision of law—

(A) the United States shall not be responsible for the care or management of any lands for which the Tribe has assumed responsibility under paragraph (1), and

(B) the United States shall not be liable for any action or omission of the Tribe that arises in connection with the activities the Tribe is authorized to conduct under paragraph (1).

(b)(1) If the ordinances of the Tribe do not include an ordinance adopted in consultation with the Secretary and the Oregon State Forester that is substantially in accord with the Oregon Forest Practices Act (Or. Rev. Stat. 527.610, et seq.) and the rules promulgated under such Act, the Tribe shall enforce such Act and rules with respect to lands held by, or in trust for, the Tribe as though such Act and rules were ordinances of the Tribe. The Secretary shall publish in the Federal Register any ordinance of the Tribe that is substantially in accord with such Act and rules and any amendments to such ordinance. Any amendments to such ordinance shall be made in consultation with the Secretary and the Oregon State Forester.

(2)(A) Notwithstanding the sovereign immunity of the Tribe, the State of Oregon or any person who is damaged by any action or omission of the Tribe that constitutes a violation of—

(i) an ordinance of the Tribe that is substantially in accord with the Oregon Forest Practices Act and the rules promulgated under such Act, or

(ii) if such an ordinance is not in effect, the Oregon Forest Practices Act or any rule promulgated under such Act.

may bring a civil action in the tribal court of the Tribe to compel compliance, to seek compensation for such damages, or to obtain both compliance and compensation.

(B) If the Tribe does not have a tribal court, the State of Oregon or any person described in subparagraph (A) may bring a civil action in the United States District Court for the District of Oregon to obtain the relief described in subparagraph (A) and the United States District Court is authorized to provide that relief.

(C) The Tribe may be held liable for damages in any civil action brought under subparagraph (A) or (B) only to the extent that the United States would have been held liable for damages if the Secretary were responsible for the action or omission upon which the civil action is based.

(D) The courts of the State of Oregon shall not have jurisdiction over any civil action described in subparagraph (A) and shall not have the authority to provide the relief described in subparagraph (A).

(c)(1) If the Tribe assumes responsibility under subsection (a)(1) for any of the activities described in subsection (a)(1), the Tribe may terminate such responsibility by providing notice of such termination to the Secretary. The termination shall take effect on either—

(A) the date that is 1 year after the date on which notice of the termination is submitted to the Secretary, or

(B) a date upon which the Secretary and the Tribe have agreed.

The Secretary shall publish in the Federal Register advance notice of the date on which such termination is to take effect.

(2) The termination under paragraph (1) of any responsibility assumed under subsection (a)(1) shall not—

(A) affect the liability of the Tribe arising out of any action or omission of the Tribe that occurred on or before the effective date of the termination,

(B) transfer any liability to the United States for such actions or omissions,

(C) obligate the United States to reforest any area, or otherwise remedy any condition, by reason of such actions or omissions, or

(D) affect the eligibility of the Tribe for any services or assistance that are provided by the Secretary to Indian tribes because of their status as Indian tribes.

(d)(1) For each fiscal year for which the Tribe assumes responsibility under subsection (a)(1) for any of the activities described in subsection (a)(1), the Secretary shall pay to the Tribe, out of funds appropriated for such fiscal year under the authority of the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), popularly known as the Snyder Act, an amount that equals or exceeds the amount of funds the Tribe would have received for such fiscal year for carrying out such activities under a contract entered into with the Secretary for such fiscal year under the Indian Self-Determination Act if the Tribe had not assumed responsibility for such activities under subsection (a)(1).

(2) If the Tribe receives funds under paragraph (1) for any fiscal year—

(A) the Tribe shall submit to the Secretary a report which provides an accounting of how the funds were expended, and

(B) the Comptroller General of the United States is authorized to conduct an audit of the Tribe with respect to the expenditure of such funds.

#### PROCEEDS FROM RESOURCES

SEC. 4. (a) Notwithstanding any other provision of law, the proceeds from the sale of timber on, or the sale of any other surface or subsurface resource of, lands held by, or in trust for, the Tribe that occur after the date of enactment of this Act (including sales occurring after such date under a contract that was entered into by the United States prior to the date of enactment of this Act) shall be paid to the Tribe.

(b) None of the proceeds described in subsection (a) that are paid to the Tribe shall be subject to Federal or State income taxes or be considered as income or resources of the members of the Tribe in determining eligibility for, or the amount of assistance under, the Social Security Act or any other Federal program or program assisted by the Federal Government.

#### PAYMENTS IN LIEU OF TAXES

SEC. 5. In order to offset the loss of revenue caused by the other provisions of this Act, the Tribe shall pay to the County of Lincoln, Oregon, 1.5 percent of the net revenues from timber harvested from the lands that are declared to be held in trust for the Tribe under section 2(a).

#### CONSTRUCTION OF THIS ACT

SEC. 6. Nothing in this Act, and no actions taken by reason of this Act—

(1) shall affect any rights any person (other than the United States) has on the day before the date of enactment of this Act in the lands that are declared to be held in trust for the Tribe under section 2(a),

(2) shall be construed to authorize the taxation of timber on such lands or of any interest in, or resources located on, such lands,

(3) shall be construed to authorize the alienation of any interest of the Tribe in any real property other than timber or other surface or subsurface resources on such lands,

(4) shall affect the eligibility of such lands for the services and assistance for insect control, disease control, and fire suppression on the same basis that such services and assistance are provided to other lands held in trust for any Indian tribe recognized by the Federal Government,

(5) shall affect the responsibility of the United States to protect the lands held in trust for the benefit of the Tribe, and lands otherwise subject to restrictions imposed by the United States on alienation, from taxation and from alienation of any interest in such lands, other than in the timber, surface resources, or subsurface resources on such lands,

(6) shall preclude the Secretary from approving (under part 151 of title 25 of the Code of Federal Regulations or any similar regulations prescribed by the Secretary) applications for trust status for any additional lands acquired by the Tribe,

(7) except as provided in section 3(b) and paragraph (8), affect the regulatory authority of the Tribe over lands held by, or in trust for, the Tribe,

(8) shall grant or restore any hunting, fishing, or trapping rights of any nature, including any indirect or procedural right or

advantage to the Tribe or any member of the Tribe, or.

(9) shall diminish any hunting, fishing, or trapping rights that existed prior to the date of enactment of this Act.

#### PUBLIC ACCESS

SEC. 7. The Tribe may restrict access to the lands that are declared to be held in trust for the Tribe under section 2(a) to the extent that the Secretary is allowed to impose or enforce restrictions on access to public domain lands under Federal law.

#### TIMBER EXPORTS

SEC. 8. (a) The Tribe shall offer not less than 50 percent of the total sales volume for each year of timber harvested from the lands declared to be held in trust for the Tribe under section 2(a) for sale to United States firms that agree to use the timber purchased for production in the United States of wood products.

(b) Except as otherwise provided in subsection (a), no restrictions shall apply to the exportation of timber harvested from, or other surface or subsurface resources removed from, the lands that are declared to be held in trust for the Tribe under section 2(a).

(c) Nothing in this Act may be construed to impose any restrictions on the export of timber harvested from, or other surface or subsurface resources removed from, any lands held by, or in trust for, the Tribe other than the lands declared to be held in trust for the Tribe under section 2(a).●

By Mr. BINGAMAN:

S. 2855. A bill to require the establishment of a Critical Technologies Institute as a federally funded research development center; to the Committee on Energy and Natural Resources.

#### CRITICAL TECHNOLOGIES INSTITUTE ACT OF 1990

● Mr. BINGAMAN. Mr. President, a recent report to the Secretary of Defense from the Defense Science Board concerning defense industrial cooperation with our Pacific Rim allies made three basic points. First, technology has replaced territory as the determinant of national power. Second, leadership in dual-use technologies is the key to future economic and military success. And third, history is unkind to nations who lose control of their economic destiny.

These three observations prompted me to author a provision in last year's Defense authorization bill which required the establishment of the National Critical Technologies Panel.

The provision called on the President's science adviser to convene a panel with representation from both government and industry. The panel will prepare a biennial report for the President and Congress setting out its view on the 30 technologies most important both to our long-term defense needs and to our future economic prosperity.

For each such technology the panel must state the reasons it is included, our progress in developing it, and how we stand relative to other countries. The first report is due to the President



on October 1, 1990 and to the Congress on November 1, 1990.

The idea of a critical technologies report is not new. The Japanese have, of course, for many years targeted critical technologies for particular emphasis both by government and industry. The Europeans, through the European Community's Framework Program and numerous cooperative government-industry research and development programs, have selected five key technology focuses. Through the Euclid project under the Independent European Program Group [IEPG], the Europeans have also specified 11 technologies they consider most significant for European security.

In 1987 the U.S. Aerospace Industry Association began its critical technology planning process, identifying eight technology areas of greatest importance to the future of the U.S. aerospace industry. Since that initial list, they have added two more. In 1988 Congress directed the Department of Defense to prepare an annual critical technology plan, and in March 1990, the second of those plans was issued listing 20 technologies of greatest concern. And now the Department of Commerce has just issued its emerging technologies report, identifying 12 technologies critical to American economic opportunity.

There is a tremendous overlap among the priority areas selected in these various reports. Microelectronics and information technologies, advanced materials, manufacturing technology, and biotechnology are recognized by all as critical enabling technologies for numerous applications. In a sense, critical technologies select themselves. The only question is whose industry will bring the resulting products to market first.

In testimony before my subcommittee in the Armed Services Committee, we have repeatedly heard that the initial report of the National Critical Technologies Panel will not nearly be enough to ensure that it will be American industry in the lead. Rather, much more must be done to move us toward a national consensus on what our priorities should be, on how we ensure stability in the funding of research and development in these priority areas, and on what independent or coordinated action industry, government, and academia should take to ensure American leadership in these critical technologies. Specifically, witnesses stressed that there should be a coordinating focal point for gathering the advice from the private sector and the public sector as to appropriate objectives, strategies, and progress assessments with respect to each of these technologies, and that a permanent, highly qualified staff must be devoted to this goal.

Therefore, today I rise to introduce the Critical Technologies Institute Act

of 1990. The act will mandate the establishment and funding of the Critical Technologies Institute, a federally funded research and development center [FFRDC], whose primary sponsor would be the Office of Science and Technology Policy. Its mission would be threefold.

First, on the basis of the National Critical Technologies Report and its own analysis of national and worldwide trends in basic and applied research and development of each critical technology, the Institute will coordinate the ideas of industry, universities, and the Federal and State Governments to identify for the Institute's board and sponsor possible national objectives with respect to each such technology. The Institute's staff will prepare reports which summarize the results of such analysis and coordination on the question: What should America's research, development, and production capability be for each technology near term, midterm, and long term?

Second, on the basis of its own research and analysis and of pooled ideas from industry, universities, and the Federal and State Governments, the Institute will prepare in some detail for the Institute's board and sponsor possible strategies for achieving the objectives identified, including what industry, the Federal Government, State governments, and universities might appropriately do, independently or on a coordinated basis, to achieve those objectives.

And third, the Institute will prepare periodic reports for the Institute's board and sponsor which monitor progress on implementing strategies and on achieving objectives.

The Institute would be a nonprofit, membership corporation. Its members would be its board members, and its board will consist of 21 representatives of government, industry, and academia. Eleven members shall be the heads—or their designees—of agencies which are part of FCCSET [the Federal Coordinating Council on Science, Engineering, and Technology]. The Director of OSTP—who shall be chairman of the board—the Secretaries of Defense, Energy, Health and Human Services, Commerce, the Director of the National Science Foundation, and the Administrator of NASA shall be permanent members of the board. The remaining 4 of the first 11 seats shall be filled—on a staggered, rotating, 4-year-term basis—from the other 10 members of FCCSET. The remaining 10 seats on the board shall be filled with representatives of industry and academia, selected by the first 11 members of the board from FCCSET. And the officers of the Institute, elected by the board, will be able to hire a permanent, expertly qualified staff which is typically found in FFRDC's like the Institute for Defense Analysis.

In my view, the establishment of the Critical Technologies Institute is the key to America's regaining control of its economic destiny. It provides the focus for discussion, consensus, and implementing action for government, industry, and our universities, and the professional staff to support that effort. It provides us the occasion to acknowledge that technology leadership is now, in fact, the true foundation of national power, and it provides us the real opportunity to do something about it.

Mr. President, I respectfully request that a copy of the full text of the bill appear in the RECORD, and I yield the floor.

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

S. 2855

*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 "Critical Technologies Institute Act of 1990".

#### SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress makes the following findings:

(1) Title VI of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6681 et seq.), as added by section 841 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1511), provides for the establishment of a National Critical Technologies Panel within the Office of Science and Technology Policy.

(2) That panel is responsible for submitting to the President a biennial report on national critical technologies.

(3) A biennial report of the National Critical Technologies Panel will be of little use if government, industry, and academia do not have a focal point to discuss whether the findings of the panel should be followed with the independent or coordinated action necessary to make the United States competitive in the technologies reported on by the panel.

(4) No agency of the Federal Government currently has the personnel resources adequate to provide the staff support that will be needed in the future by the National Critical Technologies Panel or to support the consideration of appropriate follow-up action on the findings of that panel.

(5) In order to attain the desired objectives, it is essential that the National Critical Technologies Panel have a permanent, highly qualified staff. A Federally funded research and development center is ideally suited to meet that requirement.

(b) PURPOSE.—It is the purpose of this Act to provide to the Office of Science and Technology Policy and the other government agencies that are members of the Federal Coordinating Council on Science, Engineering, and Technology, through a federally funded research and development center, (FCCSET) permanent, expert personnel resources that will—

(1) produce the research and analysis that Federal and State government, industry, and colleges and universities will need in order to consider appropriate independent or coordinated implementing action pursu-

ant to National Critical Technologies Panel findings; and

(2) provide supplemental staff support to the National Critical Technologies Panel, or like panels, as may be needed in the future.

#### SEC. 3. CRITICAL TECHNOLOGIES INSTITUTE.

(a) **ESTABLISHMENT.**—There shall be established a Federally-funded research and development center to be known as the "Critical Technologies Institute" (hereafter referred to in this section as the "Institute").

(b) **INCORPORATION.**—The Institute shall be incorporated as a nonprofit membership corporation.

(c) **BOARD OF TRUSTEES.**—(1) The Institute shall have a Board of Trustees (hereafter referred to in this section as the "Board") composed of 21 members as follows:

(A) The Director of the Office of Science and Technology Policy, who shall be Chairman of the Board.

(B) The Secretary of Defense, or the Secretary's designee.

(C) The Secretary of Energy, or the Secretary's designee.

(D) The Secretary of Health and Human Services, or the Secretary's designee.

(E) The Secretary of Commerce, or the Secretary's designee.

(F) The Administrator of the National Aeronautics and Space Administration, or the Administrator's designee.

(G) The Director of the National Science Foundation, or the Director's designee.

(H) Four members appointed by the Director of the Office of Science and Technology Policy from among the members of the Federal Coordinating Council on Science, Engineering, and Technology (other than members of such council named in subparagraphs (B) through (G)).

(I) Ten members appointed by the members of the Board referred to in subparagraphs (A) through (H) from among representatives of industry and colleges and universities in the United States.

(2)(A) The term of service of members of the Board appointed under paragraph (1)(H) shall be four years, except that of the four members first appointed, one shall be appointed for a term of one year, one shall be appointed for a term of two years, one shall be appointed for a term of three years, and one shall be appointed for a term of four years, as specified by the Director of the Office of Science and Technology at the time of the appointments.

(B) The term of office for each of the members of the Board appointed under paragraph (1)(I) shall be specified by the appointing members of the Board at the time of appointment.

(C) Members of the Board may be reappointed.

(D) A vacancy in a membership of the Board appointed pursuant to subparagraph (H) or (I) of paragraph (1) shall be filled in the same manner as the original appointment. A member appointed under this subparagraph shall serve for the remainder of the unexpired term of his predecessor.

(3) The Board shall meet at least twice each year.

(4)(A) The Board shall have an executive committee composed of the members referred to in subparagraphs (A) through (G) of paragraph (1) and six of the members appointed pursuant to subparagraph (I) of such paragraph.

(B) The executive committee shall meet at least six times each year.

(5) A member of the Board who is an officer or employee of the United States may not receive pay for service as a member,

other than the pay provided for the member's position as an officer or employee of the United States.

(d) **DUTIES OF THE INSTITUTE.**—The Institute shall—

(1) survey the views of United States industry, colleges, and universities, and Federal and State agencies, involved in research, development, or utilization of critical technologies on—

(A) each critical technology identified in the most recent biennial report of the National Critical Technologies Panel established pursuant to section 601 of the National Science and Technology Policy, Organization, and Priorities Act of 1976 (42 U.S.C. 6681); and

(B) each technology that the Institute considers critical on the basis of its analysis of national and worldwide trends in basic and applied research and development;

(2) on the basis of such views and analysis by Institute personnel—

(A) identify suitable near-term, mid-term, and long-term national objectives for the research, development, and production capability of the United States with respect to such technologies; and

(B) prepare possible strategies for achieving the identified objectives, including a discussion of the appropriate roles of industry, colleges and universities, and Federal and State agencies; and

(3) publish reports, as appropriate, discussing—

(A) such national objectives and strategies; and

(B) progress in implementing such strategies and achieving such objectives.

(e) **SPONSORSHIP.**—(1) The Director of the Office of Science and Technology shall be the sponsor of the Institute.

(2) The Director and the Board shall enter into a sponsor agreement consistent with the requirements prescribed by the Administrator for Federal Procurement Policy that are generally applicable to sponsor agreements.

(3) The sponsor agreement shall—

(A) require the Institute to perform such functions for the Office of Science and Technology as the Director of that office may specify consistent with the requirements of subsection (d); and

(B) permit the Institute to perform functions for the member agencies of the Federal Coordinating Council on Science, Engineering, and Technology that are not inconsistent with the effective performance of the functions specified by the Director.

(f) **DEADLINE FOR CERTAIN ACTIONS.**—The Director of the Office of Science and Technology Policy shall take such actions as may be necessary to ensure that, not later than 90 days after the date of the enactment of this Act—

(1) the articles of incorporation for the Institute have been appropriately filed;

(2) the corporate bylaws have been adopted;

(3) the Board members have been identified or appointed, as appropriate;

(4) the initial officers of the Institute have been elected;

(5) the first regular business meeting of the Board has been conducted; and

(6) the sponsor agreement referred to in subsection (e) has been entered into.

(g) **FUNDING.**—(1) The Secretary of Defense shall make available to the Institute, out of funds available for the Department of Defense, \$5,000,000 for the first fiscal year in which the Institute begins operations.

(2) There is authorized to be appropriated for the Institute for each fiscal year after the fiscal year referred to in paragraph (1) such sums as may be necessary for operation of the Institute.●

By Mr. DOMENICI:

S. 2856. A bill to enhance the use of the Department of Energy facilities so as to improve the Nation's competitive posture, and for other purposes; to the Committee on Commerce, Science, and Transportation.

#### DEPARTMENT OF ENERGY SCIENCE AND EDUCATION ENHANCEMENT ACT

● Mr. DOMENICI. Mr. President, I rise today to introduce the Department of Energy Science and Education Enhancement Act of 1990. This bill will help enable the Department of Energy [DOE] to use the full potential of its tremendous scientific resources to the benefit of the Nation.

This legislation takes some modest steps to expand upon the mission and authorities of the Department, enabling it to fully respond to critical national needs to improve the Nation's education, environment, health, and overall economic competitiveness.

Mr. President, during this time of wondrous world political change we must recognize that we are in the midst of a remarkable scientific and technological revolution that is also critically important to our Nation's future. Our society and workplaces are becoming increasingly technologically sophisticated, and in the future will require considerable basic skills in mathematics and science from all our graduates.

Important as well is the critical role scientific excellence and technological advances are already playing in the prospects for our economy. Our democratic, as well as economic, futures depend upon our Nation having a scientific literate citizenry, a high-quality cadre of scientists and engineers, and an industrial base adept at converting technological innovation into economic strength.

However, Mr. President, we keep seeing reports that tell us we are doing a very poor job at educating our students in math and science, and that too few of our excellent students are pursuing technical studies in college. It is particularly problematic that we are clearly falling behind in relation to our trading partners.

We must reform our educational systems to change this.

I believe one important way we can change things is to see that those with the resources and the ability to help—even though they are thought of as outsiders to education—can become highly constructive parts of our education systems. Secretary of Energy James Watkins, the man whose Department employs over 23,000 scientists recognizes the importance of this.



He has been calling upon his agency's active efforts to improve science in America.

Secretary Watkins knows that the future of his Department depends greatly upon the success of American science and math education. He also recognizes that the unique capabilities of this Department can be harnessed to greatly improve math and science education in this country. Secretary Watkins has put forth an excellent vision for the Department and the Nation in this regard, and today I am introducing a bill I have been working on with the DOE to help carry out that vision.

The first significant part of the bill is section 4, which expands upon the basic mission of the Department, directing DOE to use its resources to the fullest extent possible to improve American scientific education. This part is critical for two reasons. In order for the Department to fulfill its basic missions well into the future we must improve the number and quality of scientists, mathematicians, and engineers available to the Department.

In addition, the unique resources of the Department can offer much to America's education system so as to generally improve the educational experience of our students, and enhance math and science education in particular.

Section 5, directs the Secretary to establish specific programs to be operated at, or through, its facilities to generate improvements in three areas: technology transfer from DOE laboratories; math, science, and engineering education; and environment and health. This part of the bill is intended to give the DOE the clear authority and directive to establish proactive programs in these areas.

Importantly, as well, this bill gives DOE great flexibility and new funding authority to design programs that do not detract from their primary missions. This bill would create funding authority for this part equal to 10 percent of last year's appropriation for DOE facilities. This bill will help enable DOE to carry out the education mission in the bill, as well as its new technology transfer mission that we added last year in the National Competitiveness Technology Transfer Act.

Section 6 of my bill would establish a technology development program that builds upon last year's technology transfer law to improve the transfer of new technologies out of the labs and into commercial development. This section would authorize DOE to operate a special program to help move DOE-created technologies beyond the basic research stage, and to the point of commercial viability.

This part helps address a critical stage in technology transfer that has been a difficult one for federally supported laboratories—how to support

development of newly created technologies with commercial promise, which are not yet developed enough that private industry is able to commercially pursue them.

Supporting this kind of research at our labs has been somewhat difficult up to now, since the kind of development often needed from DOE in this area sometimes requires taking DOE beyond the basic DOE program missions whose research efforts originally generated the developments.

Section 6 would give DOE clear authority to support this middle stage technology development needed to make technology transfer work for many promising technologies. It would also help relieve the laboratories from the uneasy practice of taxing other programs, or drawing from general laboratory overhead funds, to support this important development function.

Language very similar to section 6 of this bill has already been approved unanimously by the Senate Energy Committee as part of the recently reported global warming bill.

Sections 7 and 8 provide specific authority for two excellent new initiatives that the DOE has developed to promote science and math education. Authorization in this bill will help provide appropriate attention and important stability for these programs.

Section 7 authorizes establishment of laboratory cooperative science centers that would enable the labs to operate a series of creative, laboratory-based education programs for students and teachers. Section 8 provides for university-based programs intended to encourage students to pursue energy-related science careers.

Mr. President, as our world changes we are appropriately reevaluating the need and value of the defense work performed in several of our key national laboratories. I think it is critically important, Mr. President, that in this process we do not rush to dismantle the tremendous scientific resources of the DOE that are vitally important to so many other national interests.

In New Mexico we have two tremendous national laboratories—Los Alamos and Sandia—that have a proud history of helping secure our Nation's defense. Though principally nuclear deterrent laboratories, these labs are also world leaders in research on specialty metals, semiconductors, superconductivity, human gene mapping, and environmental improvement.

These two labs, and the Inhalation Toxicology Research Institute located in Albuquerque, have been developing exciting programs to assist New Mexico's schools and economy. These labs operate a wide range of precollege, undergraduate, and graduate school programs for teachers and students.

Several of these programs are targeted at those traditionally underrepresented in science and engineering

fields—minorities, women, the handicapped and economically disadvantaged. Among the most exciting new programs being developed is a "Rural Teacher Training Program" that will support teacher enhancement for middle-school teachers in rural areas that have large Hispanic populations. Los Alamos and Sandia are also working with the Department of the Interior on a very promising scientific consultant outreach program for native American schools in New Mexico and Arizona.

While performing their invaluable missions to strengthen the Nation's defense and ensure energy security, the DOE and its laboratories possess the ability to greatly improve the economic strength of American industry, the quality of the Nation's mathematics, science, and engineering education, as well as our environment and quality of life.

The bill I am introducing today will give the Department the proper authority to operate and expand its efforts, while providing DOE and its laboratories the flexibility to design programs that fit their capabilities and special circumstances.

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

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

S. 2856

*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 "Department of Energy Science and Education Enhancement Act".

#### SEC. 2. FINDINGS.

The Congress finds that—

(1) scientific, technical, and engineering competence is essential to the Nation's future well being;

(2) the scientific, technical, and engineering capability at the Federal laboratories is unmatched throughout the world;

(3) superb research, development, testing, and evaluation occurs in Department laboratories;

(4) Department laboratories will play an increasing role in assuring that America remains competitive in world markets;

(5) improvements in mathematics, science, and engineering education are needed desperately to provide the trained and educated citizenry essential to the future competitiveness of the United States;

(6) greater effort and funding must be devoted to technology transfer from Department laboratories;

(7) the ability of the Nation to fight disease and overcome human suffering can be greatly enhanced by fully utilizing the health research resources of the Department; and

(8) Department laboratories are in a unique position to take on increased responsibilities in the interest of improving our Nation's competitiveness and our quality of life.

#### SEC. 3. DEFINITIONS.

For the purposes of this Act—

(1) the term "Secretary" means the Secretary of Energy; and

(2) the term "Department" means the Department of Energy.

#### SEC. 4. MISSION.

Section 91(a) of the Atomic Energy Act of 1954 (42 U.S.C. 2121(a)) is amended by adding at the end the following new paragraph:

"(6) use the facilities, equipment, personnel, and other resources of the Department of Energy to the fullest extent possible to enhance educational opportunities in science, mathematics, and engineering for American students and educators so as to improve the scientific and competitiveness of the Nation."

#### SEC. 5. SCIENCE AND EDUCATION PROGRAMS.

(a) IN GENERAL.—(1) To the extent appropriate, the Secretary shall establish programs, to be operated at or through the support of each Department facility, that will use fully the unique scientific resources of the Department to promote—

(A) transfers of federally owned or originated technology to State and local governments, private industry, and universities or other nonprofit organizations so that the prospects for commercialization of such technology are enhanced;

(B) activities enhancing the quality of mathematics, science, and engineering education throughout the Nation, so as to improve the scientific and technical capability and literacy of the Nation and improve the Nation's overall educational capability; and

(C) research, development, and other activities intended to enhance the health and quality of life of the Nation, particularly in areas that pertain to environmental improvement and biomedical research.

(2) The programs described in paragraph (1) shall supplement and be coordinated with current activities of the Department, but shall not supplant them.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for programs under this section for fiscal year 1991 an amount equal to 10 percent of the total fiscal year 1990 appropriation for each Department laboratory facility under the relevant appropriations accounts, to remain available until expended.

#### SEC. 6. TECHNOLOGY DEVELOPMENT PROGRAM.

(A) ESTABLISHMENT OF PROGRAM.—(1) The Secretary shall establish a program to develop Department-originated technologies, directed at the state of technology development beyond the basic research stage.

(2) The program established pursuant to paragraph (1) shall develop technologies, determined by the Secretary to have significant promise for commercial and public benefit to the Nation, to a point where private industry will undertake further scientific and commercial development.

(3)(A) The program established pursuant to paragraph (1) may be conducted at any Department facility and shall enhance the commercial development and transfer to private industry of Department-originated technologies, consistent with the technology transfer mission of the Department.

(B) As a condition for supporting specific projects, the Secretary may require a private sector commitment to future, wholly non-Federal funding of commercial development of particular technologies.

(4) Establishment of the program described in paragraph (1) shall not preclude the Department or its facilities from continuing operation or support of other programs to advance technology development, but all of the technology development pro-

grams of the Department shall be coordinated.

(b) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of carrying out this section, there are authorized to be appropriated \$20,000,000 for each of fiscal years 1991, 1992, and 1993, such sums to remain available until expended.

#### SEC. 7. LABORATORY COOPERATIVE SCIENCE CENTERS.

(a) IN GENERAL.—The Secretary of Energy may establish Laboratory Cooperative Science Centers (referred to as the "Centers") at national laboratories operating under the authority of the Department of Energy.

(b) FUNCTION.—The Centers shall coordinate both laboratory based and offsite programs designed to advance the purposes of this Act.

(c) ACTIVITIES.—The activities of the Centers shall include—

(1) supporting semester-length research appointments for college and university science and engineering students, and faculty/student teams, at the Centers;

(2) supporting research appointments for high school science teachers at the Centers;

(3) supporting research apprenticeship appointments at the Centers for students underrepresented in science and technology careers;

(4) Supporting research experience programs at the Centers for nationally selected high school honor students;

(5) supporting cost-shared projects to encourage more students to pursue careers in precollege science and mathematics teaching;

(6) participating in collaborative projects with other Federal agencies and the private sector to further the objective of this Act;

(7) operating precollege mathematics and science education programs at the national laboratories;

(8) establishing a museum-based science education program;

(9) establishing collaborative inner-city and rural partnership programs designed to meet the special mathematics and science education needs of students in inner-city and rural areas; and

(10) engaging in other activities to advance the purpose of this Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$20,000,000 for fiscal year 1991 and such sums as are necessary in each fiscal year thereafter.

#### SEC. 8. UNIVERSITY-BASED PROGRAMS.

(a) IN GENERAL.—The Secretary may coordinate and sponsor university-based programs directed at encouraging more students to pursue energy-related scientific and technical careers, with a particular focus on the recruitment of women and minority students.

(b) PREFRESHMAN ENGINEERING PROGRAM.—The programs referred to in subsection (a) shall include a prefreshman engineering program in which middle-school students attend summer workshops on mathematics, science, and engineering conducted by universities on their campuses.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$2,000,000 for fiscal year 1991 and such sums as are necessary to carry out this section in each fiscal year thereafter.●

By Mr. THURMOND (for himself, Mr. DOLE, and Mr. HEFLIN):

S.J. Res. 348. Joint resolution to recognize and commend the Battle of the Bulge Historical Foundation and its efforts to create a gallery in the United States Army Museum, Fort George G. Meade, MD, to commemorate the Battle of the Bulge; to the Committee on Armed Services.

#### COMMENDING THE BATTLE OF THE BULGE HISTORICAL FOUNDATION

Mr. THURMOND. Mr. President, I rise to introduce a joint resolution of the Congress to recognize and support the efforts of the Battle of the Bulge Historical Foundation and to encourage American awareness and participation in development of a museum as a memorial to Americans who fought in the Battle of the Bulge in World War II. This memorial museum will be an addition to the U.S. Army Museum at Fort George G. Meade, MD and be named the Battle of the Bulge Gallery.

The Battle of the Bulge—Ardennes-Alsace Campaign in World War II described by many as the ultimate and decisive struggle between freedom and oppression was fought from December 16, 1944 to January 25, 1945.

In mid-December 1944, the coldest, snowiest month within the memory of those living in the area, three powerful German armies plunged into the semimountainous, heavily forested Ardennes region of eastern Belgium and northern Luxembourg. Their goal was to reach the sea, trap four Allied armies and impel a negotiated peace on the Western front.

Believing that his daring surprise attack would split the Anglo-American alliance, Hitler envisioned the greatest German victory since the time of Frederick the Great.

Mr. President, although the Germans achieved total surprise, the individual American soldiers outnumbered, alone, often surrounded and initially without any form of support—fought valiantly in many small, sometimes individual actions. Every action that delayed the onslaught for even a minute dearly brought precious time enabling the existing troops to reorganize and adequate defense and permit the redeployment of troops sufficient to stem the German tide and recapture the newly taken German territory. Within days, the determined American stand and the arrival of powerful reinforcements ensured that the ambitious German goal was far beyond reach. In snow and sub-zero temperatures on Christmas Day, the Germans fell short even of their interim objectives—the sprawling Meuse River on the fringe of the Ardennes.

Far from reaching the coast, demoralizing the Allies and setting the stage for a negotiated peace, the German army succeeded only in creating a bulge in the American line. While Germany expended irreplaceable men,



tanks and airplanes, the battle became the biggest, costliest, most desperate action ever fought by the U.S. Army. Four weeks later, after grim fighting in bitter cold and snow, that bulge ceased to exist.

Mr. President, Winston Churchill would later call the American victory one of the greatest of World War II.

Always cold and tired, all the combatants knew what they felt. Many men were sent back with frozen hands and feet. The daytime temperature was usually about 15 degrees with a wind-chill factor of minus 30 or 40 degrees. The foot-high blanket of snow formed huge snowdrifts. Combat continued in fog, ice and rain, and the battleground was rugged, partially mountainous and thickly forested.

Widely recognized as the ultimate turning point in the war in Europe, ensuring Allied victory, the Battle of the Bulge cost both sides dearly. It is estimated that more than 1 million soldiers took part: 600,000 Americans and 500,000 Germans; German casualties reached 100,000. The Allies lost 19,000 lives, 47,500 were wounded and more than 23,000 were reported missing. Each side also incurred massive material losses; Germany sacrificed more than 800 tanks and 1,000 aircraft.

Mr. President, it was on the 18th of December 1944, that the 82d Airborne, under the command of Maj. Gen. James Gavin, entered the battle, as did the men of the 101st Airborne. The 101st would go to Bastogne. The 82d went to Werbomont on the north shoulder of the Bulge, which held open the corridor through which Americans escaped. These events have left an indelible imprint on millions of Americans while changing the course of history.

Shortly after the Germans disengaged, a Belgian school teacher reentered his devastated classroom in Champs to find written on his blackboard:

May the world never again live through such a Christmas night. Nothing is more horrible than meeting one's fate, far from mother, wife and children. Is it worthy of man's destiny to bereave a mother of her son, a wife of her husband or children of their father? Life was bequeathed us in order that we might love and be considerate to one another. From the ruins, out of blood and death shall come forth a brotherly world—(signed) a German officer.

Mr. President, this legacy must be preserved for our descendants. It must remain vibrant in our heritage, so that the sons and daughters of all future generations of Americans may learn about and remember the lessons of this fierce combat which protected their freedom.

As a member of the First Army in the Battle of the Bulge, I personally experienced the horrors and bitter cold of this historic battle. I recall the devastation of the German artillery. Also at one time, this onslaught of German Buzz bombs hit within a

short distance from me killing soldiers only two vehicles behind me.

As the keepers of the flame, we must ensure that this brave chapter in our proud history not be lost. We must continually search for ways to help the dangers of oppression from fading from our memory. There must be tangible symbols to remind present and future generations of the harsh reality of the Battle of the Bulge to defeat Hitler's relentless aggression and European domination.

Mr. President, this proposed Museum of the Battle of the Bulge is that tangible symbol. I urge my distinguished colleagues to support this worthy effort by approving this joint resolution to recognize the significance of this museum.

Mr. President, I ask unanimous consent that the joint resolution follow my remarks in the RECORD on this joint resolution. Also joining me are Senator DOLE and Senator HEFLIN, and I am sure others will want to join in this worthy effort.

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

S.J. RES. 348

Whereas the battle of the Ardennes-Alsace Campaign of World War II, commonly known as the Battle of the Bulge, was fought in the Ardennes region of eastern Belgium and northern Luxembourg from December 16, 1944, to January 25, 1945;

Whereas the battle took place in the deepest snow and during the coldest temperatures in the memory of the inhabitants of the region;

Whereas 600,000 members of the Armed Forces of the United States fought in the Battle of the Bulge, making the battle the largest land battle ever fought by United States military forces;

Whereas the battle claimed 81,000 casualties, including 19,000 killed;

Whereas Winston Churchill, the Prime Minister of Great Britain, described the battle as "... undoubtedly the greatest American battle of the war which will, I believe, be regarded as an ever-famous American victory";

Whereas more than 7,000 United States veteran survivors of the battle have formed an association known as the Veterans of the Battle of the Bulge whose purpose is to educate future generations regarding the battle and European campaigns of World War II and to perpetuate the memory and honor the sacrifices of the men and women who served in the Armed Forces during World War II and particularly those who fought in the Battle of the Bulge;

Whereas, in 1988, many of the veterans of that famous battle organized the Battle of the Bulge Historical Foundation to commemorate the heroic sacrifices made by the 600,000 United States men and women who saw action during the Battle of the Bulge, to pay homage to the 19,000 servicemen killed in that battle, and to inform the present and future youth of this Nation regarding the costs of war and the price of liberty;

Whereas the efforts of the foundation are directed toward expanding the existing United States Army Museum, located at Fort George G. Meade, Maryland, to include

a gallery dedicated to the battle, the participants of the battle, and World War II;

Whereas the Approved Mission Statement for the museum was revised in early 1988 to permit Fort Meade to act as a custodian for a repository of military artifacts relating to the Battle of the Bulge and to collect, preserve, study, and exhibit such artifacts;

Whereas the museum and the foundation have agreed to act jointly to achieve goals relating to the commemoration of that battle;

Whereas installation of a gallery at the museum will result in the museum having the only gallery in the United States devoted exclusively to commemorating that battle;

Whereas Congress regards the Battle of the Bulge as a highly significant historical event that helped shape the character of the modern political world; and

Whereas the Battle of the Bulge Historical Foundation has set as a goal to raise \$1,500,000 by December 16, 1994, the 50th anniversary of the battle, to accomplish the objective of approximately preserving the memory of the battle: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled*, That the Congress recognizes and commends the efforts of the Battle of the Bulge Historical Foundation to provide for the installation of a special gallery at the United States Army Museum at Fort George G. Meade, Maryland, devoted to the collection, preservation, and exhibition of military artifacts relating to the Battle of the Bulge and to commemorate that historic battle.

By Mr. DECONCINI (for himself, Mr. D'AMATO, Mr. SHELBY, Mr. DOMENICI, Mr. ROCKEFELLER, Mr. PELL, Mr. KERRY, Mr. DIXON, Mr. LEVIN, Mr. STEVENS, Mr. GARN, Mr. MCCLURE, Mr. THURMOND, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. BURDICK, Mr. ADAMS, Mr. HEFLIN, Mr. BOSCHWITZ, Mr. LIEBERMAN, Mr. NUNN, Mr. DOLE, Mr. ROBB, Mr. SARBANES, Mr. CONRAD, Mr. SASSER, Mr. KENNEDY, Mr. INOUE, Mr. MITCHELL, Mr. LAUTENBERG, Mr. HATFIELD, Mr. JEFFORDS, and Mr. BOREN):

S.J. RES. 349. Joint resolution designating October 1990 as "Italian-American Heritage and Culture Month"; to the Committee on the Judiciary.

#### ITALIAN-AMERICAN HERITAGE AND CULTURE MONTH

● Mr. DECONCINI. Mr. President, I am honored to rise today along with several of my colleagues to introduce a joint resolution proclaiming the month of October 1990 as "Italian-American Heritage and Culture Month." The month of October will serve as a time for all Italian-Americans to celebrate the achievements of their ancestors and acknowledge their own contributions to this country and the world today.

It is fitting that these people be honored in October, for it was in this month that an Italian first set his feet ashore on this continent. On October 12, 1492, Christopher Columbus dis-

covered the New World and, in the process, paved a path for future Italians who wished to partake in the opportunities offered by this country. Italy has also given the world the renowned music of Vivaldi and Scarlatti, the wondrous literary works of Dante, and the spectacular art of Giotto, Leonardo da Vinci and Michaelangelo. My colleagues and I are also reminded daily of the beautiful artwork of Brumidi that can be seen throughout the U.S. Capitol.

Americans from Italian descent are no less accomplished than their forefathers. William Paca, an Italian-American, was one of the signers of the Declaration of Independence and Joe DiMaggio was one of the greatest players ever to participate in our national past-time. It is hard for one to forget Fiorello LaGuardia, the beloved mayor of New York City, or Enrico Fermi, winner of the 1938 Nobel Prize for Physics. Geraldine Ferraro was the first female vice presidential candidate, Mario Cuomo serves as the Governor of New York and Antonin Scalia is an Associate Justice of the U.S. Supreme Court.

Mr. President, it is important to recognize and honor the accomplishments of this bright and vibrant community. Italian-Americans deserve the recognition that Italian-American Heritage and Culture Month will bring them.

Mr. President, I ask unanimous consent that the text of the joint resolution be printed in the RECORD.

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

#### S.J. Res. 349

Whereas Italians and Italian-Americans have made contributions in all areas of life in the United States, including art, science, civil service, military service, athletics, education, law, and politics;

Whereas Italian-Americans make up one of the largest ethnic groups in the United States;

Whereas an annual national observance day has been established in October to recognize the accomplishments of Christopher Columbus, one of the greatest explorers in history and the first to record the discovery of the Americas;

Whereas the phrase "All men are created equal", contained in the Declaration of Independence, was suggested by the Italian patriot and immigrant Philip Mazzei;

Whereas the people of the United States take great pride in the accomplishments of the many outstanding men and women of Italian descent who have enriched our Nation's history, including Fiorello LaGuardia, the beloved mayor of New York City, and Enrico Fermi, winner of the 1938 Nobel Prize for Physics;

Whereas Italy enjoys a rich cultural heritage and has given the world the great works of Dante, the breathtaking art of Giotto and Michelangelo, and the inspirational music of Antonio Vivaldi and Domenico Scarlatti;

Whereas the Americas was named for the Italian explorer Amerigo Vespucci;

Whereas William Paca, an Italian-American, was one of the signers of the Declaration of Independence; and

Whereas during October 1990, special attention will be directed to national, State, and local programs promoting Italian heritage and culture: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That October 1990, is designated as "Italian-American Heritage and Culture Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate ceremonies and activities.●

● Mr. PELL. Mr. President, I am proud to cosponsor this legislation designating October 1990 as "Italian-American Heritage and Culture Month." I commend my colleagues, Senators DeCONCINI and D'AMATO for introducing this important resolution.

Italian-Americans make up one of the largest ethnic groups in the United States, and they have played a key role in our Nation's history. As we all know, the first person to record the discovery of the Americas, Christopher Columbus, was an Italian, and even our name "America" is a derivation of the name of the famous Italian navigator, Amerigo Vespucci.

In my own State, more than 180,000 Italian-Americans are making vital contributions to every aspect of Rhode Island culture. For example, Rhode Island boasts a proud tradition of Italian-American political leaders, which includes the man I consider to be the dean emeritus of Rhode Island politics, our former colleague Senator John O. Pastore.

From the unique Italian-American enclave on Providence's Federal Hill to many other areas throughout the State, the talents and accomplishments of Rhode Island Italian-Americans extend to fields such as science, industry, the arts, athletics, education, medicine and law. I look forward to joining with the Rhode Island Italian-American community in October to commemorate this rich heritage and cultural legacy.

Mr. President, clearly the contributions of Italian-Americans are worthy of our attention and respect, and I urge my colleagues to support this resolution.●

#### By Mr. BYRD:

S.J. Res. 350. Joint resolution to designate October 18, 1990, as "National Hardwood Day"; to the Committee on the Judiciary.

#### NATIONAL HARDWOOD DAY

Mr. BYRD. Mr. President, I am introducing today a resolution to designate October 18, 1990, as "National Hardwood Day."

In 1992, we will celebrate the 500th anniversary of Columbus' discovery of America. In 1492, and for more than two centuries after Columbus' arrival in this hemisphere, most of the eastern half of the United States was cov-

ered by one of the most immense forests on Earth. In that forest grew some of the finest, choicest trees in human experience—trees of lasting endurance, of beautiful grains and color tones, and of seemingly limitless versatility. Among those trees were oak, hickory, maple, beech, birch, ash, walnut, and cherry.

In the past century, my own State of West Virginia has developed one of the most massive timbering operations in industrial history. Out of the mountains of my State we have hauled millions of board feet of wood, to build homes and stores, bridges, and sturdy and beautiful furniture for people in West Virginia, the Nation, and many foreign countries.

I invite all Senators to join me in recognizing this country's vital hardwood industry by designating October 18, 1990, as National Hardwood Day. While the eastern United States is no longer a forest wilderness, the terrain and the climate in our country's vast hardwood-growing regions still prevail today. Our Nation's hardwood industry continues as a strong and vital industry, a high-technology skilled, coordinated, expanding, and exporting industry that can reap billions of dollars for our economy in foreign trade, and that will use one of our most renewable natural resources to feed the world's endless demand for manufactured wood products.

I believe that, with continuing research and development, with continuing education and training of a skilled work force, and with a wise investment in evolving flexible-manufacturing equipment specially programmed for the needs of the wood-products industry, we can make the United States the undisputed leader in hardwoods. Without a doubt, American hardwoods face a future of growing worldwide wood demand. I invite other Senators to cosponsor this measure, designating October 18, 1990, as "National Hardwood Day."

#### By Mr. BYRD:

S.J. Res. 351. Joint resolution to designate the month of May 1991, as "National Trauma Awareness Month"; to the Committee on the Judiciary.

#### NATIONAL TRAUMA AWARENESS MONTH

Mr. BYRD. Mr. President, earlier this year, the Senate passed the resolution that I introduced designating May 1990 as "National Trauma Awareness Month." Once this legislation was signed by the President, the campaign to heighten the public's awareness of the traumatic injury problem in the United States began.

To commemorate National Trauma Awareness Month, the American Trauma Society distributed packets of information on home safety to trauma advocates. The purpose of those packets was to promote trauma prevention



and education in local communities. The society also distributed material to promote "Safe Kids" and "Buckle-Up America" weeks—both trauma-related campaigns.

During May, to promote the use of trauma systems throughout the Nation, the American Trauma Society held educational symposia attended by health-care professionals involved in trauma care. Among those health-care professionals are physicians, nurses, and emergency medical technicians. Those symposia sessions provided a forum for all of the various groups and individuals who are working for the survival, recovery, and rehabilitation of trauma victims to discuss their mutual concerns.

Alerting the public to trauma is important. In my own State of West Virginia, St. Mary's Hospital in Huntington worked with the city of Huntington to develop a community trauma prevention program targeted toward the increased wearing of seatbelts. Aiding St. Mary's Hospital in that effort were the Valley Health System and Cabell County Emergency Medical Services.

In the United States, trauma is the No. 1 killer of people between the ages of 1 and 44, and trauma is the fourth leading killer of all ages. Each year, trauma kills more than 96,000 people in this country. That is more than cancer, heart disease, AIDS, or any other disease. Last year alone, trauma directly affected more than 9.1 million of our citizens, and permanently disabled more than 340,000 of those Americans.

Motor vehicle crashes and home accidents—falls, fires and burns, drownings, and poisons—are the leading causes of unintentional trauma. Every 5 minutes in the United States, someone dies in a car crash. Every 23 minutes, someone dies in the home. These are devastating statistics, and they are made more so because most traumas can be prevented. According to former Surgeon General C. Everett Koop, "Most injuries to people—and nearly all injuries to children—can be predicted and can be prevented."

For such prevention we can take safety measures at home. Those safety measures should include keeping matches and firearms away from children, installing smoke detectors, and separating all household chemicals from food and placing such chemicals out of the reach of children.

We must continue to focus the public's attention on ways to prevent trauma and on the improvements made in trauma care. Therefore, I hope that you will join me in cosponsoring my resolution for the early designation of May 1991 as "National Trauma Awareness Month."

#### ADDITIONAL COSPONSORS

S. 865

At the request of Mr. METZENBAUM, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 865, a bill to amend the Sherman Act regarding retail competition.

S. 891

At the request of Mr. REID, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 891, a bill to provide for the modernization of testing of consumer products which contain hazardous or toxic substances.

S. 1245

At the request of Mr. MITCHELL, the names of the Senator from Wisconsin [Mr. KOHL], the Senator from Iowa [Mr. GRASSLEY], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of S. 1245, a bill to amend the Federal Meat Inspection Act to expand the meat inspection programs of the United States by establishing a comprehensive inspection program to ensure the quality and wholesomeness of all fish products intended for human consumption in the United States, and for other purposes.

S. 1400

At the request of Mr. KASTEN, the name of the Senator from Kentucky [Mr. McCONNELL] was added as a cosponsor of S. 1400, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 1627

At the request of Mr. MOYNIHAN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1627, a bill to amend the Internal Revenue Code of 1986 to generally treat bonds issued for section 501(c)(3) organizations in a manner similar to governmental bonds.

S. 1766

At the request of Mr. DANFORTH the names of the Senator from Alaska [Mr. STEVENS], the Senator from Washington [Mr. ADAMS], and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of S. 1766, a bill to amend titles XVIII and XIX of the Social Security Act to require providers of services under such titles to enter into agreements assuring that individuals receiving services from such providers will be provided an opportunity to participate in and direct health care decisions affecting such individuals.

S. 1834

At the request of Mr. LIEBERMAN, the names of the Senator from Oklahoma [Mr. BOREN], the Senator from Georgia [Mr. FOWLER], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 1834, a bill to recognize and grant a Federal charter to the organization known as the Supreme Court Historical Society.

S. 2044

At the request of Mr. BIDEN, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 2044, a bill to require tuna products to be labeled respecting the method used to catch the tuna, and for other purposes.

S. 2083

At the request of Mr. KERRY, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 2083, a bill to bring about a negotiated end to the war in El Salvador, and for other purposes.

S. 2250

At the request of Mr. DECONCINI, the names of the Senator from Utah [Mr. HATCH] and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 2250, a bill to amend title 5, United States Code, with respect to setting rates of basic pay for law enforcement officers, and for other purposes.

S. 2319

At the request of Mr. GARN, the name of the Senator from Oklahoma [Mr. NICKLES] was added as a cosponsor of S. 2319, a bill to amend the Federal Deposit Insurance Act and the Federal Credit Union Act to protect the deposit insurance funds, to limit the depository institutions, credit unions, and other mortgage lenders acquiring real property through foreclosure or similar means, or in a fiduciary capacity, and for other purposes.

S. 2356

At the request of Mr. SYMMS, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 2356, a bill to amend the Internal Revenue Code of 1986 to allow tax-exempt organizations to establish cash and deferred pension arrangements for their employees.

S. 2368

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. INOUE] was added as a cosponsor of S. 2368, a bill to establish a national policy for the conservation of biological diversity; to support environmental research and training necessary for conservation and sustainable use of biotic natural resources; to establish mechanisms for carrying out the national policy and for coordinating related activities; and to facilitate the collection, synthesis, and dissemination of information necessary for these purposes.

S. 2525

At the request of Mr. MACK, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 2525, a bill to recognize the importance of the domestic fruit and vegetable industry in United States farm policy, and to require the Secretary of Agriculture to conduct a

study of the domestic fruit and vegetable industry, and for other purposes.

S. 2593

At the request of Mr. BRADLEY, the name of the Senator from Maryland [Mr. MIKULSKI] was added as a cosponsor of S. 2593, a bill to reduce the amount of lead contamination in the environment.

S. 2602

At the request of Mr. METZENBAUM, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 2602, a bill to amend the Public Health Service Act to provide assistance for biomedical and health services research, treatment programs and for other purposes relating to Alzheimer's disease and related disorders.

S. 2614

At the request of Mr. GRASSLEY, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 2614, a bill to amend the Public Health Service Act to establish and coordinate research programs for osteoporosis and related bone disorders, and for other purposes.

S. 2619

At the request of Mr. GLENN, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 2619, a bill to amend title XVIII of the Social Security Act to provide for coverage of bone mass measurements for certain individuals under part B of the Medicare Program.

S. 2637

At the request of Mr. REID, the names of the Senator from Nevada [Mr. BRYAN], the Senator from Colorado [Mr. WIRTH], the Senator from Alabama [Mr. SHELBY], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 2637, a bill to amend the Toxic Substances Act to reduce the levels of lead in the environment, and for other purposes.

S. 2663

At the request of Mr. McCAIN, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 2663, a bill to provide increased and special benefits to individuals involuntarily separated from the Armed Forces, and for other purposes.

S. 2709

At the request of Mr. BOSCHWITZ, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 2709, a bill to amend the Internal Revenue Code of 1986 to provide that certain expenses of travel, meals, and lodging of members of the National Guard or Reserve units of the Armed Forces will be allowable as deductions in computing adjusted gross income.

S. 2736

At the request of Mr. SIMON, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a co-

sponsor of S. 2736, a bill to amend the Follow Through Act, and for other purposes

S. 2757

At the request of Mr. MOYNIHAN, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 2757, a bill to amend the Foreign Assistance Act of 1961 to authorize the provision of medical supplies and other humanitarian assistance to the Lithuanian people to alleviate suffering during the current emergency.

S. 2762

At the request of Mr. HATFIELD, the name of the Senator from Idaho [Mr. McCLURE] was added as a cosponsor of S. 2762, a bill to facilitate the implementation of National Forest land and resource management plans and for other purposes.

S. 2850

At the request of Mr. McCAIN, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of S. 2850, a bill to authorize demonstration projects in connection with providing health services to Indians.

SENATE JOINT RESOLUTION 284

At the request of Mr. BYRD, the names of the Senator from Connecticut [Mr. DODD] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of Senate Joint Resolution 284, a joint resolution to designate the week beginning September 16, 1990, as "National Give the Kids a Fighting Chance Week."

SENATE JOINT RESOLUTION 322

At the request of Mr. SIMON, the names of the Senator from North Dakota [Mr. BURDICK], the Senator from South Dakota [Mr. DASCHLE], the Senator from Illinois [Mr. DIXON], the Senator from Utah [Mr. GARN], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Wisconsin [Mr. KASTEN], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Alabama [Mr. SHELBY], the Senator from Hawaii [Mr. INOUE], the Senator from North Dakota [Mr. CONRAD], the Senator from Alabama [Mr. HEFLIN], the Senator from New York [Mr. D'AMATO], the Senator from Massachusetts [Mr. KERRY], the Senator from Idaho [Mr. McCLURE], and the Senator from Tennessee [Mr. GORE], were added as cosponsors of Senate Joint Resolution 322, a joint resolution to designate the 7-day period commencing October 7, 1990, and ending October 13, 1990, as "National Aviation Education Week."

SENATE JOINT RESOLUTION 329

At the request of Mr. KASTEN, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of Senate Joint Resolution 329, a joint resolution to designate the week of June 7, 1990 through June 23, 1990 as "National Week to Commemorate the Victims of the Famine in Ukraine, 1932-1933," and to commemorate the

Ukrainian famine of 1932-1933 and the policies of Russification to suppress Ukrainian identity.

SENATE JOINT RESOLUTION 324

At the request of Mr. SIMON, the name of the Senator from Alabama [Mr. SHELBY] was added as cosponsor of Senate Joint Resolution 324, a joint resolution designating October 1990 as "Ending Hunger Month."

SENATE CONCURRENT RESOLUTION 139

At the request of Mr. DeCONCINI, the names of the Senator from Massachusetts [Mr. KERRY], the Senator from Indiana [Mr. LUGAR], and the Senator from North Carolina [Mr. SANFORD] were added as cosponsors of Senate Concurrent Resolution 139, a concurrent resolution expressing the sense of the Congress with regard to a United States-Mexico Free Trade Agreement.

SENATE RESOLUTION 288

At the request of Mrs. KASSEBAUM, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Resolution 288, a resolution expressing the sense of the Senate regarding the reopening of universities in the West Bank and Gaza without delay.

## AMENDMENTS SUBMITTED

### TEXTILE, APPAREL, AND FOOTWEAR TRADE ACT

#### GORTON AMENDMENT NO. 2124

Mr. GORTON proposed an amendment to the bill (H.R. 4328) to authorize appropriations for fiscal years 1991 and 1992 for the customs and trade agencies, and for other purposes, as follows:

Strike everything after the enacting clause and insert the following there at:

FINDINGS.—The United States was a leader in the formation in 1947 of the General Agreement on Tariffs and Trade ("GATT"), which is now the premier multilateral body for regulating trade worldwide;

The United States and 96 other contracting parties of the GATT are in the final stages of the Uruguay Round of multilateral trade negotiations ("Uruguay Round"), the most ambitious effort ever undertaken by the GATT to expand, strengthen and revitalize multilateral trade rules and principles;

Fifty-percent cut in global protectionism would increase the American economy by as much as \$200 billion annually, an average of \$3,200 for an American family of four;

The successful conclusion of the Uruguay Round will establish multilateral and enforceable disciplines in key areas including tariffs, nontariff measures, natural resource-based products, textiles and clothing, agriculture, tropical products, subsidies and countervailing measures, trade-related aspects of intellectual property rights (TRIP's), trade-related investment measures (TRIM's), and services;



The successful conclusion of the Uruguay Round will encourage fair trade and open markets abroad for American goods and services, and will benefit a broad range of American industries and businesses, including:

Small exporters which currently account for 20 percent of all American exports;

Farmers and farm workers, who lose \$11 billion annually due to protectionist foreign subsidies and trade barriers;

The commercial services industries such as engineering, telecommunications, consulting, banking, tourism, construction, finance and financial services, law, accounting, and insurance, which together have grown by more than 50 percent over the past decade and account for 9 of every 10 new American jobs;

High-technology, computer software and hardware, electronics and semiconductor, biotechnology, chemical, pharmaceutical, publishing and entertainment industries,

which lose \$60 billion annually due to industrial theft and counterfeiting and which forego markets due to inadequate protections of intellectual property rights;

Other major industries that are confronted by significant foreign trade barriers such as the mining and metallurgy, rubber, plastic, punished wood products, pulp and paper, and furniture industries;

A number of States are among the leading exporting States for various categories of manufactured products as follows:

Industry group	1986 export value (millions)					
	United States	First	Second	Third	Fourth	Fifth
Total	159,377	California, \$17,216	Texas, \$10,982	Michigan, \$10,878	Ohio, \$10,653	Washington, \$9,863
Transportation equipment	36,007	Washington, \$6,829	Michigan, \$6,353	Ohio, \$5,079	Missouri, \$2,869	California, \$2,710
Aircraft and parts <sup>1</sup>	18,132	Washington, \$5,800 <sup>2</sup>	California, \$2,287	Connecticut, \$1,793	Ohio, \$1,605	Texas, \$1,463
Motor vehicles and equipment <sup>1</sup>	15,505	Michigan, \$6,226	Ohio, \$3,389	Missouri, \$1,270 <sup>2</sup>	Indiana, \$761	Illinois, \$626
Other transportation equip <sup>1</sup>	2,370	Pennsylvania, \$667 <sup>2</sup>	Washington, \$450 <sup>2</sup>	California, \$329	Illinois, \$145	Florida, \$100
Machinery, except electric	32,456	California, \$4,874	Illinois, \$2,563	Minnesota, \$2,199	New York, \$2,068	Massachusetts, \$2,063
Chemicals and allied products	20,968	Texas, \$4,106	Louisiana, \$1,557	New Jersey, \$1,215	New York, \$1,033	Florida, \$945
Electric and electronic equipment	18,136	California, \$4,259	New York, \$1,772	Indiana, \$979	Massachusetts, \$900	Illinois, \$796
Food and kindred products	11,180	California, \$1,217	Texas, \$914	Illinois, \$727	Kansas, \$709	Iowa, \$542
Instruments and related products	8,513	New York, \$1,738	California, \$1,161	Massachusetts, \$702	Pennsylvania, \$541	Connecticut, \$400
Fabricated metal products	5,184	Michigan, \$772	Ohio, \$642	Pennsylvania, \$383	Illinois, \$378	Texas, \$375
Paper and allied products	4,052	Washington, \$505	Georgia, \$314	Mississippi, \$284	South Carolina, \$259	North Carolina, \$242
Primary metal industries	3,404	Pennsylvania, \$378	Ohio, \$352	Indiana, \$286	New York, \$249	California, \$194
Petroleum and coal products <sup>1</sup>	3,134	Texas, \$764	California, \$654	Louisiana, \$531	Pennsylvania, \$250	California, \$194
Rubber and plastic products	2,956	Ohio, \$374	Massachusetts, \$255	Indiana, \$195	South Carolina, \$181	Hawaii, \$130
Lumber and wood products	2,678	Washington, \$815	Oregon, \$520	Pennsylvania, \$158	California, \$149	North Carolina, \$97
Tobacco manufacturers <sup>1</sup>	2,023	North Carolina, \$1,114	Virginia, \$552	Georgia, \$120 <sup>2</sup>	Tennessee, \$108	Kentucky, \$47
Textile mill products	1,785	North Carolina, \$510	Georgia, \$318	South Carolina, \$266	Virginia, \$76	Alabama, \$70
Misc. manufacturing industries	1,647	New York, \$301	Rhode Island, \$180	California, \$156	Massachusetts, \$146	Illinois, \$95
Stone, clay, and glass products	1,551	Ohio, \$253	Pennsylvania, \$132	Massachusetts, \$104	Tennessee, \$100	North Carolina, \$94
Apparel and textile products	1,391	Michigan, \$337	New York, \$168	Pennsylvania, \$85	Alabama, \$82	California, \$70
Printing and publishing	1,256	New York, \$386	Pennsylvania, \$90	Dist. of Col., \$88	Illinois, \$79	California, \$75
Leather and leather products <sup>1</sup>	586	Maine, \$143	Wisconsin, \$64	Michigan, \$50 <sup>2</sup>	Massachusetts, \$39	New York, \$35
Furniture and fixtures	492	North Carolina, \$58	Michigan, \$58	California, \$42	Indiana, \$30	Tennessee, \$30

<sup>1</sup> Partly estimated.

<sup>2</sup> State export rankings by the Bureau of the Census; some States data are not disclosed.

Source: Bureau of the Census, as reported in Business America, March 27, 1989.

Exports constitute a significant portion of manufacturing and manufacturing employment in every state as follows:

State	State rank as exporter in 1986	Export value 1986 (millions)	Export-related manufactures as percent of State manufacturing production	Export-related manufacturing employment		Total employment, including nonmanufacturing employment	
				Thousands	Percent of manufacturing employment	Thousands	Percent of civilian employment
U.S. total	—	\$159,377	13.0	2,318.2	12.6	4,576.6	4.1
California	1	17,216	14.0	289.6	14.7	566.3	4.5
Texas	2	10,982	14.3	122.6	13.5	287.2	3.7
Michigan	3	10,878	12.9	125.3	13.3	213.9	5.3
Ohio	4	10,653	13.9	151.4	13.9	264.2	5.4
Washington	5	9,863	28.2	59.6	21.4	113.9	5.4
New York	6	9,412	12.4	160.9	12.7	338.0	4.2
Illinois	7	7,209	12.2	123.9	12.5	238.6	4.4
Pennsylvania	8	6,027	12.6	132.0	12.7	232.0	4.3
Massachusetts	9	5,514	15.9	95.9	15.6	160.9	5.5
North Carolina	10	5,261	11.4	75.5	9.4	135.1	4.5
Indiana	11	4,787	13.7	76.0	13.2	133.0	5.2
Missouri	12	4,268	11.4	44.0	10.8	89.4	3.7
Connecticut	13	3,996	17.2	63.8	16.1	107.3	6.5
Minnesota	14	3,692	14.2	54.0	15.1	105.5	4.9
New Jersey	15	3,548	10.5	80.0	11.8	162.4	4.4
Florida	16	3,373	12.4	52.5	10.9	146.4	2.7
Wisconsin	17	3,314	10.5	56.5	11.6	105.6	4.7
Louisiana	18	3,020	13.6	16.7	10.5	51.7	2.8
Tennessee	19	2,910	10.9	42.2	9.0	82.6	3.8
Georgia	20	2,827	8.6	42.5	7.8	92.5	3.2
Virginia	21	2,704	10.7	38.4	9.4	81.0	2.9
South Carolina	22	2,398	13.7	39.1	11.1	67.7	4.6
Kentucky	23	1,940	11.1	24.4	10.3	52.8	3.4
Iowa	24	1,932	10.5	20.7	10.7	49.8	3.7
Oregon	25	1,863	14.5	27.9	15.0	59.0	4.6
Kansas	26	1,835	9.4	20.3	10.9	46.7	4.0
Arizona	27	1,756	20.4	31.3	19.0	58.5	3.8
Maryland	28	1,740	11.9	25.4	11.7	55.9	2.5
Alabama	29	1,685	12.1	31.7	9.6	62.6	3.6
Colorado	30	1,478	12.2	25.3	14.0	52.1	3.2
Mississippi	31	1,337	11.3	16.7	8.2	35.2	3.3
Oklahoma	32	1,085	9.9	19.3	12.1	46.0	3.0
Arkansas	33	1,062	10.6	17.8	9.2	35.9	3.5
West Virginia	34	983	19.6	12.4	14.4	25.0	3.6
New Hampshire	35	893	17.6	15.5	15.2	26.0	5.2
Maine	36	801	13.8	12.1	12.0	21.0	4.0
Nebraska	37	753	8.5	8.2	9.3	22.8	2.9
Alaska	38	713	39.04	3.6	40.0	6.9	2.7
Utah	39	668	13.2	11.9	13.0	23.4	3.2
Idaho	40	503	13.4	6.1	12.5	15.0	3.4
Rhode Island	41	482	12.7	12.9	11.9	21.5	4.5
Delaware	42	430	10.2	8.0	12.5	13.6	4.4

State	State rank as exporter in 1986	Export value 1986 (millions)	Export-related manufactures as percent of State manufacturing production	Export-related manufacturing employment		Total employment, including nonmanufacturing employment	
				Thousands	Percent of manufacturing employment	Thousands	Percent of civilian employment
Vermont.....	43	384	20.1	8.4	19.5	14.2	5.1
North Dakota.....	44	215	14.8	2.0	14.2	8.9	2.7
Hawaii.....	45	214	10.3	0.7	3.1	5.3	1.1
South Dakota.....	46	213	8.5	2.1	7.9	7.7	2.3
New Mexico.....	47	178	11.9	2.4	7.1	9.5	1.5
Nevada.....	48	167	12.9	2.7	12.9	7.6	1.4
Montana.....	49	101	10.6	1.6	7.9	7.7	1.9
Wyoming.....	50	19	8.0	.5	7.4	3.9	1.6

Note.—Manufactured goods in this report relate to manufactures as defined in the Standard Industrial Classification and include manufactured food, mineral fuel products, fats, oils, firearms and ammunition not typically part of the Standard International Trade Classification definition of manufactures. For the United States as a whole, exports of these additional products totaled \$33 billion in 1986. Exports, normally valued at the port of exportation are adjusted to f.o.b. plant values to make accurate comparisons with production (shipments) data.

Source: International Trade Administration, Office of Trade and Investment Analysis, as reported in Business America, Mar. 27, 1989.

The successful conclusion of the Uruguay Round will help promote political stability in Latin America and Eastern Europe by integrating those emerging democracies into an open, market driven trading system;

On July 11, 1990, at the annual Economic Summit convened in Houston, Texas, the leaders of the seven major industrial democracies (United States, Canada, England, France, Germany, Italy, and Japan) and the President of the Commission of the European Communities reaffirmed the importance of a strong GATT and stressed that "the successful outcome of the Uruguay Round has the highest priority on the international economic agenda";

Global import quotas for textiles and apparel are presently being discussed at the Uruguay Round, the objective of which is to liberalize the textile and clothing sector through progressive dismantling of trade barriers and its integration under a precise timetable under strengthened GATT rules and agreements;

The adoption of legislation to establish general import quotas for textiles, apparel and footwear is totally inconsistent with the spirit underlying the GATT, would violate the current agreement among members of the GATT, and would reverse the progress and almost totally destroy the prospects for the successful conclusion of the Uruguay Round, and would therefore penalize the many industries, trades and businesses that would benefit from the successful conclusion of the Uruguay Round: Now, therefore be it

The sense of the Senate that—

(1) It is in the best interests of the United States to encourage the progress and successful conclusion of the Uruguay Round;

(2) That Congress should not pass any trade legislation that reasonably would be expected to jeopardize the progress and successful conclusion of the Uruguay Round, including any legislation to establish general import quotas for textiles, apparel and footwear.

#### GRAMM AMENDMENT NO. 2125

Mr. GRAMM proposed an amendment to the bill H.R. 4328, *supra*, as follows:

Section 6 of the committee amendment is amended by adding at the end thereof the following paragraph:

"If the Secretary of Labor determines that implementation of the provisions of this Act will result in, or has resulted in, the cost of textiles or apparel or footwear for lower-income and middle-income Americans increasing by 5 per centum or more, the President may suspend the provisions of this Act."

#### PACIFIC NORTHWEST NATIONAL FOREST ACT

##### HATFIELD AMENDMENT NO. 2126

(Ordered referred to the Committee on Energy and Natural Resources.)

Mr. HATFIELD submitted an amendment intended to be proposed by him to the bill (S. 2713) to preserve ancient forests, to assure a sustainable and predictable supply of timber harvest, and to enhance recreational opportunities in the national forests, as follows:

At the appropriate place in the bill, insert the following new section:

##### SECTION 1. SHORT TITLE.

This Act may be cited as the "National Forest Plan Implementation Act of 1990."

##### SEC. 2. FINDINGS.

The Congress finds as follows:

(a) The National Forest Management Act was enacted in 1976 in order to assure orderly and environmentally sensitive planning, with substantial public involvement, for the multiple use of national forest resources in a stable and predictable manner;

(b) Numerous forest land and resource management plans are uncompleted although the Act's deadline for plan completion was September 30, 1985;

(c) Some completed land and resource management plans in controversial areas have not been successfully implemented;

(d) Changes in policy made outside the planning process have resulted in the constructive amendment of completed land and resource management plans without adherence to procedures for plan amendment required by the Act and regulation;

(e) The volume of administrative appeals and litigation challenging the completion and implementation of land and resource management plans is far greater than the Congress contemplated when the Act was passed;

(f) The administrative appeals and litigation have substantially delayed the preparation of land and resource management plans and have frustrated, and at times paralyzed, plan implementation and forest management actions;

(g) On several occasions the Congress has been compelled to enact emergency provisions to alleviate forest management problems in various national forests caused by plan preparation and plan implementation appeals and litigation;

(h) Professional forest management decisions are better made by forest professionals, as intended under the Act, than through the litigation process;

(i) Additional conditions governing the implementation, amendment and revision of

land and resource management plans are necessary to achieve the stability and certainty in national forest management intended by the Act, and to avoid the environmental impacts and community social and economic dislocation that result from instability and uncertainty in forest management;

(j) The national forest planning process has ignored the global environmental importance of forest products, whose raw material is renewable and whose energy requirements for production are less than those of alternative materials; and

(k) The inability to implement national forest plans has resulted in negative domestic environmental impacts. Failure of implementation has caused timber shortages and consequent higher prices for wood products. That, in turn, has increased use of environmentally inferior wood substitutes such as plastics, steel and aluminum.

#### TITLE I—AMENDING AND REVISING PLANS

SEC. 101. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding a new paragraph (e)(3) as follows:

(e) \* \* \* In developing, maintaining, and revising plans for units of the National Forest System pursuant to this section, the Secretary shall assure that such plans—1

"(3) maintain to the maximum extent feasible the stability of any community economically dependent upon a unit of the National Forest System, and shall prepare in the course of any forest plan amendment or revision undertaken after the date of enactment of this paragraph an analysis for each such community that: (i) examines the impacts of planning alternatives on the community, its revenues and budget, the level and quality of its public services, the employment and income of its residents, and its social conditions; (ii) explains how resource allocations for the planning alternatives would comport with or differ from historic community expectations; and (iii) describes how those impacts were considered in selecting a preferred alternative. For purposes of this Act, "community" means a county, borough, incorporated or unincorporated town or village, township, or other local government unit of general jurisdiction or powers recognized by the state in which it is located. The Secretary, in consultation with the Secretaries of Commerce and Labor, shall define by regulation the term "community economically dependent upon a unit of the National Forest System" as used in this paragraph."

SEC. 102. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by renumbering paragraph (f)(5) as (f)(6) and inserting a new paragraph (f)(5) as follows:



**[(f) REQUIRED PROVISIONS.—**

[Plans developed in accordance with this section shall—]

"(5) no longer have force and effect unless amended within three years of the effective date of any significant amendment to regional guidance, as defined in subsection (g)(5) of this Act, to conform with that amendment. Any regional guidance amendment directly or indirectly reducing an annual commodity output under a plan by more than one per centum in comparison to the average output of the commodity from the forest for the five fiscal years preceding the year in which the amendment is adopted shall be considered significant under this subsection."

SEC. 103. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding a new paragraph (f)(7) as follows:

**[(f) REQUIRED PROVISIONS.—**

[Plans developed in accordance with this section shall—]

"(7) be subject to the following additional provisions concerning amendment and revision:

"(A) Any change in a plan that is required by a court order or designation of a threatened or endangered species or other action under the Endangered Species Act, or that is directly or indirectly proposed by means of an allegation of new information, shall be made only pursuant to paragraphs (4) or (6) of this subsection.

"(B) When a plan amendment or revision process is initiated pursuant to paragraph (A), the Secretary shall consider and discuss in decision and environmental analysis documentation other land use or management changes that, in combination with the required change, would be appropriate to maintain overall plan balance and meet other plan goals and outputs."

SEC. 104. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding a new paragraph (g)(4) as follows:

[(g) \* \* \* The regulations shall include, but not be limited to—]

"(4) specifying that in the presentation of alternative plans for each forest, the Secretary shall analyze the fully allocated cost including foregone revenues, expressed as a user fee or cost-per-beneficiary, of each non-commodity output proposed by each alternative."

SEC. 105. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding a new paragraph (g)(5) as follows:

[(g) \* \* \* The regulations shall include, but not be limited to—]

"(5) providing procedures for the adoption of, and specifying the role, if any, of regional guidance and minimum management requirements in the planning process, including the following definitions and requirements:

"(A) 'Regional guidance' is any regional directive that provides standards and guidelines for addressing major issues and management concerns at the Forest Service regional level to facilitate forest planning. The issuance of regional guidance is discretionary.

"(B) A 'minimum management requirement' is any directive adopted at the regional or forest level that guides the development, analysis, approval, implementation, monitoring or evaluation of land and resource management plans. The issuance of minimum management requirements is discretionary except where required by this Act.

"(C) The Secretary shall provide for public participation comparable to that required by subsection (d) of this section in the development of any regional guidance or minimum management requirement.

"(D) A minimum management to achieve a level of timber sales based on goals developed pursuant to Section 4 of this Act (16 U.S.C. 1602) shall be established for each unit of the National Forest System."

SEC. 106. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by inserting "(1)" at the start of the first paragraph following the title of subsection (i) and adding to subsection (i) a new paragraph (2) as follows:

"(2) The Secretary shall certify in writing as a part of the decision on each implementing action that such decision does not preclude achieving plan outputs. The Secretary shall regularly monitor forest management and forest outputs to ensure that a plan is not constructively changed through a pattern of implementing actions or failures to take implementing action that is inconsistent with the plan. If the Secretary finds the plan has so changed, he shall direct that corrective implementing actions be undertaken to restore plan consistency or that the plan be amended."

SEC. 107. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by changing the period at the end of subsection (j) to a colon and adding the following:

"Provided, That to maintain the stability of communities economically dependent on a national forest, the Secretary shall delay through annual phase-in the full implementation of any portion of a plan, plan amendment or plan revision as may be required to assure that no reduction in any commodity output under the plan, plan amendment or plan revision is greater than two and one-half per centum per year in comparison to the average output of the commodity from the forest for the five fiscal years preceding the year in which the plan, plan amendment or plan revision is adopted (as measured by volume offered for lease or sale)."

**TITLE II—STATUS OF PLANS**

SEC. 201. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by inserting "(1)" at the start of the first paragraph following the title of subsection (c) and adding to subsection (c) a new paragraph (2) as follows:

"(2) When a unit of the National Forest System is subject to a land and resource management plan developed in accordance with this Act, such unit shall be managed under the most recent finally adopted initial, amended or revised version of that plan. If at any time a finally adopted version of a plan or portion thereof is enjoined by court order from operation or ceases to have force and effect under subsection (f)(5) of this Act, the management of the unit shall continue under the immediately previous final version of that plan or relevant portion thereof, which shall not be subject to challenge or injunction except as provided in this section."

**TITLE III—IMPLEMENTATION OF PLANS**

SEC. 301. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (n) as follows:

"(n) ADMINISTRATIVE APPEALS AND PETITIONS.—

"(1) Administrative appeal of a land and resource management plan, regional guid-

ance or other document adopted by the Secretary pursuant to this section, or of an implementing action under a land and resource management plan, shall be in accordance with rules promulgated by the Secretary and with the following additional provisions. Standing to appeal such a plan, guidance or document shall be available only to persons who have submitted written or oral comment in the Secretary's initial preparation, amendment or revision of the plan, guidance or document being appealed.

"(2)(A) If a person believes, based on new information, that a land and resource management plan must be amended or revised, the person shall petition to the Secretary for such amendment, revision or change. Petitions shall be filed in accordance with regulations adopted by the Secretary. The Secretary may provide for further administrative review of the initial decision on the petition.

(B) For purposes of this section, 'new information' means information related to the plan or to an implementing action under the plan that was not known to and considered by the Secretary in the preparation of the plan, plan amendment, or plan revision.

"(3) No administrative stay pending appeal or petition filed under this subsection shall extend beyond, or be imposed after, the regulatory deadline for a final decision on the appeal or the petition notwithstanding whether such final decision has been issued.

"(4) Failure by the Secretary to issue a final decision on appeal or petition by the prescribed regulatory deadline, not including any extensions thereto that may be granted by the Secretary, shall be deemed to be a denial of the appeal or petition for purposes of this section."

SEC. 302. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (o) as follows:

"(o) JUDICIAL REVIEW OF LAND AND RESOURCE MANAGEMENT PLANS.—

"Suits to challenge a land and resource management plan, or an amendment or revision thereto, adopted by the Secretary pursuant to this section, or a decision by the Secretary not to amend or revise such a plan, shall be filed in the United States court of appeals for the circuit in which the national forest which is the subject of the plan is located. Such court shall have jurisdiction to hear and determine any suit brought as provided in this subsection, subject to the terms and restriction of this subsection.

"(1) Standing to obtain review shall be available only to persons who have—

"(A) submitted written or oral comment as provided by this Act in the Secretary's initial preparation, amendment or revision of the plan, and

"(B) exhausted their administrative remedies.

"(2) Any suit must be filed not more than 90 days after the final decision of the Secretary on the relevant administrative appeal of the plan. The plan or any portion thereof, as finally adopted, shall not thereafter be reviewable as a part of any other action under this Act or any other law.

"(3) A suit under this subsection shall not allege or rely upon new information as defined in subsection (n)(2)(B) of this Act unless the party has petitioned the Secretary pursuant to subsection (n)(2)(A) of this Act, the Secretary has denied the petition, and the party has exhausted any administrative appeal rights concerning that denial.

"(4) The record upon review shall be limited to the administrative record compiled in accordance with this act, and to such additional written evidence as the court shall permit."

Sec. 303. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (p) as follows:

"(P) JUDICIAL REVIEW OF DOCUMENTS ESTABLISHING POLICIES IMPACTING ON FOREST PLANS.—

"Issuance of (i) regional guidance or other document that establishes minimum management requirements in the forests within a Forest Service region, or (ii) a minimum management requirement for a particular forest, shall be considered a final agency action. Suits to challenge such guidance, document or requirement shall be filed in the United States court of appeals for the circuit in which the national forest which is the subject of the plan is located. Such court shall have jurisdiction to hear and determine any suit brought as provided in this subsection, subject to the terms and restrictions of this subsection.

"(1) Standing to obtain review shall be available only to persons who have—

"(A) submitted written or oral comment as provided by this Act in the Secretary's initial preparation, amendment or revisions of the guidance, document or requirement if notice and opportunity for public comment was provided, and

"(B) exhausted their administrative remedies.

"(2) Any suit must be filed not more than 60 days after the final decision of the Secretary on any administrative appeal of the guidance, document or requirement. The guidance, document or requirement, or any portion thereof, as finally adopted shall not thereafter be reviewable as a part of any other action under this Act or any other provision of law or regulation in existence at the conclusion of such 60-day period.

"(3) The record upon review shall be limited to the administrative record compiled in accordance with this Act, and to such additional written evidence as the court shall permit."

Sec. 304. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (q) as follows:

"(q) JUDICIAL REVIEW OF ACTION IMPLEMENTING A LAND AND RESOURCE MANAGEMENT PLAN.

"Suits to challenge an action implementing a land and resource management plan adopted, amended or revised by the Secretary pursuant to this section shall be filed in the United States district court for the district in which the implementing action will occur. Such court shall have jurisdiction to hear and determine any suit brought as provided in this subsection, subject to the terms and restrictions of this subsection.

"(1) Standing to obtain review shall be available only to persons who have—

"(A) submitted written or oral comment in the Secretary's development of the challenged implementing action if notice and opportunity for public comment was provided, and

"(B) exhausted their administrative remedies.

"(2) Any suit must be filed not more than 30 days after the final decision of the Secretary on any administrative appeal of the action.

"(3) A suit under this subsection shall not allege or rely upon new information as defined in subsection (n)(3)(B) of this Act.

"(4) The record upon review shall be limited to the administrative record compiled in accordance with this Act, and to such additional written evidence as the court shall permit.

"(5) Any action found to be not inconsistent with the plan it implements is valid."

Sec. 305. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (r) as follows:

"(r) DEADLINES AND PROCEDURES.—

"(1) No restraining order, preliminary injunction or injunction pending appeal shall be issued by any court of the United States with respect to a land and resource management plan, regional guidance or other document that establishes minimum management requirements, or implementing action that is the subject of subsection (o), (p) or (q) respectively.

"(2) The affected agency shall take no irreversible action to implement a decision being challenged under this section for the number of days specified below after the date of filing of a suit to challenge, or of filing a notice to appeal or writ of certiorari following the decision on a suit to challenge.

"(A) A land and resource management plan that is the subject of subsection (o), 180 days.

"(B) Regional guidance or other document that is the subject of subsection (p), 120 days.

"(C) An implementing action that is the subject of subsection (q), 60 days: *Provided, however,* That the period shall be 30 days in the case of an action to offer or award salvage timber or in the case of such other action that is determined by the Secretary to be an emergency action.

"(3) A suit governed by this section or any appeal of the decision on such suit shall be assigned for hearing at the earliest possible date and shall take precedence over all other matters pending on the docket of the court at that time except for criminal cases.

"(4) The court shall render its final decision relative to any suit governed by this section or appeal of decision on such suit within the number of days specified in paragraph (3)(A-C) from the date such suit or appeal is filed, unless the court determines that a longer period of time is required to satisfy the requirements of the United States Constitution."

Sec. 306. Section 6 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (s) as follows:

"(s) TIERING OF ENVIRONMENTAL DOCUMENTATION.—

"(1) Where documentation pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 is required on an action implementing a land and resource management plan, such documentation shall be tiered to the final environmental impact statement, as amended or supplemented, on the plan. The documentation on the action shall incorporate by reference the relevant analysis of the final environmental impact statement, including cumulative impact analysis, and shall focus on any site-specific or project-specific environmental consequences which are required to be analyzed and have not been analyzed, or which are substantially different from or greater than the general environmental consequences which have been analyzed in the final environmental impact statement.

"(2) An environmental assessment, as defined by the Council on Environmental Quality, shall be the most comprehensive

level of environmental documentation required for an action implementing a plan except when the Secretary, in his discretion, determines that the nature or scope of potential environmental consequences of an implementing action is substantially different from or greater than the nature or scope of the consequences considered in the final environmental impact statement for the plan."

Sec. 307. Section 6 of the National Management Act of 1976, as amended (16 U.S.C. 1604), is amended by adding at the end thereof a new subsection (t) as follows:

"(t) ACHIEVEMENT OF ALLOWABLE SALE QUANTITY.—

"(1) Where a particular land area is identified in a land and resource management plan as contributing to the allowable sale quantity of timber, no management action shall preclude the achievement, on a decadal basis, of the allowable sale quantity designated for that particular area.

"(2) The Secretary shall offer, on a decadal basis, the full allowable sale quantity of timber specified in each land and resource management plan. Not less than 30 per centum of the decadal annual sale quantity shall be awarded in any three consecutive years."

Sec. 308. Section 8 of the National Forest Management Act of 1976, as amended (16 U.S.C. 1606), is amended by inserting the following after the first sentence [Commencing with \* \* \* this section.] of subsection (b):

"Commencing with the fiscal budget for the year ending September 30, 1992, such requests shall include as an appendix to the budget a statement of what funds would be required to achieve 100 per centum of annual outputs specified for each forest in its respective land and resource management plan."

## NOTICES OF HEARINGS

### SUBCOMMITTEE ON ENERGY REGULATION AND CONSERVATION

Mr. WIRTH. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Energy Regulation and Conservation Subcommittee of the Committee on Energy and Natural Resources.

The hearing will take place Thursday, July 26 at 2 p.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purposes of the hearing are: First, to receive testimony on S. 2177, a bill to improve the collection and dissemination of information relating to the supply of winter heating fuels; and second, to receive testimony on the Energy Information Administration's recent final report: *An Analysis of Heating Fuel Market Behavior, 1989-90*. Witnesses have already been invited to testify. Any person wishing to provide a written statement for the hearing record may do so by submitting copies to the subcommittee staff before noon on July 26.

For further information, please contact Joel Saltzman of the subcommittee staff at (202) 224-4756.



## SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that a field hearing has been scheduled before the Subcommittee on Public Lands, National Parks and Forests.

The field hearing will take place on Friday, July 27, 1990, beginning at 2 p.m. The hearing will be held in the New Orleans Theatre of Performing Arts, 1201 St. Peter Street, New Orleans, LA.

The purpose of the hearing is to receive testimony on S. 2846, a bill to authorize the Secretary of the Interior to conduct a study of the feasibility of establishing a unit of the National Park System to interpret and commemorate the origins, development, and progression of jazz in the United States.

Because of the limited time available for the hearing, witnesses may testify by invitation only. It will be necessary to place witnesses in panels and limit the time for oral testimony. Witnesses testifying at the hearing are requested to bring 10 copies of their testimony with them on the day of the hearing. Please do not submit testimony in advance.

Written statements are encouraged and may be submitted for the hearing record. It is necessary only to provide one copy of any material to be submitted for the record. If you would like to submit a statement for the record, you may send it to the Subcommittee on Public Lands, National Parks and Forests, room 364 of the Dirksen Senate Office Building, Washington, DC 20510.

For further information regarding the hearing, please contact Laura Hudson in Senator JOHNSTON's office at (202) 224-0090 or Tom Williams of the committee staff at (202) 224-7145.

## AUTHORITY FOR COMMITTEES TO MEET

## SUBCOMMITTEE ON INTERNATIONAL TRADE

Mr. FOWLER. Mr. President, I ask unanimous consent that the Subcommittee on International Trade of the Committee on Finance be authorized to meet during the session of the Senate on July 13, 1990, at 2 p.m. to hold a hearing on S. 2742, the Trade Agreements Compliance Act.

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

## COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. FOWLER. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Friday, July 13, at 10 a.m. for a hearing on the subject: census overview and confirmation of Barbara Bryant.

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

## COMMITTEE ON ARMED SERVICES

Mr. FOWLER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Friday, July 13, 1990, at 9 a.m. in executive session for markup of the National Defense Authorization Act for fiscal year 1991 and other pending legislation referred to the Senate Armed Services Committee.

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

## COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. FOWLER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate, Friday, July 13, 1990, at 9:30 a.m. to conduct hearings on the nominations of Timothy J. McBride of Michigan, to be an Assistant Secretary of Commerce; and C.M. Schauerte, of Texas, to be Federal Insurance Administrator, Federal Emergency Management Agency.

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

Mr. FOWLER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate, Friday, July 13, 1990, at 11 a.m. to conduct hearings on S. 2748, the Counterfeit Deterrence Act of 1990.

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

## ADDITIONAL STATEMENTS

## ARNOLD BOLLE: MONTANA CONSERVATIONIST

Mr. BAUCUS. Mr. President, in Montana we have two very special places named in honor of men who throughout their lives demonstrated a commitment to conservation: The Bob Marshall and Lee Metcalf Wilderness Areas. I propose to add a third such area: The Arnold Bolle Addition to the Bob Marshall Wilderness.

On Tuesday, I introduced S. 2832, the Kootenai and Lolo National Forest Management Act of 1990. One provision of this bill would continue this fine Montana tradition of recognizing outstanding conservationists.

My bill would rename the proposed Clearwater-Monture Wilderness Area after Arnold Bolle, one of the true statesmen of the American conservation movement. A pristine area adjacent to the Bob Marshall, this is an area that Arnie knows well and feels strongly about.

I've known and respected Arnie since my first days in politics in our mutual hometown of Missoula. Nobody has done more to promote the conservation and sensible development of Montana's natural resources. For a decade he served with distinction as dean of

the University of Montana's School of Forestry. In the 1960's he headed a commission examining management practices on Montana's Bitterroot National Forest. The so-called Bolle Report issued by this commission became a catalyst that moved Congress toward passage of the National Forest Management Act. Throughout his career, Arnie has been a voice of principled compromise and reason in the sometimes tumultuous Montana public lands debate.

Naming this area in honor of Arnold Bolle is just a small way to say thank you for such selfless service to the land and people of Montana. ●

## A.D. MOYER: CHICAGO DISTRICT DIRECTOR OF INS

Mr. SIMON. Mr. President, I rise today to make note of the continued service to Illinois by the Director of our Chicago District Office of the Immigration and Naturalization Service, A.D. Moyer.

Although New York City, Los Angeles, Miami, and other port cities are more often considered to be cities with large immigrant populations, Chicago is unique among American cities in the diversity of its immigrant and ethnic communities. Chicago is proud to be the home of vibrant neighborhoods and communities of Irish, Polish, Mexican, Chinese, Italian, Salvadoran, Czech, Greek, Russian, Ukrainian, Slavic, and Cuban ancestries to name just a few.

Gone unnoticed in the midst of this diversity is the important and significant job undertaken by the Immigration and Naturalization Service in aiding these communities. Connie Montana of the Chicago Tribune has recently written a profile of Mr. Moyer entitled, "Immigrants Tune in a Hero out of INS." She describes the trials and tribulations, the successes and difficulties, of this public servant.

As a member of the Senate Immigration and Refugee Affairs Subcommittee, I have long made my concerns known about the sensitivity of the Immigration Service in areas, such as relations with immigrant communities and increased bilingual services, where it can improve. I am pleased to read in Ms. Montana's article, therefore, that Mr. Moyer has had great success and cooperation with the Spanish language media with a program called "Linea Abierta" or "Open Line" during which he answers questions and addresses other immigration concerns. Readers of the Spanish-language TV guide voted Mr. Moyer's program to be their favorite local TV show in 1989.

Mr. President, I ask that the previously mentioned news article be printed immediately following my remarks.

[From the Chicago Tribune, July 5, 1990]

# IMMIGRANTS TUNE IN A HERO OUT OF INS

(By Constanza Montaña)

He's an international celebrity.

Mexicans recognize him and stop him on the street. Poles and Irish wave and cheer as he files by during the Polish or St. Patrick's Day parades.

Latinos read his weekly column in a local newspaper and listen to him on Spanish-language radio. Indians watch his guest appearances on a local television show. His weekly television program has been nominated twice for Chicago Emmy awards.

But his universe is limited to Chicago's immigrant community. He is Alvin Douglas Moyer, better known as A.D., director of the Chicago district of the Immigration and Naturalization Service (INS).

In his job, Moyer directs all operations related to the coming and going of foreigners in the Chicago district, which includes Illinois, Indiana and Wisconsin. He supervises more than 400 employees who annually inspect the entry of more than one million international visitors and the deportation of hundreds of others.

Though Moyer's position as a federal law enforcement officer is often controversial, critics and fans agree that Moyer has improved the operation and image of the immigration service.

"Our Chicago district office is run more efficiently and with more open lines of communication, more give and take than any other INS office in the country," said Robert Gard, chairman of the Chicago chapter of the American Immigration Lawyers Association.

Moyer, 50, began his career three days after graduating from Miami University in Oxford, Ohio, where he majored in sociology and political science and learned Spanish. Since then, he has worked in nearly every job in the immigration service in almost all points of the country.

Moyer took over as Chicago's district director in 1982. But only in the last four years, during the implementation of the Immigration Reform and Control Act of 1986, has Moyer become visible and succeeded in changing the image of the federal agency derisively known as *la migra*. Under this landmark law, illegal immigrants who met certain qualifications were allowed to legalize their status.

But after nearly 30 years as an immigration officer, Moyer is proudest of a job he does on his own time without any pay—his Spanish-language television show that airs Saturday night and is rebroadcast Sunday afternoon on WSNs-Ch. 44.

The show is called "Linea Abierta," Spanish for open line, because it started out as a live call-in show about three years ago. The question-and-answer format of the show has been preserved, but it is now taped using video clips and letters.

Almost every Friday afternoon Moyer packs his 6-foot, 205-pound body into a white 1982 Mercedes sedan, a government-issued car seized during an alien smuggling operation, and drives to the station's Lincoln Park studios. There he tapes the show with co-host Constance Lara, an immigration service attorney. He is the only INS district director to have his own television program.

"If you were to add up all the things I've been involved in up to now, the show 'Linea Abierta' is more impacting, more than all the things put together," Moyer said. "The show has tremendous importance."

Though the program may be his most significant achievement, it is partly the result of what Moyer said was his biggest mistake: "Not realizing early in my career that for any law to be successful, you must enjoy broad-based community support."

The Federal government partially funded Moyer's first 17 shows, which began broadcasting in March 1988, during the last months of the immigration law's application period. Since last September, Channel 44 has been bearing the full cost of the program, Moyer said.

Like any television show, "Linea Abierta" and its co-hosts have been praised and panned. For the last two years, the show has been nominated for a Chicago Emmy in the public affairs category. Readers of *Tele-Guia*, a Spanish-language version of TV Guide, voted "Linea Abierta" their favorite local television program of 1989.

But some immigration advocates call the show's information misleading and too simplified. "I can't say he's giving incorrect information," said Carlos Arango, chairperson of the United Network for Immigrant and Refugee Rights. "It's confusing and incomplete."

"We try first of all never to misinform," Moyer said, "Sometimes there is more to the total answer than we give. But if they [immigrants] can take the first step in the process, the rest of our organization should take care of the process." ●

## FIVE CENTURIES OF PRIDE

● Mr. HATCH. Mr. President, in 1992, the United States will join with the Western World in commemorating the 500th anniversary of Christopher Columbus' historic voyage to the New World. As this anniversary provides the perfect forum for rediscovering and redefining our history and heritage, I rise today to recognize the outstanding contributions Hispanics have made to the growth and development of the New World and the United States of America over the past 500 years. Congratulations to the National Hispanic Quincentennial Commission [NHQC] for their efforts to educate all Americans to the numerous contributions Hispanics have given and continue to give our world.

Americans of Hispanic descent can proudly boast that their ancestors were exploring the southwest and east coast more than 100 years prior to the arrival of the Pilgrims on the *Mayflower*. Two hundred years before the birth of George Washington, the Spanish had founded schools, missions, towns, and new and exotic lands which they named "Colorado—Land of Colors," "Florida—Land of Flowers," "Los Angeles—City of Angels," and "Nevada—Land of Snow." Among the many Hispanic historical figures, Juan de Onate, 1550-1624, is remembered as the founder of the first U.S. Thanksgiving and the father of the first European settlement. Mr. de Onate, a wealthy mine owner in Nueva Espana—New Spain—was also chosen to lead an expedition and settlement of what later would be named Nuevo Mexico—New Mexico. The first play

performed in the United States was presented in Spanish; since that time, Hispanics have performed in both English and Spanish, with such notable entertainers as Mr. Ricardo Montalban, actor and honorary national chairman of the NHQC.

Unfortunately, despite the gifts of law, religion, agriculture, mathematics and sciences, art, music, education technology, architecture, cuisine, theater, and exploration with Hispanics have graciously shared with our New World, myths and faulty stereotypes continue to exist. So, I further recognize and appreciate the outstanding areas where Hispanic-Americans continue to excel as productive and proud U.S. citizens, and express gratitude to the NHQC for ensuring that 1992 will be a time of inclusion of the Hispanic-American community in the international and national celebrations.

Mr. President as the chairman of the U.S. Republican Senate Conference Task Force on Hispanic Affairs, I commend the NHQC for providing a national strategy to educate all Americans about Hispanic history and heritage and thank the Hispanic people for paving the path to freedom and democracy for all Americans. ●

## THE OLDER AMERICANS ACT

● Mr. RIEGLE. Mr. President, this week marks the 25th anniversary of the establishment of the Older Americans Act. The Older Americans Act was signed into law July 14, 1965, and was designed to improve the lives of the Nation's elderly population through grants to develop new programs or to improve existing ones. It has three objectives: To enable people aged 60 or older to live independently in their own homes; to remove individual and social barriers to economic independence; and to provide a full spectrum of care for vulnerable, elderly individuals.

Combining Federal funding with decentralized, State and local level management, the Older Americans Act has created an "aging network," consisting of 57 State agencies, 670 area agencies, and 25,000 service providers. It has been particularly effective in offering a wide range of social services to the elderly.

Despite a virtually static funding level over the years, this strained network has provided unparalleled services for older Americans. It supports the only federally sponsored job creation program benefitting low-income, older workers. It is also a major source of funding for training, research, and demonstration programs in the field of aging. Finally, it provides the authority for a separate program for supportive and nutrition services for older native Americans and native Hawaiians. These programs are wide in scope



and effective in implementation. In effect, they allow elderly people to maintain their sense of self-worth by continuing to function as integral parts of society.

The Older Americans Act's supportive services program provides help to over 9 million people each year. Its nutritional services program feeds millions, serving 258.7 million meals last year alone. It has given support to numerous research, service, and educational projects, including community-based, long term care; subsidized part-time community service jobs for unemployed, low-income seniors; Alzheimer's disease support services; elder abuse prevention services; health promotion; legal assistance; and career preparation and continuing education in the field of aging.

The Older Americans Act has been indispensable in helping our Nation's elderly citizens to live fruitful, productive, and fulfilling lives. It has been a provider of support, while other avenues of aid have been inadequate or nonexistent. The Older Americans Act has proven to be the bulwark upon which the elderly of America can rest their faith, secure in knowing that the government upon which they placed their trust will not abandon them.●

#### ELDORADO HIGH SCHOOL OPENS ITS DOORS AND ITS ARMS

● Mr. SIMON. Mr. President, in August 1989, Eldorado High School Principal Carroll Phelps transformed a custodial storage space into a licensed nursery for student-parents and their children. This is the third school-based infant care center to open its doors in Illinois, but I believe Eldorado is the first rural high school to open a center of this sort.

The Infant Care Center was established in an effort to keep young mothers from dropping out of school, and to work with students to prevent unplanned pregnancies. In addition to fulfilling the requirements of full-time students, those involved in the program are required to work in the center for 2 hours a day at minimum wage; enroll in a parenting course through the home economics department and; attend support groups for teen parents.

Currently licensed for 10 children, the Infant Care Center had 7 babies enrolled this past winter, with 2 more due in April. Most of the feedback Ms. Phelps has received from the community has been positive. They received a \$40,000 grant from the Illinois Department of Children and Families Services, along with additional funding from the school district.

Mr. President, I want to commend Eldorado High's principal, Carroll Phelps and the infant center director, Brenda Disney, for their outstanding

effort in this area. We must break the cycle of children having children. When over 60 percent of female students dropping out of high school cite pregnancy and motherhood as the reasons they leave school, we must look for creative ways to keep these young parents in school. The greater their education, the greater their chances for moving into productive jobs, taking care of themselves and their child.

This is an important support service. I applaud those involved with the program and encourage everyone affiliated with it to keep up their commitment and their energy.●

#### RURAL HEALTH CARE PROVIDER RECRUITMENT AND EDUCATION ACT OF 1990

● Mr. ROCKEFELLER. Mr. President, I am pleased and honored to join the distinguished majority leader, Senator MITCHELL, and Senators DURENBERGER, HARKIN, DASCHLE, and BURDICK in introducing legislation that will provide vital assistance to rural communities in desperate need of health care providers. I am especially pleased to be in the company of such true champions of rural health care in the Congress today. I have long admired Senator MITCHELL's commitment to health care. As the past chairman of the Finance Subcommittee on Health, he provided superb leadership in addressing the health care needs of the people of his state of Maine and the entire Nation. Now, as majority leader, even with the numerous issues facing the Senate and demanding his attention, Senator MITCHELL's commitment to better, more affordable health care for rural Americans has not wavered.

For a variety of reasons, rural communities have long grappled with the problem of attracting and retaining physicians, nurses, and other health care professionals. Sadly, due to the pressures of the Reagan administration, the National Health Service Corps has been virtually eliminated. The demise of the NHSC Scholarship Program over the past decade has decimated access to health care in many rural, isolate communities.

In the past, about 36 NHSC doctors were placed annually in rural, isolated parts of West Virginia. Now, only about three to four physicians are placed each year. When I visit health centers, clinics, and rural hospitals all across West Virginia, and even at town meetings, a familiar and depressing theme I hear is how hard, sometimes impossible, it is to recruit a doctor, a nurse practitioner, or a physician assistant to provide primary care in a small town or geographically isolated area.

The Rural Health Care Provider Recruitment and Education Act of 1990 represents a commonsense, practical

approach to an admittedly complex problem and builds on the experience of the National Health Service Corps Program. Under this bill, local communities would be assisted in taking an active role recruiting health care providers to practice in their own community. Local communities would be eligible to receive Federal matching funds to send local residents to medical school, nursing school, or to receive physician assistant training. In return for a community's financial sponsorship, the student would make a commitment to return to the rural community and practice for a period of 2 to 4 years. The program would be administered by the State loan program of the National Health Service Corps Program.

I recently learned about a very similar program in Wayne, WV, called the Educational Seed for Physicians, that provides financial assistance to medical students in return for their commitment to practice medicine in rural West Virginia. Since its creation in 1978, 11 medical students have received financial assistance for their medical training in return for a commitment to practice in rural West Virginia for at least 5 years.

Mr. President, I would like to see this model duplicated all across rural America, and I think this legislation could make that possible. Studies have shown that physicians and other health care providers are likely to practice in a rural community if they themselves are from a rural area or have been exposed to a rural setting during their training.

I am hopeful that this legislation will serve to empower rural communities by giving them an opportunity to invest in the health education of a local resident with the promise of health care in return. I urge my colleagues to join us in support of this legislation, which, although a modest proposal, will go far in shoring up a crumbling health care network in rural America.●

#### PROBLEMS IN KENYA

● Mr. SIMON. Mr. President, there is a disturbing human rights situation in Kenya. The Kenyan Government is brutally repressing its critics. Popular demonstrations for a multiparty, democratic government have been met with government-ordered lethal force.

The dramatic decline in Kenya's human rights situation seriously undermines our historically good relations with Kenya. Over the past several months, a public campaign to end one-party rule has been met with a severe government crackdown. Yet public pro-democracy protests have spread from Nairobi to several other Kenyan cities. A reported 23 people have been killed and over 60 wounded.

At least 40 people have been detained, including Kenneth Matiba and Charles Rubia (two former Cabinet Ministers who have called publicly for an end to one-party rule), John Khaminwa and Mohamed Ibrahim (two human rights lawyers), and Gitobu Imanyara (editor of the Nairobi Law Monthly). Human rights attorney, Paul Muite, is in hiding.

Human rights attorney, Gibson Kamau Kuria, who sought refuge in our Embassy was permitted Tuesday night to leave Kenya. I am pleased with that development and it is an example that our show of public concern can help to improve the situation. Reportedly all lawyers in Kenya are not on strike, and will not go to court until detainees are released. And another pro-democracy rally is expected to take place this weekend.

Recent events compel us to move toward a reexamination of the foreign aid we give to Kenya. For fiscal year 1990, we are giving Kenya about \$60 million in development and military aid. In the upcoming weeks, the Senate will have the opportunity to debate and vote on the foreign aid appropriations bill for fiscal year 1991. Kenya, one of our largest aid recipients in sub-Saharan Africa, should receive our tough scrutiny. The fiscal year 1990 foreign aid authorization bill (and a similar House-passed bill) included a provision that Economic Support Fund and military aid to Kenya shall bear a relation to significant steps taken by the Kenyan Government to increase respect for human rights. That is all the more important today.

Most of us concur in the statement made by U.S. Ambassador to Kenya, Smith Hempstone, that the Congress favors providing U.S. foreign aid to countries that nurture democratic institutions, defend human rights, and engage in multiparty politics. Kenya is no exception. I recommend to my colleagues news accounts on the situation in Kenya, and ask that they be printed in the RECORD.

The articles follow:

[From the Los Angeles Times, July 6, 1990]

**KENYA CRACKS DOWN, JAILS FIVE OPPONENTS OF ONE-PARTY RULE—EAST AFRICA: TWO FORMER CABINET MINISTERS AND A LAW REVIEW EDITOR ARE AMONG THOSE SEIZED AFTER ADVOCATING A MULTI-PARTY SYSTEM**

(By Michael A. Hiltzik)

**NAIROBI, KENYA.**—In a sign of government unease with a growing opposition movement, police here have jailed five leading supporters of multi-party democracy in a crackdown that began Wednesday night.

The most prominent figures detained in the government action are Kenneth Matiba and Charles Rubia, both former Cabinet ministers in the government of President Daniel Arap Moi, and Gitobu Imanyara, editor of the Nairobi Law Review. Matiba and Rubia have publicly called for an end to the monopoly party rule of the Kenya African National Union, or KANU, and Iman-

yara's journal has published articles in support of ending one-party rule.

Matiba and Rubia were picked up by squads of police late Wednesday and driven off to unknown destinations, according to family members and newspaper reports. Accounts of Imanyara's arrest were confused, with the Associated Press later quoting an associate of his as saying the editor had escaped police and gone into hiding.

Detained Thursday were John Khaminwa, a lawyer for Rubia who was reported arrested after he entered a Nairobi police station inquiring about his client, and Raila Odinga, a two-time political detainee who is the son of Oginga Odinga, a key political figure here in the 1970s and 1980s and a leader of the important Luo tribe. The Odingas were reported in the Kenya press recently as having held meetings with Matiba and Rubia. Five members of Matiba's staff were also detained.

Police are reportedly also set to detain several other members of Kenya's burgeoning opposition.

The surge of detentions Thursday brought a response from the U.S. Embassy here, which expressed "interest and concern."

Authorities have expressed increasing concern and anger over plans by Matiba and Rubia for an unofficial rally in favor of political pluralism scheduled for Saturday at a field in the center of Nairobi, and they have announced that police would use force to keep the rally from getting under way.

President Moi recently charged in a speech that the two men were planning to have demonstrators at Saturday's rally shot and to blame the killings on the government. Matiba and Rubia in a joint statement issued about an hour before they were picked up Wednesday, denied that. They said their application to hold the rally at Nairobi's Kamukunji Park had been turned down and that they had dropped the plan.

The detentions climaxed a war of nerves between the government and Matiba and Rubia that began several weeks ago, when the two former ministers issued a call for multi-party democracy in this country.

Over the last two weeks, Matiba's and Rubia's offices have been under police surveillance and their visitors have been tailed. Police broke up press conferences and interview sessions held by both men and seized their passports.

An attempt by police to arrest them June 20 for "holding an illegal meeting"—they were consulting with their lawyer, Paul Muite—was aborted when a large crowd gathered around the sidewalk confrontation between the three men and six plainclothes police officers.

On June 13, a gang of men dressed in civilian clothes but addressing each other by military rank invaded Matiba's house. They asked for him by name and, when told he was not at home, severely beat his wife and daughter before escaping with a pocketbook and a cheap necklace.

Matiba charged that the episode, which the police called a burglary was an assassination attempt.

Any confrontation between President Moi and the emerging forces for political change could severely damage what has so far been an African success story. Kenya's political stability and economic success have long held the attention of Africa-watchers. Since Moi came to power in 1978, there has been only one major eruption of unrest—an attempted coup in 1982 by officers of the Kenyan air force. It was quickly put down.

During this same period, unrest has flared repeatedly in neighboring countries: civil war in Uganda, repression and ethnic war in Marxist Ethiopia, civil war and an Islamic fundamentalist coup in Sudan, a near-total breakdown of government authority in Somalia.

Since 1982, Moi has steadily tightened his and his party's autocratic grip on Kenya. Constitutional amendments have outlawed opposition parties and made the tenure of once-independent judges subject to the president's wish.

In a move against the press, a Kenyan court on June 29 charged four editors of a Nairobi newspaper with publishing material "likely to cause fear, alarm and despondency" among the public. The editors of the Standard newspaper were charged after the paper ran a series of stories implying that the government lied about a Nairobi slum clearance operation that turned violent last May.

Meanwhile, economic growth has failed to keep pace with population growth, which is among the world's highest, and Kenya's economic status has slipped. Spreading corruption has driven away foreign investment.

The country would have much to lose in any extended outbreak of public unrest or an escalation of the crackdown on dissent. Tourism in Kenya's leading foreign-exchange earner; last year about 700,000 visitors spent an estimated \$340 million here.

Further, Kenya's budget is increasingly dependent on aid from Western donor countries. Foreign aid loans and grants account for 27% of the budget this fiscal year, compared to only 5% three years ago. U.S. aid totaled \$76.4 million last year, including \$15 million in military assistance.

Recently, however, the United States has put the Kenyan government on notice that democratic countries are likely to get preference in the future. The notice came from Smith Hempstone, U.S. ambassador to Kenya, in a speech to a local businessmen's group in which he described the new standard as congressional policy.

Herman J. Cohen, the assistant secretary of state for African affairs, said in a speech in Washington last April that the U.S. government would show "a change in attitude toward the African one-party state [and that] it is time for most African political systems to evolve toward a Western-style democracy."

Before this week's arrests, the political crackdown here had already elicited a stern reaction from three influential American lawmakers, Reps. Howard Wolpe (D-Mich.), chairman of a House subcommittee on Africa and a frequent critic of Moi; Gus Yatron (D-Pa.), chairman of a subcommittee on human rights, and Dante Fascell (D-Fla.), chairman of the Foreign Affairs Committee.

In a letter to Moi, the three focused on the "harassment" of lawyer Muite and the conviction of the Rev. Lawford Imunde, a Presbyterian minister who was sentenced to six years in jail on the basis of what were deemed seditious entries in his diary. Imunde has appealed his sentence on grounds that some of the entries were made by the police and that he was tortured into signing a confession and pressured into waiving his right to counsel.

These two episodes, the letter states, are "the most visible signs of growing hostility toward independent voices in Kenya by your government."

The letter continues: "At a time when, throughout the world, we are witnessing the



formation of pluralist democracies—characterized by multi-party elections, respect for human rights and tolerance of opposition views—we are deeply concerned about government efforts to suppress such initiative in Kenya."

Meanwhile, open criticism of Moi's leadership and of KANU, the only legal political party here, has also come from several leading Kenyan institutions.

In the most serious sign of dissatisfaction, 18 Roman Catholic clerics, including Cardinal Maurice Otunga, the archbishop of Nairobi, on June 22 issued a pastoral letter assailing the political situation and the deteriorating economic climate.

The letter, which appeared as a full-page advertisement by the Kenya Episcopal Conference in the country's three major newspapers, attacked what it called widespread corruption in the country and the voting system known as "queuing." In primary elections—key voters in a single-party state—voters do not mark a ballot but line up behind photographs of their favored candidate.

The churchmen reserved their most stinging criticism for the increasing authority of the party over Parliament and other government institutions.

"The least sign of dissent in the face of any particular decision of the party is often interpreted as subversive and as endangering the security of the state," the bishops complained. They compared the situation to the "philosophy of 'national security'" that gave birth to death squads, murder by torture and a breakdown of civil liberties in Latin America in the 1970s.

The political waters here have been stormy since the mysterious death Feb. 13 of Dr. Robert Ouko, Moi's minister of foreign affairs.

Although political assassination has never been Moi's style—it was his predecessor, Jomo Kenyatta—there has been widespread public suspicion that someone in the administration was involved in the Ouko death. Still, there has been no reliable explanation of why an apparently loyal member of Moi's Cabinet should be killed.

Ouko's body was found near his home, charred and mutilated. When the police suggested that he had committed suicide, demonstrations broke out in major cities and marchers carried placards charging a cover-up.

[From the Washington Post, July 9, 1990]  
**CRACKDOWN IN KENYA STRAINS TIES WITH UNITED STATES—CONGRESS TO REVIEW FOREIGN AID TO NAIROBI**

(By Neil Henry)

NAIROBI, July 8—President Daniel arap Moi's crackdown on political opponents and human rights advocates has aggravated already tense relations between the United States and Kenya, prompting a congressional review that could freeze or cut economic and military aid to this East African country.

Kenya, which had long been recognized by the West as a beacon of political and economic stability in a region otherwise noted for chaos and conflict, is the largest recipient of American aid in sub-Saharan Africa, receiving \$49.8 million in economic and military assistance this year and tentatively set to get about the same amount next year.

However, the government's crackdown against proponents of greater democracy here—which has seen at least 11 dissidents detained in the last week and dozens of civilians injured during riots—has triggered

strong protest from the U.S. and other Western governments which, together with multilateral donors, contribute more than \$940 million annually in aid to Kenya's economy.

In a development that could further strain U.S.-Kenyan relations, U.S. Ambassador Smith Hempstone said late tonight that human rights lawyer Gibson Kamau Kuria, who was once detained for nine months by Moi's government, had fled to the U.S. Embassy on Saturday morning and been granted refuge.

Hempstone said Kuria, who won the 1988 human rights award presented by the Robert F. Kennedy Memorial Center, has "indicated that he would like to leave the country," and the ambassador added that the U.S. government would try to facilitate that request.

On Friday, the State Department issued a statement expressing "distress" over the arrests of the dissidents and again urged the Moi government to respect individual rights of freedom of expression and assembly, which have eroded in recent years.

That request came two weeks after top congressional leaders sent a letter to Moi expressing concern for human rights in Kenya. The leaders did not receive a reply.

After the crackdown continued last week with the arrests of two opposition politicians, Kenya's ambassador to the United States, Denis Afande, was told by an American official that Congress would interpret the clampdown as Moi's official response to the letter, Congressional sources said.

"The Hill's response to Moi will be to look again at assistance to Kenya," said a congressional source. "We are developing a strategy to cut aid."

The source said such a strategy could entail freezing funds already allocated for Kenya this year or cutting back funds appropriated for 1991. Congress, currently in recess, will resume its session Tuesday.

For some time, U.S. officials in Washington and Nairobi have been trying to encourage the Moi government to allow a public debate on multi-party democracy in this one-party state, and to consider moves to bring about such a political system.

At a time when democratic values and political pluralism are winning favor in other parts of Africa and the world, the 12-year Moi regime has clung to centralized control and rigid one-party rule, expressing fears of tribal factionalism if more than one political party is allowed to compete for power.

In recent years, particularly after an attempted military coup in 1982, all manner of dissent has been stifled in Kenya, including the banning of numerous publications accused by the rulers of subversion.

During a visit to Washington in February, Moi was told by American officials that U.S. assistance to Kenya would be tied more closely to political accountability and economic freedom here. Moi, whose government has been plagued by charges of widespread official corruption, visited the United States at a time when this nation is steadily losing foreign investment and forecasting a nearly \$1 billion trade deficit for next year.

For a while after his trip to Washington, Moi appeared to consent to a public debate of the merits of multi-party politics. But the Kenyan leader never wavered from his opposition to allowing more parties, and accused supporters of political pluralism, of being subversives and suffering from "insects in their heads."

Then, Moi declared the debate over last month when two former members of Moi's

cabinet, Kenneth Matiba and Charles Rubia, openly expressed support for more political parties. Shortly thereafter, human rights lawyers complained of harassment by government security forces.

Last week, many of the most outspoken advocates of political change in Kenya were rounded up and jailed. Matiba, Rubia, human rights lawyers John Khaminwa and Mohamed Ibrahim, and Gitobu Imanyara, chief editor of a Kenyan law journal, were among those arrested in the days leading up to a pro-democracy rally that was tentatively scheduled, but canceled, by the former cabinet members.

On Saturday, a couple of hundred observers showed up at the rally site in Nairobi anyway, leading to riots and sporadic clashes between police and civilians in which dozens reportedly were hurt, none seriously.

There were more disturbances today in the capital, when thousands of people returned to the area where the rally was supposed to have been held. When police tried to disperse them, some threw large rocks. Riot police bearing clubs in surrounding neighborhoods occasionally fired tear gas to break up groups of people.

Most political detainees are held under a statute known as the Preservation of Public Security Act, which allows the government to hold suspects for as long as 14 days without charge or trial. The act is just one of numerous examples of human rights violations here raised by the international human rights group, Africa Watch.

"We are very concerned that a strong stance be taken by the Bush administration and Congress," said Joyce Mends-Cole of the group's Washington office. "We'd like them to publicly condemn all that is happening in Kenya."

The government regularly accuses the United States of encouraging discontent here and violating Kenyan sovereignty by demanding political change. One indication of the ragged state of U.S.-Kenyan ties was the front-page headline of an editorial in today's Kenya Times condemning criticism leveled by the U.S. envoy here. "Shut up, Mr. Ambassador," it read.

[From the Washington Post, July 6, 1990]

#### KENYA ARRESTS PROPONENTS OF MULTI-PARTY SYSTEM

(By Michael A. Hiltzik)

NAIROBI, July 5—Police here have jailed five leading supporters of multi-party democracy since Wednesday in a crackdown taken as a sign of government unease with a growing opposition movement.

The most prominent figures being held are Kenneth Matiba and Charles Rubia, both former ministers in the cabinet of President Daniel arap Moi, and Gitobu Imanyara, editor of the Nairobi Law Review. Matiba and Rubia have called for an end to the monopoly rule of Moi's Kenya African National Union, and Imanyara's journal has published numerous articles in support of ending the one-party system.

Matiba and Rubia were picked up by squads of police late Wednesday and driven off to unknown destinations, according to family members and newspaper reports. Accounts of Imanyara's arrest were confused.

Taken into custody today were John Khaminwa, a lawyer for Rubia who was reportedly held after he entered a Nairobi police station to seek the whereabouts of his client, and Raila Odinga, a two-time political detainee who is the son of Oginga Odinga, a key political figure here in the

1970s and 1980s and a leader of the important Luo tribe.

The Odingas were reported in the Kenya press recently as having held meetings with Matiba and Rubia. Five members of Matiba's staff also were being held by authorities, and police reportedly are set to arrest several other members of Kenya's burgeoning opposition. The U.S. Embassy has expressed "interest and concern."

Authorities have expressed anger over plans by Matiba and Rubia for an unofficial rally in favor of political pluralism scheduled for Saturday at a park in the center of Nairobi and have announced that police would use force to prevent the gathering, which had been expected to draw large crowds. City crews have begun fencing the area to keep people out.

President Moi charged in a speech that Matiba and Rubia were planning to have demonstrators at Saturday's rally shot and to blame the killings on the government. The two, in a joint statement issued about an hour before they were picked up Wednesday, denied the charge and said they had dropped plans for the rally because their application to hold it had been turned down. The government apparently feared that, despite their words, a large anti-government crowd would turn up.

Over the last two weeks, Matiba's and Rubia's offices have been under police surveillance and their visitors tailed. Police broke up press conferences and interview sessions held by both men and also seized their passports.

Any confrontation between Moi and the emerging forces for political change could severely damage what has so far been an African success story. Kenya's political stability and economic success have long held the attention of Africa-watchers. In Moi's 11 years in power, there has been only one major eruption of civil disorder—an attempted coup in 1982 by officers of the Kenyan air force. It was quickly put down.

Since 1982, Moi has steadily tightened his and his party's grip on Kenya. Constitutional amendments have outlawed opposition parties and made the tenure of once independent judges subject to the president's pleasure.

Meanwhile, economic growth has failed to keep pace with population growth, which is among the world's highest, and Kenya's economic status has slipped. Spreading corruption has driven away foreign investment. ●

#### AUTHORITY FOR COMMITTEES TO REPORT UNTIL 4 P.M. TODAY

Mr. FOWLER. I ask unanimous consent committees have permission to report Legislative and Executive Calendar business until 4 p.m. today.

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

#### RECORD TO REMAIN OPEN UNTIL 4 P.M. TODAY

Mr. FOWLER. Mr. President, I ask unanimous consent that the Record remain open today until 4 p.m., for the introduction of bills and submission of amendments.

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

#### AUTHORITY TO FILE FIRST-DEGREE AMENDMENTS TO THE CIVIL RIGHTS BILL UNTIL 2 P.M. ON MONDAY

Mr. FOWLER. Mr. President, before I ask for the Senate to stand in recess, I ask unanimous consent that first-degree amendments to the civil rights bill may be filed until 2 p.m. on Monday.

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

#### ORDERS FOR MONDAY, JULY 16, 1990

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate recesses today it stand in recess until 1 p.m. on Monday; that, following the time for the two leaders, there be a period for morning business not to extend beyond 2 p.m. with Senators permitted to speak therein for up to 5 minutes each; that, beginning at 2 p.m. on Monday, the Senate resume consideration of H.R. 4328, the textile bill; that all remaining amendments be offered and debated on Monday; that any votes ordered to occur relative to these amendments be stacked to occur on Tuesday, at a time to be determined by the majority leader following consultation with the Republican leader; that, if an amendment is not offered on Monday, it not be in order following the completion of debate on Monday; that upon completion of votes on the amendments to the textile bill the Senate proceed without any intervening action or debate to adoption of the committee substitute and third reading and final passage of the bill.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

#### RECESS UNTIL MONDAY, JULY 16, 1990, AT 1 P.M.

Mr. FOWLER. Mr. President, I now ask unanimous consent that the Senate stand in recess under the previous order until 1 p.m., Monday next, July 16, 1990.

There being no objection, the Senate, at 3:20 p.m., recessed until Monday, July 16, 1990, at 1 p.m.

#### NOMINATIONS

Executive nominations received by the Senate July 13, 1990:

##### IN THE AIR FORCE

THE FOLLOWING OFFICER UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 8038, FOR APPOINTMENT AS CHIEF OF AIR FORCE RESERVE AND APPOINTMENT TO THE GRADE OF MAJOR GENERAL IN THE RESERVE OF THE AIR FORCE:

To be chief of Air Force Reserve

To be major general

BRIG. GEN. JOHN J. CLOSNER III ~~xxx-xx-xxxx~~ AIR FORCE RESERVE.

#### CONFIRMATIONS

Executive nominations confirmed by the Senate July 13, 1990:

##### DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

JOSEPH G. SCHIFF, OF KENTUCKY, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT.

##### FEDERAL DEPOSIT INSURANCE CORPORATION

ANDREW C. HOVE, OF NEBRASKA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION FOR A TERM EXPIRING FEBRUARY 28, 1993.

ANDREW C. HOVE, OF NEBRASKA, TO BE VICE CHAIRPERSON OF THE BOARD OF DIRECTORS OF THE FEDERAL DEPOSIT INSURANCE CORPORATION.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

##### THE JUDICIARY

A. RAYMOND RANDOLPH, OF MARYLAND, TO BE U.S. CIRCUIT JUDGE FOR THE DISTRICT OF COLUMBIA CIRCUIT.

FEDERICO A. MORENO, OF FLORIDA, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF FLORIDA.

##### DEPARTMENT OF JUSTICE

MICHAEL L. JOHNSON, OF IDAHO, TO BE U.S. MARSHAL FOR THE DISTRICT OF IDAHO FOR THE TERM OF FOUR YEARS.

JOHN W. RALEY, JR., OF OKLAHOMA, TO BE U.S. ATTORNEY FOR THE EASTERN DISTRICT OF OKLAHOMA FOR THE TERM OF FOUR YEARS.



## HOUSE OF REPRESENTATIVES—Friday, July 13, 1990

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Teach us, gracious God, to see Your face in the face of the neediest among us. May we open our hearts as we would open our hearts to You to every person who desires strength in mind, body or spirit. Enlighten us, O God, so that we experience Your presence not only in heaven above, but in the hearts and souls of the people who look to us for support and favor. In Your name, we pray. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Maine [Mr. BRENNAN] please come forward and lead the House in the Pledge of Allegiance?

Mr. BRENNAN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S.J. Res. 318. Joint resolution providing for the appointment of Ira Michael Heyman of California as a citizen regent of the Board of Regents of the Smithsonian Institution.

The message also announced that, from the Committee on Finance; Mr. BENTSEN, Mr. BAUCUS, and Mr. PACKWOOD, be conferees, on the part of the Senate, on the bill (H.R. 1465) "An Act to establish limitations on liability for damages resulting from oil pollution, to establish a fund for the payment of compensation for such damages, and for other purposes."

## IN SUPPORT OF THE BALANCED BUDGET AMENDMENT

(Mr. BRENNAN asked and was given permission to address the House for 1 minute.)

Mr. BRENNAN. Mr. Speaker, I rise today in support of a balanced budget amendment. It is 1990. And quite possibly the worst threat to our national security is not from abroad but from our own financial condition, with a \$3.2 trillion national debt, it is time for action. Not next year, not in 10 years, but now.

America is continuing to run over budget and extend our borrowing each year to levels far beyond what we in our lifetime, and our children in theirs, can possibly pay.

Unless we act now, our generation will be leaving future generations a debt almost 10 times larger than what we inherited from our parents.

To date, the Federal Government has incurred more than \$30,000 in accumulated debt on behalf of each American household. This simply cannot continue.

I urge my colleagues to join with me in support of an amendment to the Constitution requiring an annual balanced budget.

It is time to pay our own bills. Let us not make our children and grandchildren pick up the check for this generation. That is unconscionable.

## ONE MINUTE EQUALS \$2,400,000

(Mr. DOUGLAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOUGLAS. Mr. Speaker, I am holding up a debt man clock. It shows the national debt of the United States at over \$3 trillion, and it is ticking off at the rate of \$40,000 a second.

Mr. Speaker, during the 1 minute I will be speaking to the House, the national debt will have increased \$2,400,000, and the numbers just keep rising, as I said, at a phenomenal rate.

This place is like a bunch of drunks in a barroom. Unless the bartender shuts us off, we will keep drinking.

Mr. Speaker, the balanced budget amendment is our shutoff. It is our closing law. We have got to slow those numbers down so the taxpayers of this country will not have this clock continuing ticking away at \$40,000 a second.

## COMMITTEE ON AGRICULTURE HAS FINISHED DELIBERATIONS ON THE FARM BILL

(Mr. DE LA GARZA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker and my colleagues, the Committee on Agriculture has finished deliberations on the farm bill. There are still some Members that will try and conceivably make it a better bill by the time we get to the floor.

In the meantime, Mr. Speaker, we worked on the budget. We think we have good legislation.

This morning the Washington Post had what I consider a very perceptive idea on what the farm bill is, what we intend to do and some of the peripheral attacks that have been launched by Members, and I would invite my colleagues to read that editorial and, hopefully, see the need that we have for farm legislation and how in a very responsible way the Committee on Agriculture has addressed the issue.

## TIME FOR A FARM BILL

U.S. farm supports were too high for anyone's good in the mid-1980s. In the last five years they have already been appreciably and constructively reduced. Now the Bush administration wants to reduce them further as part of a reduction in world supports generally. Yet presumably its goal is not to eliminate supports entirely; a safety net and reserve program of some kind remain necessary for consumers' sake as well as producers'. The question is, where is the stopping point? What should the next generation of farm programs look like, if not like what exists today? On that there is no agreement.

It is in that context that the 1985 farm bill is expiring and Congress is having to write a new one this year. Left to themselves, the agriculture committees would like supports to go up in an election year. Trade policy and, closer to home, the budget summit could both force them down instead. The committees, after some early bluster for the folks back home, have basically settled on a policy of holding on to what they have. Most supports would be frozen; over the five-year life of the bill, this would mean they would continue to decline in real terms.

Critics of the programs are playing mainly around the edges. The blatantly protectionist sugar program, the semi-feudal peanut program, the vestigial honey program—those are among their targets. All three richly deserve to be revised if not expunged, but they are peripheral to the grain supports on which farm and food policy mainly depend. There the proposals will be aimed at excess; instead of the largest payments to the largest and presumably least needy farmers, the amenders would either limit

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

payments per farmer or confine supports to smaller producers, somehow defined.

That's an old and popular idea, except that farm supports are not just meant to assuage need in the farm belt. It's fine to say these programs should cost less; they should. But the president and Congress also need to take the harder next step of figuring out just what levels of food supply and price they want these programs to provide.

#### SAVINGS AND LOAN SCANDAL TRIVIA

(Mr. BUNNING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUNNING. Mr. Speaker, it's time for America's least favorite game show "Savings and Loan Scandal Trivia."

First question: What do these dates have in common, June 11, 12, 19, 24, 1986 and January 29, February 3, February 10, and March 10, 1987?

Give up? Those are the dates that Chairman Freddie St Germain canceled markups of legislation to deal with the savings and loan crisis.

Too tough for you? OK, Let us try another one. What do Jim Wright, Tony Coelho, and Freddie St Germain have in common?

Of course. They all have been unelected because of their roles in the savings and loan scandal.

Oops, that's all the time we have today. No more questions.

The "Savings and Loan Trivia" game has been a Jim Wright-Tony Coelho Production. Freddie St Germain and his magic credit card appeared courtesy of the U.S. Savings and Loan League.

#### DO NOT HANDCUFF THE WAR ON DRUGS—SUPPORT H.R. 4781

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, if the Congress does not act soon, our local law enforcement agencies, cities, and States may soon be handcuffed in their efforts to combat drugs.

Presently State, county, and local law enforcement officials must come up with only a 25-percent match for Federal law enforcement block grant funds. Yet just as this program is beginning to become effective, the match is scheduled to go up to 50 percent on October 1.

Mr. Speaker, I urge Members to co-sponsor my bill, H.R. 4781, to extend for 1 year the current match already in place.

In hearings across the Nation local officials have told our Government Operations Subcommittee about the importance of keeping the 25-percent match. At a time many local communities are already stretched fiscally

tight, they should not be required to pay double to fight our No. 1 threat, illegal drugs.

I urge Members to sponsor this legislation. I hope it becomes part of the upcoming drug bill and the Omnibus Drug Act. Doubling the match for our local communities is going to create a double-or-nothing gamble.

#### JUSTICE WILL BE DONE IN THE S&L CRISIS

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker and Members of the House, there is ample evidence that will please the American public, I hope, and begin to satisfy their concerns about the savings and loan crisis.

First of all, Mr. Speaker, the Senate and the House in their separate ways are proceeding with meaningful and thoughtful legislation to cope with the thousands of instances of fraud that are creeping up into this S&L mess. That is good news.

Second, the Justice Department is revealing every single day indictments, new investigations, and a whole series of efforts and processes that are in place to pursue the defrauding criminals of the S&L crisis.

So, it is not as the media is portraying or that some Members of the Congress are trying to portray, that nothing is being done. A great number of things are being done.

Mr. Speaker, as the days roll on, the public will be more and more satisfied that indeed justice will be done and is being done in the pursuit of the S&L crisis.

#### FOREIGN DEBT THREATENS LONG-TERM U.S. ECONOMIC SECURITY

(Mr. PICKETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PICKETT. Mr. Speaker, last week, the Commerce Department announced that U.S. foreign debt rose to \$664 billion in 1989, a number that increases daily as the United States moves further into debt as the world's preeminent debtor nation.

This growing dependence on foreign capital is a dark cloud casting a shadow over the future of America. Foreign nationals now claim ownership of \$2.1 trillion of U.S. assets.

Our children and grandchildren will be burdened with these obligations for generations to come. The economic and social policies of our Nation will be increasingly influenced by these foreign economic interests as their control over our economy and means of production continues to expand.

The people in my district are shocked and frustrated by the selling of America. They are confounded by the magnitude and inept handling of the savings and loan swindle. And they are furious about the Federal Government's fiscal policies.

There is still time to act. We must not fail the American people at this crucial time. Failure to adopt new financial and fiscal policies to deal with these problems will surely lead to unnecessary and harsh economic dislocations that will result from leaving the job to the vagaries of the marketplace.

□ 1010

#### THE \$7 BILLION STUDENT LOAN DEFAULT SCANDAL

(Mrs. ROUKEMA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, Congress is awash in financial disaster and potential disasters, the savings and loan disaster. The potential for default is in the FHA program.

My question today: When are we going to do something about the \$7 billion student loan default scandal?

That is right. The total amount of outstanding student loans in default has topped \$7 billion. And in the next year, the next year, we will add another \$2 billion to this total—unless Congress does something now.

Next week, the House will consider the Roukema amendment to the Excellence in Education Act—an amendment that will put our student loan program back on track.

The default problem has grown out of control from \$200 million in 1981, to over \$2 billion this year. That equates to 37 percent of the annual budget for student loans. That is over one-third of the money appropriated for student loans this year that will be thrown down the drain and will not help one student get a higher education.

How long will it be before the American people grasp this chilling fact and withdraw their traditional support for what was once a valuable program?

Let us take action now on student loan defaults before we have to admit to yet another debacle with Congress more interested in talking about balanced budget amendments and catering to special interests and promising action next year. Support my amendment and go back home to tell your constituents that you voted to cut Government waste, fraud, and abuse in the student loan program this year, not mañana.

#### THE 25TH ANNIVERSARY OF OLDER AMERICANS ACT

(Mr. CLARKE asked and was given permission to address the House for 1



minute and to revise and extend his remarks.)

Mr. CLARKE. Mr. Speaker, tomorrow our country will celebrate the 25th anniversary of the signing of one of our most important Federal laws, the Older Americans Act.

The programs authorized by this act are among the most successful we have. They provide services that enable millions of older people to continue to live independently in their homes and remain active in their communities.

The services provided by the act include home-delivered meals and in-home services to the frail elderly, transportation, homemaker services, and the lunches at Senior Centers which give older people the opportunity to keep in touch with their friends and neighbors.

The act has enabled many older citizens to continue to use their talents and experience. In my district several hundred older Americans are very useful workers at the jobs corps centers and in the North Carolina national forests.

The 25th anniversary of the Older Americans Act is the time to reaffirm our support for these programs and activities. I have joined with many colleagues in cosponsoring a resolution celebrating this occasion. I commend all those who are making these programs mean so much to older Americans.

#### SUPPORT THE BALANCED BUDGET AMENDMENT

(Mr. BARTON of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTON of Texas. Mr. Speaker, next Tuesday the House will vote on the historic amendment to balance the budget of the Federal Government. It will be only the second time in our Nation's history that such a constitutional amendment vote has been on the House floor.

Right now our Federal debt is over \$3 trillion. That is over \$12,000 for every man, woman, and child in the United States of America. The Federal debt is growing at the rate of over \$3 billion a week. That is over \$400 million a day, approximately \$1,000 per year per person in this country.

Mr. Speaker, I plan to offer an amendment next week that would require any increase in spending faster than the rate of growth in the national income to require a three-fifths vote, or a super majority vote for any tax increase.

The balanced budget amendment is an amendment whose time has come. I would urge all Members next Tuesday to vote for the balanced budget amendment to the Constitution. We

have tried everything else. It is simply not working under the current system.

#### MIDDLE AMERICANS ACHIEVING THEIR DREAMS

(Mr. BUSTAMANTE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUSTAMANTE. Mr. Speaker, in the 23d District of San Antonio resides the Garza family. They are a middle income household with two children. Both parents rise every morning to go to their respective jobs.

Their economic situation, like that of many other middle American families, has worsened in the past decade.

According to a recent population survey conducted by the DSG, 20 percent of the wealthiest families in America received 86 percent of income growth over the past 10 years; while middle American family incomes grew at a much slower and disproportionate rate.

The Garza family, like many other middle American families, are also learning that two incomes have not significantly lessened their financial burdens.

In fact, today's families are struggling to cope with additional strains. We are all too familiar with day care difficulties, employment leaves for pregnancies, costs incurred for transportation to and from work, as well as the challenges generated from not having someone running the household full time.

Our present system, which demands that families earn two incomes to merely survive, has incurred a serious taxation on domestic life. If we are to continue to be a strong nation, we must address this issue immediately.

Only when families such as the Garzas benefit from their labors can this country truly be economically strong and realize its democratic dream.

#### THE TIME TO BALANCE THE BUDGET IS NOW

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the congressional budget process is sick and in need of a cure. The Stenholm-Craig balanced budget amendment that will be considered by the House next week offers the tough medicine we need to put our financial house in order.

The Federal budget deficit is approaching \$160 billion. We have jumped to this level because of excessive Government spending. Any serious effort to control the growth of Government spending will not occur without some pretty strong medicine.

The balanced budget amendment offers the best cure for our budget woes. The bill will require a balanced budget every year beginning in 1993, except during a time of war or if three-fifths of the Members of Congress vote to make an exception. The balanced budget amendment also calls for greater accountability in Congress by requiring that tax legislation be approved by a roll call vote.

For 8 long years the balanced budget amendment has languished in committee. The time has come for this House to give this bill the serious consideration it deserves. Join me in voting "yes" on balanced budget amendment and bringing us one step closer to addressing the problem of the budget deficit.

#### THE WORST KEPT SECRET IN WASHINGTON

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, the Hubble Telescope may not help us look into the depths of space, but the failure of the \$1.6 billion project may force us to look into the depths of the space program.

The worst kept secret in Washington is that defense contractors who are out of work are now pushing space spending as a national priority, for obvious reasons. Where else can they spend billions of taxpayers' dollars on theory and dreams?

These defense contractors are bringing to our space program many of the nightmares that have haunted Pentagon spending for the last several decades. Consider cost overruns, and then consider the space station. In 5 years, the estimated cost of this project has quadrupled from \$8 billion to \$37 billion, and some believe that the real cost of the space station will ultimately be \$120 billion.

The Hubble Telescope is another example. In 1978 they said it would cost \$678 million. Today the estimated cost is \$1.6 billion and climbing, and it does not work.

When you total all of the starry-eyed space projects this administration has proposed, you find at least \$300 to \$400 billion in spending.

If the American taxpayers though peace in the world meant an end to the budgetary excesses of Pentagon contractors, they had their heads in the clouds.

#### TELL THE REAL STORY ON THE SAVINGS AND LOAN CRISIS

(Mr. SMITH of Vermont asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Vermont. Mr. Speaker, during the last 48 hours the debate in this Chamber and on this Hill affecting around the savings and loan scandal has taken a dangerous and I think destructive turn for the worse. Partisanship is on the increase. Desire and thirst for the facts and a fair and full story for the public that will let the chips fall where they may, whether their names are Neal Bush or Tony Coelho or Jim Wright or Fernand St Germain is on the decrease.

Really, the subject that should be before this House and before the people of this country is whether we will have prosecution by innuendo, finger pointing, blame laying, the kind of free floating public McCarthyism of the 1990's, or whether we will have a nonpartisan, independent, impartial prosecutor, who will put the Congresses that were involved and the administrations that were involved under the magnifying glass, just like the crooks in the private sector are being put under the magnifying glass.

My resolution, House Resolution 407, does that. I want to thank the many Democrats and Republicans, totaling now 221 Members of this House, who have signed that resolution, and urge and encourage other Members in both parties to take the high road, and I urge the Speaker and our leadership to do the same and tell the public the real story, without the political spin.

□ 1020

#### THE GOLDEN PARACHUTE LIMITATION ACT OF 1990

(Mr. PRICE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PRICE. Mr. Speaker, it is time for some straight talk on the savings and loan crisis instead of political posturing. We know that the savings and loan crisis was an unmitigated financial disaster and there is enough blame to go around.

There are plenty of potential villains to castigate and an endless supply of sound bites for 30-second ads on this issue. I recently saw a clip of President Reagan signing the 1982 Garn-St Germain deregulation bill and declaring "We've hit the jackpot." We now know that was true for a lot of high-flying operators but not for the American taxpayer.

But it is wrong for both parties to focus on who will gain the greatest political advantage in this mess. Instead it is time for some good old-fashioned work.

We need to push the Justice Department to get serious about prosecution, under the authority they already have. We need to pass bills like my Depository Institutions Golden Parachute Limitation Act of 1990 which will keep savings and loan operators

from bailing out of troubled or failing institutions with underseved windfalls. We need to pursue the high-flyers that looted these institutions regardless of their political affiliation, to bring them to justice and to recover as many of their assets as possible.

That is what the American people want, and that is what they deserve. Let us quit the name calling and negative politics. Let us focus on criminals, not the latest poll. Let us clean this mess up once and for all.

#### MAKE SURE AMERICA KEEPS A LITTLE BIT OF THE ROCK

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the cameras that film our debate are usually made in Japan, and most of the cars are made somewhere else. America has become the home for the production of styrofoam. We make styrofoam; other countries now build high-rises. They make the steel.

Mr. Speaker, what really frosts me today is we have a thing in America called the green card that foreigners in the country use for work and resident permits. Guess what? A French company was just awarded the contract over Kodak and Polaroid to make 15 million green cards for America.

Ladies and gentlemen, I do not know what is going on. While everybody in Washington is blaming each other, our country is slowly but surely being eroded away like the sand and pebbles on the beaches of our Great Lakes.

I wonder if some foreign entity will take America's water next. Let us quit blaming each other. Let us start trying to make sure America keeps a little bit of the rock here before we have to import the boulders from Mount Fuji.

#### WAIVING CERTAIN POINTS OF ORDER DURING CONSIDERATION OF H.R. 5241, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT AP- PROPRIATIONS ACT, 1991

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 432 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

#### H. Res. 432

*Resolved*, That all points of order against consideration of the bill (H.R. 5241) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1991, and for other purposes, for failure to comply with the provisions of section 302(f) of the Congressional Budget Act of 1974, as amended, clause 2(1)(6) of rule XI, and clause 7 of rule

XXI are hereby waived. During consideration of the bill, all points of order against the following provisions in the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived: beginning on page 7, line 10 through page 9, line 20; beginning on page 10, lines 14 through 25; beginning with "and of" on page 12, line 22 through page 13, line 2; beginning on page 26, lines 5 through 12; beginning on page 27, line 12 through page 32, line 15; beginning on page 47, lines 7 through 21; beginning on page 48, line 14 through page 49, line 2; beginning on page 66, line 22 through page 67, line 10; and beginning on page 79, lines 1 through 13. In any case where this resolution waives a point of order against only a portion of a paragraph, a point of order against any other provision in such paragraph may be made only against such provision and not against the entire paragraph. It shall be in order to consider the amendment printed in section 2 of this resolution, if offered by Representative Traficant of Ohio, or his designee, and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived.

SEC. 2. On page 12, line 2, insert after "taxpayers;" the following: "establishing and operating an ongoing training program for IRS employees under which employees will be provided with training and information designed to curtail employee mistreatment of taxpayers;"

The SPEAKER pro tempore (Mr. BRENNAN). The gentleman from California [Mr. BEILENSON] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. PASHAYAN], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 432 waives points of order against certain provisions of H.R. 5241, the Treasury, Postal Service and general Government appropriations bill for fiscal year 1991.

Since general appropriation bills are privileged, the rule does not provide any special procedures for consideration of the bill. The legislation will be considered under the normal legislative process for consideration of appropriations bills. The time devoted to general debate will be determined by a unanimous consent request.

Mr. Speaker, House Resolution 432 waives clause 2(1)(6) of rule XI and clause 7 of rule XXI against consideration of the bill. These are waivers of the 3-day layover rule, and the requirement that the relevant printed hearings and report be available for 3 days prior to consideration of a general appropriation bill. These waivers are necessary for the House to bring up this appropriations bill today.

In addition, Mr. Speaker, the rule waives section 302(f) of the Congressional Budget Act against consideration of the bill. Section 302(f) of the Budget Act prohibits consideration of measures that would exceed the appropriate subcommittee level alloca-



tion of discretionary budget authority made pursuant to section 302(b) of the Budget Act. Section 618 of the bill contains a 4.1-percent pay increase for all Federal employee's except Members of Congress, Federal judges, and high level executive branch employees, because of this provision the waiver of section 302(f) of the Budget Act is necessary.

Mr. Speaker, the resolution, also waives clause 2 of rule XXI against specified provisions of H.R. 5241. Clause 2, of rule XXI prohibits unauthorized appropriations or legislative provisions and restricts the offering of limitation amendments. The provisions receiving this waiver are designated in the rule by reference to page and line in the bill.

The rule further provides that in any case where the rule waives a point of order against only a portion of a paragraph, a point of order against any other provision in such paragraph may be made only against such provision and not against the entire paragraph.

Finally, Mr. Speaker, the rule makes in order an amendment to be offered by the gentleman from Ohio [Mr. TRAFICANT], or his designee. This amendment is printed in section 2 of the rule.

The rule waives clause 2 of rule XXI, against the amendment, which I stated earlier prohibits unauthorized appropriations and legislation in general appropriation bills.

Mr. Speaker, H.R. 5241 provides appropriations for fiscal year 1991, for the Department of the Treasury, the U.S. Postal Service, the executive office of the President, and certain independent Government agencies. Under the normal rules of the House, any amendment which does not violate any House rule can be offered to H.R. 5241.

I urge my colleagues to adopt this rule so that the House can proceed with this important piece of legislation.

Mr. PASHAYAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 432 is a rule that waives points of order against specified provision of H.R. 5241, which appropriates \$20.7 billion in new budget authority in fiscal 1991 for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies.

Compared to the fiscal year 1990 appropriations this legislation would appropriate \$2.271 billion more in budget authority and \$988 million more in outlays. Additionally, this bill is 7.8 million—or .037 percent—over the President's proposed budget and \$155 million under in outlays. Finally, Mr. Speaker, H.R. 5241 falls within its allocation under 302(b) by \$76 million in

budget authority and by \$2.8 million in outlays.

The rule waives clause 2(1)(6), of rule 11, which requires a 3-day layover and clause 7, rule XXI, which requires relevant printed hearings and reports to be available for 3 days prior to consideration of a general appropriation bill, against consideration of the bill.

Mr. Speaker, House Resolution 432 waives section 302(f) of the Congressional Budget Act, which prohibits consideration of measures that would cause the appropriate subcommittee level or program level to be exceeded, against the bill. The waiver would apply to section 618 of the bill, which mandates a 4.1 percent pay raise for all Federal Government employees, with the exception of Members of Congress, Federal judges, executive levels I to V, and the senior executive service.

House Resolution 432 also waives clause 2, rule XXI, prohibit unauthorized appropriations or legislative provisions in general appropriation bills against specified paragraphs and sections of the bill.

Mr. Speaker, the waivers recommended by the Committee on Rules are necessary because many of the provisions have not been authorized by law and constitute legislation. I shall not detail each provision for which the committee recommends a waiver of clause 2 of rule XXI, but I will insert in the RECORD at the conclusion of my remarks a copy of a letter from the distinguished chairman of the Committee on Appropriations, the gentleman from Mississippi [Mr. WHITTEN], outlining many of the provisions and explaining the reason for these waivers.

Mr. Speaker, the administration supports the overall funding of the bill and has provided the Committee on Rules with a detailed list of objections raised by the Office of Management and Budget. I will insert in the RECORD at the conclusion of my remarks extraneous material, which is the statement we received from the administration.

Mr. Speaker, I would note that two amendments to the rule and a motion to strike were offered in committee and failed by voice vote. The first would waive all points of order against funds appropriated the Office of Management and Budget, in particular the Office of Information and Regulatory Affairs. This section is unauthorized and Members may raise point of order on the floor to strike OMB's funding in part or in whole in order to eliminate funding for the Office of Information and Regulatory Affairs. The administration has stated that if the waiver shall not be provided and the bill shall pass without full funding for OMB, the President's senior advisers will recommend a veto of this otherwise generally acceptable bill.

The second amendment offered would waive section 528 as requested by the ranking Republican on the subcommittee, the gentleman from New Mexico [Mr. SKEEN]. This section would bar the expenditure of funds by the Bureau of Alcohol, Tobacco and Firearms for including a tax on manufacturers and importers of less than 50 firearms per year. The Rules Committee also defeated this amendment.

And finally, Mr. Speaker, Mr. QUILLLEN moved to strike a waiver provided for in the rule for section 530 of the bill, regarding additional authority for the Secret Service. The committee defeated the motion by voice vote.

Mr. Speaker, this rule does not preclude Members from offering amendments to reduce funds in specific accounts, or to strike provisions, or to add germane limitations.

For all practical purposes, this is an open rule, and Members who want to lower dollar amounts in the bill should support the rule so that the House can proceed to consider the bill.

Mr. Speaker, any portions of this bill that are unacceptable to Members, are deletable under this rule. I support this rule so the House can move on to the business at hand, and I urge my colleagues to do the same.

Mr. Speaker, I am including for the RECORD the referenced letter from the chairman of the Committee on Appropriations.

#### COMMITTEE ON APPROPRIATIONS,

Washington, DC, July 11, 1990.

HON. JOHN JOSEPH MOAKLEY,  
Chairman, Committee on Rules, U.S. House  
of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Today the Committee on Appropriations ordered reported the Treasury, Postal Service, and General Government Appropriations Bill for the fiscal year ending September 30, 1991.

In view of the time element where we have been directed to expedite the passage of appropriations bills, we respectfully request a hearing before your Committee to seek a rule waiving Clause 2(1)(6) of Rule XI.

Because the bill includes appropriations for a number of agencies and programs for which authorizing legislation has not yet been enacted, we also request a rule waiving points of order under Clause 2 of Rule XXI for the following areas:

#### TITLE I—TREASURY DEPARTMENT

United States Customs Service:  
Salaries and expenses,  
Operation and Maintenance, Air Interdiction Program

United States Mint:  
Salaries and expenses,  
Expansion and improvements

#### TITLE IV—INDEPENDENT AGENCIES

Administrative Conference of the United States

Federal Election Commission  
General Services Administration:  
Federal Buildings Fund: Various grants shown under the heading "New Construction" beginning on page 28 of the bill  
General Provisions, Sections 12 and 13

National Archives and Records Administration

#### TITLE VI—GENERAL PROVISIONS

Sec. 618. General Schedule increase in certain pay rates.

The Committee appreciates your continued cooperation.

Sincerely,

JAMIE WHITTEN,  
Chairman.

#### STATEMENT OF ADMINISTRATION POLICY

The Administration continues to oppose Congressional action on appropriations bills in advance of a budget summit agreement. Such action could unnecessarily and perhaps harmfully complicate implementation of a final budget resolution that reflects the agreement. However, inasmuch as the House is apparently going to take action, the Administration will express its views on these bills as they come before Congress. The purpose of this Statement of Administration Policy is to express views on the Department of the Treasury, Postal Service, and General Government Appropriations Bill, FY 1991, as reported by the Committee.

It is the Administration's understanding that a point of order may be raised on the floor to strike funding for the Office of Management and Budget (OMB) in part or in whole in order to eliminate funding for the Office of Information and Regulatory Affairs (OIRA). The Administration is currently engaged in negotiations with the authorizing committee, and, therefore, it would not be appropriate to eliminate funding for OIRA and at this time. Should the House pass the bill without OIRA funding, the President's senior advisors would have no alternative but to recommend a veto of this bill. The House is urged not to allow such an action to result in a veto recommendation for an otherwise generally acceptable bill.

The Administration supports the overall funding level in this bill as reported by the Committee but has concerns about several specific provisions in the bill.

The Committee has included a provision that the Administration believes is a "gimmick" designed to reduce FY 1991 outlays. This provision would prohibit the Internal Revenue Service (IRS) from obligating any funds for its critical Tax System Modernization program until the last day of the fiscal year. If the bill were enacted with this provision, it would effectively delay development of crucial upgrades to our tax processing capability for six to twelve months. It would require layoffs of roughly 863 highly skilled systems personnel working on this project. Furthermore, the provision would raise program costs to defer higher revenue yields, staff savings, and taxpayer service improvements expected from this program. The House is urged to delete this provision.

The Administration opposes provisions in the bill amending 18 USC 3056 to expand the authority of the U.S. Secret Service to investigate financial institution fraud. The Senate recently authorized significant additional resources for the Federal Bureau of Investigation (FBI) and other law enforcement entities to combat such fraud. In light of the Senate's action, this new Secret Service authority is unnecessary, and excessive in scope of jurisdiction. The FBI, which currently has primary investigative authority in this area, has the necessary and proven expertise to handle these investigations. A substitute provision that would permit the Department of the Justice to utilize person-

nel from the U.S. Secret Service and other Federal agencies in the investigation and prosecution of financial institution fraud could be supported by the Administration.

The President's Budget requested a 3.5 percent pay increase for Federal civilian employees, effective January 1, 1991. However, section 618 of the Committee bill provides for a 4.1 percent pay increase. At a time of fiscal constraint, the Administration believes that such an increase is inadvisable.

These and other Administration concerns about this bill are outlined in the attachment.

#### H.R. 5241 DEPARTMENT OF THE TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS BILL, FISCAL YEAR 1991

##### I. MAJOR PROVISIONS SUPPORTED BY THE ADMINISTRATION

The Administration appreciates the Committee's full funding of the President's request for the Executive Office of the President.

##### II. MAJOR PROVISIONS OPPOSED BY THE ADMINISTRATION

###### A. Funding levels

###### Department of the Treasury

**Internal Revenue Service:** Recognizing that information systems are investments requiring long-term development, the President's Budget included appropriations language making budget authority for Tax System Modernization (\$248 million) available until expended. The House Committee bill fully funds the request but prohibits any obligation of these funds prior to September 30, 1991.

The Administration strongly opposes this provision. Tax System Modernization (TSM) is a major Presidential initiative which will define the tax administration environment for the following decade. It involves major procurements of hardware, software, and contracted services. TSM development is proceeding rapidly along a critical path. Delays until the end of FY 1991 in major procurements would increase development time, thereby increasing the risk of current system breakdown.

In addition to the investment in hardware, software, and labor services furnished by contractors, this initiative also funds the IRS' own ADP specialists and managers involved in the direct oversight of and participation in TSM development. Under this provision, all 863 FTE currently working in Tax System Modernization would have to be let go through a reduction-in-force. The Administration urges the House to support the President's Budget request for this important initiative.

**U.S. Customs Service—Salaries and Expenses:** By providing \$20 million (300 FTE) above the President's request for the U.S. Customs Service, Salaries and expenses account, the Committee bill fails to acknowledge the savings that have justified more than \$500 million in investments to date in labor-saving processing and targeting technology (ACS, TECS, IBIS, etc.). These systems were designed to reduce staffing needs without slowing cargo and passenger clearance times or curtailing enforcement efforts. Continued investment in these programs cannot be defended if anticipated savings do not materialize.

**U.S. Customs Service—Aerostat Program:** The Administration opposes using Department of Defense funds to operate the U.S. Customs Service aerostat program. Since the U.S. Customs Service has had operating responsibility for this program, defense

funds should not be used to pay for a domestic discretionary program.

##### U.S. Postal Service

**Revenue Foregone:** Adoption of the Postal Rate Commission proposals to terminate special reduced mail rates for certain types of mailers could reduce budget authority and outlays needed for this purpose by \$112.0 million. Taxpayers are unintentionally subsidizing political advocacy mail, prestigious professional trade organizations, and very profitable business seminar companies, and advertisers (travel agents, insurance companies, etc.), who "piggy back" onto reduced rate mail sent by universities and other nonprofit organizations. The House is urged to report a bill consistent with these proposals.

##### General Services Administration

**Federal Buildings Fund:** The bill contains grants that are not authorized and that are not appropriate expenditures from the Federal Buildings Fund. These projects would cost \$43.5 million and represent unnecessary expenditures in a time of budgetary constraint. The Administration urges the House to eliminate these grants and stop this totally inappropriate use of the Federal Buildings Fund.

**General Management and Administration:** The Committee reduces the President's request for the General Management and Administration (GM&A) account by \$55.5 million and requires the General Services Administration revolving funds to reimburse GM&A for the costs. However, the Committee does not provide funds in the Federal Buildings Fund to pay for this reimbursement. The Administration urges the House to specify the source of funds in the Federal Buildings Fund for this reimbursement.

###### B. Language provisions

###### Department of the Treasury

**Employment Floors:** The Committee bill mandates minimum employment floors for the Bureau of Alcohol, Tobacco and Firearms and the United States Customs Service. These agencies have not been able to meet legislatively-imposed FTE floors several times in recent years due to sequester, pay raise, and other unbudgeted cost absorptions and constraints on their ability to hire and train qualified personnel. The Administration objects to these mandated minimum employment levels as FTE floors are difficult to implement and needlessly restrict an agency's ability to manage its resources.

**Section 1151 of the Tax Reform Act:** Section 524 of the Committee bill prohibits expenditures to enforce section 1151 of the Tax Reform Act of 1986. The Department of the Treasury has advised that section 1151 has been repealed.

##### Office of Personnel Management

**Executive Seminar Centers:** Section 517 of the bill would prohibit the Office of Personnel Management (OPM) from closing or consolidating executive seminar centers. The Administration objects to this provision because it prevents OPM from exercising its managerial discretion over how best to use its training resources.

**Blue Collar Employee Pay Raises:** The Administration objects to section 612 of the Committee bill that would limit the pay raises of only certain blue collar workers to no more than that received by white collar government employees. As presently written, the provision does not contain this limitation on pay raises for blue collar workers



whose wages are set through negotiation rather than by wage survey. The Administration urges the House to amend this provision to limit the pay increases of all blue collar workers.

Restrictions on the Office of Management and Budget's (OMB) Review Authority: The Administration continues to be concerned about various restrictions on OMB's authority to study and review certain areas.

National Security Employee Non-Disclosure Agreements: The Administration strongly objects to section 617 of the bill, a provision that would restrict the President's ability to implement and enforce non-disclosure agreements, for the reasons stated by the President in signing the FY 1990 Treasury, Postal Service and General Government appropriations bill, which contained an identical provision.

Section 617 raises significant constitutional concerns insofar as it may be interpreted to intrude on the President's authority to control national security information in the Executive Branch. The President possesses the constitutional authority to require Federal employees who voluntarily assume positions of high trust, with access to the Nation's most sensitive secrets, to agree to keep those secrets. Such non-disclosure agreements are essential safeguards in protecting the national security.

□ 1030

Mr. BEILENSEN. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I want to thank the ranking minority member from New Mexico [Mr. SKEEN]. I want to thank the chairman of the committee, the gentleman from California [Mr. ROYBAL]. I want to thank the staff, Tex Gunnels and others, for considering the amendment that I offer that would provide for a national program within the Internal Revenue Service that would train and work with agents and employees to ensure that the potential of taxpayer abuse is reduced as much as possible and that the American taxpayer would not be hassled and need not fear our Government.

I appreciate the fact that the Committee on Rules chose to protect this amendment and afford the opportunity of allowing it to come to the floor. As Members know, in past bills I have tried to cut funds for the Internal Revenue Service. I particularly felt that we had to get their attention because of many of these taxpayer abuse problems, many of which I will state later. But I had to balance that out with a real problem. The real problem being that Mr. ROYBAL is one of the best chairmen in the House and is doing a good job, and a vice chairman, Mr. SKEEN, also doing a great job, and a nation that surely needs revenue, legitimate revenue, and a nation that needs as much help as it can get, enough energy as it can, enough resources to collect that revenue, and it could not afford cuts. In fact, it needed more money. I accept the committee's facts on this issue.

However, I wanted to use a stick. I am not kidding anybody. I do not know if we will get the IRS' attention, but maybe the position of the committee in offering temperance and moderation through this program to be created to mitigate abuse, will do us all a favor. Maybe we might be able to accomplish both, taxpayer rates and protection and adequate collection of owed revenue.

I say to Members that I will explain my amendment further during debate. I am asking for support of the amendment. I want to thank the vice chairman and the chairman of this committee for being objective and open in allowing this amendment to be brought forward and for our Committee on Rules for having accepted and protected the amendment from a point of order.

I hope Members will enthusiastically support this initiative.

Mr. BEILENSEN. Mr. Speaker, I have no further requests for time on this side.

Mr. PASHAYAN. Mr. Speaker, I yield such time as he may consume to the gentleman from New Mexico [Mr. SKEEN].

Mr. SKEEN. Mr. Speaker, I am not going to take a lot of time. I am deeply disappointed that a waiver was not granted by the Committee on Rules. It is a good rule in the main and well crafted. My problem is with the provision to waive the points of order against OMB in the case of the Office of Information and Regulatory Affairs.

Mr. Speaker, I think the administration is very serious about their discussions with various chairmen on the Hill about reaching some compromise to accommodate the funding for this particular agency, a very valuable one. I hope that that comes to fruition today, because I do not believe that we could justify having this bill vetoed, as well crafted as it is, over this one provision.

So my only disappointment is in the fact that we were not granted a waiver. The rule is a good one and I intend to support it.

Mr. BEILENSEN. Mr. Speaker, for purposes of debate only, I yield 10 minutes to my friend, the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Speaker, during the early 1980's, the Reagan-Bush administration resisted repeated attempts to increase the number of examiners watching over our Nation's thrift institutions.

The American people want to know why.

In 1987, the Department of Justice established the Dallas Task Force to investigate criminal cases of S&L fraud in a region that has had more failures than any other. But after 3 years, there have only been 40 convictions.

The American people want to know why.

As of February of this year, the FBI had over 21,000 complaints of savings and loan fraud that were not being addressed.

And the American people want to know why.

The S&L scandal is the worst financial disaster in the history of this Nation. It will cost hundreds of billions of dollars.

Clearly, there have not been enough regulatory cops on the beat. We cannot afford to repeat the mistakes of the past.

The Attorney General estimates between 25 and 30 percent of the S&L failures are due to criminal activity by thrift officers.

The people responsible for the S&L scandal are still at large, but it's not too late to round them up. We must launch a full-scale attack to put the crooks behind bars and get some of our money back.

Today we have included a simple solution in the Treasury-Postal appropriations bill that will increase by 50 percent the number of investigators working on S&L fraud. It will better allocate our resources, and it won't require additional funds. It's appropriately named SLAMR, the Savings and Loan Accountability Management Reform Act.

Right now there are 600 FBI agents working on the huge backlog of cases. SLAMR would add another 300 agents from the Secret Service to work in concert with the FBI.

The Secret Service already has under its jurisdiction offenses relating to credit card fraud, electronic fund transfers, and government securities. They are more than capable of pursuing S&L fraud and are very interested in the additional responsibility.

Mr. Speaker, we must arrest and punish those criminals responsible for the failure of S&L's. It's unfair for honest, middle income Americans to be stuck with the bill left by the S&L high rollers—S&L high rollers who squandered depositors' money on corporate jets, condominiums, bonuses, and sweetheart deals for cronies.

The high rollers must pay for their crimes. We must do everything we can to speed up the investigation and put the responsible parties behind bars.

Unfortunately, the administration opposes this provision.

The American people will want to know why.

□ 1040

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I appreciate the gentleman yielding and want to congratulate him for his remarks. I

think he is absolutely correct that we need to marshal all of the resources that we can find to bring to the bar of justice those who have literally stolen from millions of depositors throughout this country.

We have here crafted, I think carefully, included a group of folks who as the gentleman points out are experienced in this area, who can complement the effort that is now being made, but which obviously we have not had enough resources to pursue the 21,000 cases the gentleman referred to. And I congratulate the gentleman for his remarks and look forward to working with him to see this provision realized.

Mr. BONIOR. I thank the gentleman.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

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

Mr. LEWIS of California. Mr. Speaker, I think the gentleman is raising a very important point. I think it is important that the entire House focus upon this question.

The gentleman from Michigan does appear to be very well informed about activities taking place so far on the part of the Justice Department. Can the gentleman tell me how many indictments have gone forward up to this point?

Mr. BONIOR. I do not have those figures before me right now. It has increased recently, as the gentleman knows, and of course the Attorney General and the President have made note of that in public appearances and press conferences. We are pursuing it at a more accelerated rate, and that is I guess a very hopeful and positive sign.

Mr. LEWIS of California. If the gentleman will yield further, I believe I understand that over the last couple of years there have been approximately 320 indictments, and indeed it would appear that, just following through on the point, I think the gentleman is making a very important point, that over the last couple of years there have been some 320 indictments. The Department of Justice has attempted to communicate that through the media. Frankly, at this point, because the Congress has finally discovered in a political sense that it may be of some value, we are stirring the pot. Hopefully that will accelerate the process whereby we will find Justice adequately and make sure that we pursue those people who truly are at fault regarding this very serious public problem.

Mr. BONIOR. These investigations, as the gentleman knows, take a great deal of time. This is not easy work.

What our constituents are picking up on, and I think correctly, is over the last 3 years, unfortunately, there have only been 40 convictions out of

these large numbers of reported complaints, 21,000. So I am hopeful that this provision that has been originally offered by the gentleman from Ohio [Mr. ECKART] and others is passed today, and we can send it on to the President.

I thank my colleague for yielding on this important issue.

Mr. BEILENSEN. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Ohio [Mr. ECKART].

Mr. ECKART. Mr. Speaker, to my colleague from California I say thank you. And I also thank the Rules Committee for providing the appropriate protection for the provisions of H.R. 5098 that have been included with the broad bipartisan support of the Committee on Appropriations, and Members of this House.

Mr. Speaker, this is the time when we put the speech cards aside. This is the time when, in fact, we look at addressing in the most appropriate ways that this Congress can divine, how to solve an important national problem. In this set of circumstances, in a bipartisan way, with strong support on both sides of the aisle, the Congress has determined that it is important that we have one marshal, and that we marshal the Nation's resources to address the critical national concern of bringing those scoundrels who have abused their public trust—and have required the taxpayers to provide assistance to those for whom they had not originally intended to do so—to bring the crooks in the savings and loans scandal to justice.

Our legislation, which is included as part of the Treasury appropriations bill, H.R. 5098, has, as I said, broad bipartisan support. It is the Congress speaking in a bipartisan voice, trying to assist the corralling of the criminals who have caused this raid on the Treasury. H.R. 5098, is a point of difference between a bipartisan Congress and the administration, which has announced its opposition to this particular provision.

As we have heard in testimony from the FBI, they need approximately 400 additional agents, and they seek more money to do this. The provisions of H.R. 5098 provide those additional agents without additional cost by assigning from the Treasury Department, treasury agents of the Secret Service who have broad experience in this area, and have been involved in the arena of financial crime since 1933. The provisions in which they are currently involved deal with the protection of the Federal Deposit Insurance Corporation, corporate instruments, computer crime, and credit card embezzlement. Indeed, the Secret Service has a long and distinguished history as late as the middle 1980's, when they worked closely with the Justice Department in resolving a pe-

culiar bank problem in the State of Texas. In the Northwest and in the Northeast, the Secret Service has worked closely with other governmental agencies in protecting Government assets. And that is what is at stake here—taxpayer-provided assets which have been looted by criminals under the guise of management of savings and loans, but now deserve to have the best that this Government can give, to bring them to justice.

It is important to dispel two concerns that have been raised. First, provisions of this amendment do not interfere with the Justice Department's lead in legally pursuing these cases. Second, this measure provides no additional expenditure of funds. It simply reassigns experienced Treasury, Secret Service agents to the task for which they have had almost 57 years of experience.

Retaining the provisions of H.R. 5098 asserts the Congress's prerogative and says, "let us put those crooks behind bars where they belong."

Mr. BEILENSEN. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Speaker, I simply want to clarify an amendment I intend to offer to this legislation, if the rule is adopted. There have been ambiguities in one of the notices sent to the Members by a prominent organization of the House of Representatives this morning.

The amendment will strike out the freebies for former Presidents. It will not touch their pensions. They get about \$107,000 each, not bad, with one exception, and that is one who served in Congress who gets a double dip. And it does not touch Secret Service protection at all.

So just to clarify that, it only takes out the freebies, the office. Some people think when a President leaves office he leaves office, but he does not. He leaves office and goes right back into another tax-paid office. And since they are all millionaires, I believe they can get their own offices.

Mr. PASHAYAN. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Speaker, I have listened with interest to the dialog going on this morning about focusing upon those rascals and crooks who have inflicted themselves upon our savings and loan industry, and we must investigate and dig them out and prosecute them and bring them to the bar of justice. I could not agree with that statement more.

But when we focus on who did this to us in America, I think we should also focus upon who caused the savings and loan crisis to come into existence. Among the causal factors we should look at, interestingly enough, is



the Congress of the United States, because we made a policy decision in 1968, that has produced the crisis the Nation is looking at today.

□ 1050

When this Nation, by an act of Congress in 1968, separated the link between the dollar and gold, we let the inflation genie out of the bottle and we are living with the consequences of that act today. The mission of the saving and loan industry was to borrow short, at interest rates from depositors of 3 or 4 percent, fixed by maximum under regulation Q, established by the Federal Government, and then lend that money, long term, to build up the housing stock of America, and those long-term rates were at 6 percent.

It was a beautiful arrangement. It supplied realization of the American dream for the American people.

In 1968, when we let the inflation genie out of the bottle, this is what happened: We found in the early 1970's people began to notice across this land that a money market fund developed which paid, interestingly enough, 7, 8, 9 percent to depositors.

So we Americans began going to the saving and loan to withdraw our money. We were getting 3 and 4 percent. We took our money out and we put it into the money market funds. Who would not? It is a rational decision. Why should I leave my money on deposit for 3 or 4 percent when I can get 8 or 9 percent in the money market?

Billions, tens of billions moved from savings and loans into money markets. So where did the managers of the savings and loans get the money to repay the depositors? Answer: They went to the money market accounts and they borrowed the money from the money market accounts at 9, 10, 11 percent interest.

Now, if you are in the business of having lent out money, long term, at a savings and loan at 6 percent on first-trust mortgages and you have to go into the money market accounts and borrow it at 8 or 9 percent, you do not have to be a mathematical genius or a Ph.D. in economics to realize you are going to go broke.

That is precisely what the policy of the U.S. Government has done to the savings and loan industry in America. We, the Congress of the United States, made the decision to let the inflation genie out of the bottle. The Congress of the United States is the agency that controls the integrity of the U.S. dollar.

When we made the decision to back our currency with nothing, we made the decision at that point to result in the destruction of the savings and loan industry in America.

So when we investigate to find these rascals, thieves, and culprits, I think

we should also look inwardly at ourselves because we are the institution in America which has produced this crisis.

Then in 1980, what did we do? In order to assure the depositors of the solvency of their money on deposit in the savings and loans, we raised the maximum by which we would insure their deposit to \$100,000. And now we are living with the consequences of that decision.

Nobody knows what the cost will be; it could be \$150 billion, it could be \$300 billion, it could be \$500 billion. We in Congress caused this to happen. When we say we want to put the rascals in jail or prosecute them, I think we should also, as I say, look inwardly at ourselves because we the ones who caused this situation and this tragedy to unfold before our eyes.

Mr. PASHAYAN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BEILENSEN. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

#### PERMISSION TO LIST ADDITIONAL COSPONSORS OF H.R. 3677

Mr. ECKART. Mr. Speaker, I ask unanimous consent to add the following names as cosponsors of the bill, H.R. 3677: Messrs. LEWIS of Georgia, SAXTON, McMILLEN of Maryland, and MANTON.

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

There was no objection.

#### TREASURY, POSTAL SERVICE AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1991

Mr. ROYBAL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 5241) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1991, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from New Mexico [Mr. SKEEN] and myself.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by

the gentleman from California [Mr. ROYBAL].

The motion was agreed to.

□ 1056

#### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 5241, with Mr. STUBBS in the chair.

The Clerk read the title of the bill.

By unanimous consent the bill was considered as having been read the first time.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from California [Mr. ROYBAL] will be recognized for 30 minutes, and the gentleman from New Mexico [Mr. SKEEN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. ROYBAL].

Mr. ROYBAL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I yield myself as much time as I may require.

Mr. Chairman, it is a great pleasure and a privilege for me to present this bill to the House. I want to take this opportunity to express my appreciation and thanks to the members of the committee who helped make this presentation possible. We have been working on this bill since last January and have held many hours of committee hearings. It is due to the diligence, effectiveness, efficiency, and dedication of the committee members that we are able to be here today. I especially appreciate the assistance of the gentleman from New Mexico [Mr. SKEEN]. He has been of invaluable assistance, participating in all of our hearings and I want him and all the other members of the committee to know how much I appreciate their help.

The Treasury-Postal Service Appropriations Subcommittee presents a bill for your consideration today that provides \$20.7 billion in recommended appropriations for 1991 for both mandatory and discretionary items. The bill before you is—\$7.8 million over the President's budget; \$2.3 billion over fiscal year 1990; but \$73.5 million under the 302(b) allocation for discretionary budget authority; and \$8.6 million under the 302(b) allocations for discretionary budget outlays.

The departmental amounts for new budget authority are as follows: for the Treasury Department, \$8.7 billion, an increase of \$5 million over the budget and \$588 million over 1990; for the Postal Service, \$523 million, the exact amount of the budget request and an increase of \$33 million above 1990; for the Executive Office of the President, \$330 million, the exact amount of the budget request and an increase of \$54 million above 1990; for

independent agencies covered by this bill—such as GSA, the Office of Personnel Management, the Tax Court, and others—and \$11.2 billion, an increase of \$3 million above the budget, and an increase of \$1.6 billion over 1990.

Now, may I call your attention to certain specific agencies:

First, for the U.S. Customs Service, the Director of the Office of Drug Control Policy has informed the committee that funds in the special forfeiture fund which he administers will be allocated to the Customs Service to restore the President's proposed reduction of 314 positions in 1991. The committee has added \$20 million above the President's budget request which should fund an additional 300 positions above the current level. It should also be noted that the committee has reduced the appropriation to the Customs Service Air Interdiction Program by \$36 million by transferring the Aerostat Program to the Department of Defense.

The committee believes that the high level of drug abuse and related crime in this country requires a strong law-enforcement effort to stem the tide of illicit drugs coming into the United States. The recommended increase would also expedite the processing of visitors to this country and of our own citizens returning from abroad. Further, this increase would also expedite the processing of commercial goods being imported, and help prevent the illegal exportation of high-technology items to unfriendly countries.

I might also point out that the U.S. Customs Service is the second largest producer of revenue for the Government—over \$15 billion per year in customs duties.

Second, for the Internal Revenue Service, the committee recommends the amount requested in the President's budget, an increase of \$634 million above fiscal year 1990. For the past several years the committee has been concerned about inadequate funding for the Internal Revenue Service. It now appears that the administration has finally realized the serious shortfalls in IRS funding and has requested additional funds for that agency for fiscal year 1991.

Third, for the U.S. Postal Service, I am particularly pleased today to inform you that this bill provides an appropriation to the Postal Service of \$484.6 million for revenue forgone. This appropriation will permit the Postal Service to maintain current postal rates for preferred rate mailers until the end of fiscal year 1991. Qualified preferred rate mailers are defined as religious, educational, scientific, philanthropic, agricultural, labor, veterans, and fraternal organizations, and include such groups as the American Cancer Society, the American Heart

Association, the National Easter Seal Society, the March of Dimes, Birth Defects Foundation, the American Association of Retired Persons, National Wildlife Federation, the Salvation Army, as well as many others.

These nonprofit groups have long played a vital role in American life, supplying a considerable share of the social services, health care, education, research, arts, culture, community improvement, international relief, conservation, and environmental protection, occurring in the United States.

The bill before you recommends funding for most of the agencies at the levels requested in the President's budget, as set forth in the report accompanying this bill.

This bill before you also contains a provision which will allow the Secret Service the authority they need to investigate and bring to justice those involved with savings and loan fraud, and provide an important addition to this important criminal battle. This will increase manpower currently assigned to this effort by 50 percent—by adding 300 Secret Service agents to the 600 FBI agents currently working on this issue.

The Secret Service has informed the committee that they can commit, at no cost, 100 agents immediately, with an additional 200 to follow, by reassigning agents to investigate savings and loan fraud away from less critical cases.

The Secret Service, in the Treasury Department, have experience and responsibility relating to securities fraud, credit card fraud, and computer and electronic transfer fraud. The FBI and the Secret Service are expected to coordinate their activities and get the job done.

The bill also recommends language authorizing a 4.1-percent raise for Federal civilian employees, effective January 1, 1991. It does not include Members of Congress, judges, or other high-level employees.

I again commend the ranking minority member, Mr. SKEEN, for the outstanding job that he has done, and I appreciate the conscientious and faithful service of all of the members of the subcommittee. Mr. HOYER, Mr. ALEXANDER, Mr. EARLY, Mr. SABO, Mr. DIXON, Mr. WHITTEN, Mr. SKEEN, Mr. LOWERY, Mr. WOLF, and Mr. CONTE have all been highly supportive of the bill now before you.

Mr. Chairman, this is a good bill and a fair bill. I urge the support of the Committee.

□ 1100

Mr. Chairman, I reserve the balance of my time.

Mr. SKEEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to begin by returning the compliment to the chairman of this subcommittee, the gentle-

man from California [Mr. ROYBAL]. We hear this a lot on these dissertations regarding these appropriation bills, and the subcommittees that deal with them. There is a great deal of camaraderie. No member remembers who is Republican and who is Democrat, because it never comes down to party line votes. The tone is set by the chairman of that particular committee. In this case, the gentleman from California [Mr. ROYBAL] sets a tone of the finest and highest standards of productivity and gentility to the operation of that particular committee, and I want to tell the gentleman that he is to be complimented to the very highest because he turns out a very good work product.

The other members of the committee are also to be commended, and they have certainly given of themselves in this bill, worked hard, long hours of hearings, and I want to make note of that and particularly the support that we have from the staff. Individual members of the staff, committee staff, and all the rest do an outstanding job for members, well-orchestrated, and when something is decided upon, we get the results back in record time. The committee is a good one.

Mr. Chairman, we bring to the House today, H.R. 5241, making appropriations for the Department of the Treasury, the Postal Service, and general Government agencies. The passage of this particular appropriations bill is crucial to all Members of Congress. This bill funds the Internal Revenue Service, the Customs Service, and the Bureau of Alcohol, Tobacco and Firearms, all of which produce the revenue to fund the Federal Government.

The committee has taken major strides in fighting the war on drugs. When no funds were made available for the Customs' Air Interdiction Program, this committee included funds to create an air net along the Southwest border. This net hinders the ability of drug traffickers to bring their deadly cargoes into the United States. I can attest to the effectiveness of this program. At one time, drug smugglers flew small planes across the Mexican border with total impunity. Today, because of the Customs' air net, they are reduced to smuggling the old way—they have to sneak across the border on pack mules. Needless to say, many more of them are now resting behind bars.

Also, we increased the funding for the Armed Career Criminal Program in the Bureau of Alcohol, Tobacco and Firearms by \$21 million. ATF has been the lead agency in combating the violent career criminal and armed drug traffickers. ATF has garnered over 1,000 convictions totalling 10,655 years of mandatory imprisonment, not including five life sentences. And, the



number of persons facing such charges is growing exponentially.

Many of us are painfully aware of the billions of dollars left uncollected by the Internal Revenue Service. Part of the reason for this inability to collect outstanding tax revenue is a lack of adequate ADP and systems modernization. This year we have earmarked \$248 million for IRS tax system modernization. This initiative will clearly reap substantial financial rewards for the General Treasury, not to mention the relief to taxpayers incorrectly challenged because of computer errors, or who have waited and waited for their tax refunds.

And, Mr. Chairman, I want to congratulate Congressman CONTE for working so diligently with the Secret Service, the Justice Department, and regulatory officials this year to craft amendatory language. He should be commended for assisting the administration in calling to task those fat S&L officers blatantly skimming the cream, while their savings and loan institutions flounder in the dregs. Well, the committee, under the guidance of our chairman, Mr. ROYBAL, agreed to an identical amendment which would grant the Secret Service concurrent jurisdiction to detect and arrest any person involved in financial fraud. This amendment will place 100 highly trained agents immediately into the fray with an additional 200 agents to join them within a year. And, these are not rookie agents or agents assigned to protective duties, but those already seasoned in financial fraud investigation.

There has been a great deal of finger pointing lately regarding who's to blame for the S&L debacle. The time has come to stop the recriminations and to work on a bipartisan basis in solving our fiscal woes. Much like the battle of Gettysburg, blood has flowed. Bodies litter the field of partisanship. But Gettysburg, despite the pain it caused, confirmed the union of two divided sides. Let both sides of the aisle and all jurisdictional agencies stop the bickering and support this amendment. It gives us another mop in the S&L cleanup, and will hopefully put those fat cat crooks in jail with the rest of the criminals.

Mr. Chairman, this is a good bill. There is not one item or \$1 I would cut in this bill. There has been a move to zero out funding for the Office of Information and Regulatory Affairs in the Office of Management and Budget. The administration is making a good faith effort to come to an acceptable resolution of the issues surrounding OIRA's reauthorization. In fact, Director Darman and Congressman CONYERS met as late as this morning to resolve their differences.

Let me tell my colleagues exactly what OIRA does. OIRA is the office charged with elimination of the enor-

mous paperwork burdens of the Federal Government. These burdens account for 6.2 billion hours in 1990 alone. Obviously funding for this office is imperative. The cost in time and frustration cannot be calculated. Our constituents complain about the overload of Federal paperwork. Don't ask them to take the brunt of our political gamesmanship.

Also, the lack of authorization for appropriations is not, in itself, a basis for refusing to make funds available for OIRA. In fact, the committee is funding the Customs Service, the U.S. Mint, and the Federal Election Commission, all of which are unauthorized for 1991. The committee included full funding in the amount of \$49,305,000 for the Office of Management and Budget, including OIRA. The House needs to maintain that figure and ensure that same amount is upheld in conference. We have a letter from OMB stating that the administration has no serious objections to our bill as it presently stands—gratifying words indeed. Yet, if funding for OIRA is not included, we have been guaranteed a Presidential veto. Given the work that the committee has put into drafting this bill, it seems self-defeating to pass a bill that is assured of a veto.

Mr. Chairman, I thank Chairman ROYBAL and commend him for his hard work, his integrity, and his evenhandedness in guiding the subcommittee through this legislation. I also want to commend the members of the subcommittee for all their fine work, and Tex Gunnels and Bill Smith and Tim Shea for their expertise and support.

I urge the Members of the House to sustain the good work done by this subcommittee and pass H.R. 5241.

Mr. Speaker, I reserve the balance of my time.

□ 1120

Mr. ROYBAL. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Chairman, I rise today in support of H.R. 5241, the Treasury, Postal Service, general government appropriations. I commend Chairman ROYBAL, ranking minority member JOE SKEEN, and all members of the subcommittee for their hard work in developing a fiscally responsible bill that recognizes urgent needs as well.

I would like to extend special thanks to the committee for including in this bill the necessary funds for construction of an urgently needed new Federal courthouse in White Plains, NY. Approval of these funds will permit design work to begin during fiscal year 1991 and construction to be initiated in the following year. This facility is critically needed if we want the Federal judiciary in the Southern District of New York to be able to respond in a

timely and effective fashion to the very troubling increase in criminal activity, much of which can be directly attributed to illegal drugs.

The present courthouse in White Plains was not designed to serve as a courthouse and, as a result, is substandard for that purpose. Its space is inadequate to meet the needs of the functioning judiciary and its design creates security problems which endanger public safety and jeopardize effective law enforcement.

It is well past time to see that a courthouse is constructed which will facilitate, not impede, the functioning of our judiciary. Our colleagues on the Appropriations Committee understand the need to ensure that our judicial system is equipped to respond to the wave of crime that threatens our communities. I strongly urge the full House to approve this legislation.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Chairman, I rise today in support of the Treasury-Postal Service appropriations bill.

This bill includes construction funding for a new Federal building and courthouse in Kansas City, KS. These funds will fulfill Congress' commitment to this urgently needed project.

The new Federal building and courthouse are moving on schedule. Last year, Congress authorized the project and appropriated funds for site acquisition and design. A few months ago, the GSA approved a site location and awarded a contract for design. Because ground is expected to be broken on the project in the spring of 1991, construction funds need to be approved this year. This bill provides those construction funds.

I assure my colleagues that this project is needed to improve the operations of the Federal court system in the Kansas City area. The present courthouse has about 28,000 square feet. The Federal courts, however, have projected a need for 112,000 square feet in the year 2000.

The additional square footage will accommodate the fast-growing caseload of the Federal district court in Kansas City, KS. Although this court has a caseload equal to that of the district courts in Topeka and Wichita combined, it is operating with less than 30 percent of their combined space.

Mr. Chairman, I thank the members of the Appropriations Committee for their support of this project. Mr. ROYBAL and Mr. SKEEN have been particularly supportive, and I thank them.

Mr. SKEEN. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Chairman, I thank the gentleman very much for yielding me this time.

First of all, Mr. Chairman, I think there are many excellent reasons to support H.R. 5241. I would like to use the time allotted to me to identify and to explain one additional reason.

Many of us are fully aware that Americans have been handed a megabuck S&L bill. While many of those responsible for the insider trading, the fraud and the embezzlement, still wander the streets awaiting indictment, prosecution and hopefully jail sentences, the law-abiding citizens of this country are livid about this state of affairs and are demanding action to restore a sense of fairness to the system by apprehending, prosecuting and punishing them.

I might add parenthetically that is not quite as easy a prosecution as some people would have you think. I can recall during my work as a defense attorney that there were some prosecutions that involved evidence of guilt that was much easier upon which to base convictions than others. I can recall a case with which I was involved in Federal court where a couple of individuals committed a bank robbery. They had photographs of the individuals involved in the bank robbery. They had the fingerprints of the individual involved in the bank robbery. They had positive identification by the bank teller of those involved in the robbery, in addition to other physical and substantive evidence. It was very easy for the prosecutors to identify those individuals who perpetrated the crime, bring them to the courtroom, convict them and send them to jail.

The problem with insider trading, fraud, and embezzlement, is simply that it is not quite that simple. The evidence is not as direct. The need for greater assets and resources for investigative purposes is complicated by the fact that the prosecution does not have a photograph, does not have fingerprints, and does not have a positive personal identification. Embezzlers leave only faint traces of their involvement in this insider trading and abuse.

So one of the things that this committee is to be commended for, the gentleman from California [Mr. ROYBAL], the vice chairman, the gentleman from New Mexico [Mr. SKEEN], the gentleman from Massachusetts [Mr. CONTE], the gentleman from Ohio [Mr. ECKART], and many others, is their inclusion of H.R. 5098, the Savings and Loan Accountability Management and Reform Act, the acronym we use is SLAMR, in this particular piece of legislation.

This legislation would give the Secret Service concurrent jurisdiction with the FBI to investigate criminal referrals resulting from this S&L debacle. Its effect immediately would be

to increase the number of personnel available for investigations from 600 to 900; suddenly we have a 50-percent increase in the resources available to investigate these very difficult crimes.

We know the public is anxious to bring some of these people to court. We know our constituents are anxious for convictions, and deservedly so. However, prosecutors must weave their way through what are often very complicated mazes of relationships, very complicated mazes of paper transactions in order to get to the perpetrators. To be able to prove beyond a reasonable doubt that these people are guilty, prosecutors need much more investigative help than they have got now.

So I applaud the committee for including this particular provision in the bill. As I said before, it increases the number of people available for investigating these very difficult crimes by 50 percent.

Make no mistake about it, the Department of Justice still has the primary jurisdiction. The Attorney General and Justice will still oversee the investigation. They will hopefully with these 300 additional personnel be able to either expand their investigations to include additional people, or to intensify investigations that are going on at the present time.

□ 1130

So I am pleased to recommend this legislation to my colleagues on both sides of the aisle not only for the merits because of what it does for the independent agencies, the executive branch and everything else, but for the inclusion of H.R. 5098, the Savings and Loan Accountability Management Reform Act, the slammer. It is pretty clear that that is exactly where the perpetrators of these crimes and those responsible for the Savings and Loan debacle must go into the slammer. When we can commit these kinds of assets and personnel to that investigation effort we will improve the prospects of bringing more of these people to the courtroom and to prosecution in a much shorter period of time.

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

Mr. RIDGE. I am happy to yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, I appreciate the gentleman's remarks and his leadership on this issue and fully am in accord with his statements. I think this can be coordinated. I do not think it is going to create any turf wars. What it does is confronts a very serious problem of this country and the people of this country, as the ranking member has said who is such a leader.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. RIDGE] has expired.

Mr. SKEEN. Mr. Chairman, I yield 1 additional minute to the gentleman from Pennsylvania.

Mr. HOYER. Mr. Chairman, as the Chairman has so rightfully observed, what the American public wants is they want people who have stolen from them in jail. They want them prosecuted, and they want people to go after them. This will add some additional resources, as the gentleman indicates, to accomplish that objective to go after them. I associate myself with the gentleman's remarks.

Mr. RIDGE. Mr. Chairman, I thank the gentleman for his remarks. I think he is absolutely correct. This is simply more personnel devoted to something that is clearly a crisis, clearly something people of this country want resolved. They are people who are specifically responsible for the enormous bill that all of us have to pay, and they deserve rightfully to be put in the slammer, and hopefully this will help push them there a lot quicker.

Mr. HOYER. I look forward to joining the gentleman in making sure the amendment goes forward.

Mr. RIDGE. I thank the gentleman.

Mr. SKEEN. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. LOWERY].

Mr. LOWERY of California. Mr. Chairman, I rise to express my strong support for H.R. 5241, the Treasury, Postal Service appropriations bill for fiscal year 1991. As a member of the Treasury Postal Subcommittee, I participated in the formulation of the bill and I believe this is a good piece of legislation that deserves approval by the House.

H.R. 5241 will enable the Customs Service, the Internal Revenue Service, and the Bureau of Alcohol, Tobacco, and Firearms to carry out their vital law enforcement and revenue collecting duties. In addition, these appropriations support GSA's efforts to construct, modernize, and maintain vital U.S. Government buildings and facilities.

H.R. 5241 also funds the operations of the Executive Office of the President, the Executive Residence at the White House, and a number of important independent agencies such as the Office of Personnel Management, the Federal Elections Commission, and the National Archives. While the work of these agencies is not often publicized, their duties are important to the Government and the Nation.

In the preparation of this bill, the committee attempted to meet the administration's request for all accounts. In addition, the committee has sought to insure that the Internal Revenue Service and the U.S. Customs Service will be able to effectively manage their rapidly growing workloads in the next year.



The IRS and the Customs Service are the two largest revenue producing agencies in the Government. They give us an excellent return on our investment and reductions in their funds, particularly their personnel accounts, ends up costing the Government money.

Every Member of this body is concerned about the flow of illegal drugs into our Nation. The Customs Service is the first line of defense against drug smuggling at our seaports and land ports of entry. Drug traffickers try ingenious new smuggling methods every day. We must provide the Customs Service with the personnel and equipment to meet this constantly changing threat.

Many of my colleagues correctly assert that the United States must increase its international trade to remain competitive in the world. Without an effective Customs Service this goal will be impossible. We are now implementing the free-trade agreement with Canada and the President has expressed his intention to negotiate a similar agreement with Mexico.

Those Members with districts near the Canadian border already know that there is a growing flow of trade and travelers from Canada. The Southwest border near my district in San Diego is already groaning under the weight of interaction with Mexico.

If we do not give the Customs Service the resources to manage this explosive growth, and give GSA the authority to build new border facilities, the benefits of free trade with Canada and Mexico will become a nightmare of bottlenecks and tieups at our borders. Let us look to the future and give these agencies the support they need.

I want to express my thanks to Chairman ROYBAL and Mr. SKEEN, the ranking minority member, for their leadership and hard work on the bill. I have served on this subcommittee for 5 years, and each year there have been some inevitable disagreements over certain programs. Nevertheless, the subcommittee members have always worked together in a bipartisan manner to achieve compromises that can be accepted by Congress and the administration. Chairman ROYBAL, Mr. SKEEN, and the members of the subcommittee have always been able to produce a bill that lives up to its intent.

This is a responsible funding measure that conforms with the House budget resolution and is generally in line with the administration's request. The Treasury-Postal appropriations bill provides funding for essential duties of the Federal Government; duties that cannot be carried out by the States. The Appropriations Committee has set realistic funding levels for these fundamental Federal duties.

In addition, as has been expressed by many of my colleagues, we are step-

ping up to the plate on our responsibilities as relates to the savings and loan problem and will be going after those who conducted themselves in a less than honorable fashion, in fact, in an outright criminal fashion, by stepping up enforcement and bringing those responsible for the problem to justice.

Mr. Chairman, I would urge passage of this legislation.

Mr. SKEEN. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Chairman, in this current fiscal year for this Treasury, Postal Service appropriations, we will expend \$18.4 billion. This proposal before us would suggest that we will spend, through this appropriation measure, \$20.7 billion. That is an increase of 12.3 percent in 1 fiscal year.

Mr. Chairman, I will offer an amendment to reduce that increase by 5 percent, which will still let it grow by 7 percent, which is greater than the rate of inflation, and the necessity for this discipline, if it is that, and a modest one, can be readily apparent by what we see in terms of the figures of what is coming.

We are scheduled to increase our national debt in fiscal year 1991 by \$364 billion. We are scheduled to increase the national debt this year in fiscal year 1990 by in excess of \$240 billion, and \$70 billion of that increase of the national debt in 1991 will come from money we need to appropriate to make good to those depositors we insured on their accounts to \$100,000 per account, and \$132 billion of that debt increase represents the amount of interest which the general fund is paying on the securities held by the trust funds, which sometimes is not counted as interest cost expense, but it shows up in the increase of the national debt.

In light of these astronomical figures and this horrendous increase in our national debt, I would submit that a modest reduction of 5 percent in this appropriation level is reasonable, and I would request my colleagues to support it.

Mr. CONTE. Mr. Chairman, I rise in support of this appropriations bill for the Department of the Treasury, Postal Service, and other general Government agencies. It's a good bill fiscally responsible and within striking distance of the President's budget request.

I have to give ED ROYBAL and JOE SKEEN a lot of credit for pulling a rabbit out of the hat to produce a bill that is within the 302-B allocation for this subcommittee. The allocation, as brought down from on high, was about \$151 million below the President's budget for outlays. Even with the demands for increased resources for the war on drugs, the need to put resources into revenue collection programs and fund the construction of Federal buildings, ED ROYBAL displayed exemplary leadership in balancing the competing needs of the agencies funded in the bill against the

requirement to keep spending down. He is a fair chairman, a Member of Congress with which I am proud to serve.

I also want to sing the praises of JOE SKEEN, who as ranking member of the subcommittee, has championed law enforcement and drug interdiction programs, and he is an invaluable member of this subcommittee and of the full committee.

Mr. Chairman, this bill is fiscally responsible, and the administration has recognized that fact. In the OMB statement of administration policy for this bill, Director Darman wrote that the "administration supports the overall funding level in this bill as reported" by the committee.

And the administration should support the funding levels, since the major increases over the fiscal year 1990 levels were Presidential requests. For example, the committee recommended the \$634 million requested for IRS collection activities, \$43 million requested for the drug czar, \$1.3 billion requested for GSA Federal building activities, including new construction, and \$475 million in mandatory payments to the civil service retirement and disability fund.

If you take all this requested increases into account, the bill as reported is just \$7.8 million over the President's request, and for a \$20 billion appropriations bill, it's peanuts. It's just 0.037 percent more than what the President requested.

I should mention, however, that one action taken today could send this bill to the veto pile. Unfortunately, the Rules Committee did not extend the protection for unauthorized programs to the Office of Management and Budget, as it did for the Customs Service, the mint and some others. The administration has made it clear that if funding for the Office of Information and Regulatory Affairs is not included or if a funding prohibition is included, then this bill will be vetoed.

It's that simple. All the good work of the committee will go down the drain because of a problem that should be resolved by the authorizing committee through the regular process—not in the appropriations process.

Mr. Chairman, this bill is tight. It is a bare bones recommendation that is recognized by the administration as fiscally responsible. I urge all my colleagues to support this bill.

#### SECRET SERVICE INTERACTION WITH FBI

Mr. Chairman, I want to take this opportunity to establish some legislative history with respect to an amendment unanimously added at full committee giving the Secret Service concurrent authority to investigate S&L and other financial crimes.

It's common sense to assume that the Secret Service, in working these S&L cases, will coordinate during their investigations with the FBI or any other Federal department or agency involved in this activity. No one wants duplication of resources, but here when fraud is so widespread, it's hard to imagine resources will be duplicated. As was mentioned at the full committee, thousands and thousands of referrals remain unexamined, and many more are expected over the months to come.

It's my understanding that the Secret Service will work to reduce this backlog within the

strike force system where it is possible. But Members should be aware that the Justice Department has established only one S&L task force so far, in Dallas, TX. Many more are planned, but where there is no structure in place or where it would be impractical, the Secret Service should proceed to investigate these financial crimes wherever it gets the proper referral. Moreover, the Secret Service should take every advantage of collateral investigations when the situations arise.

Mr. FAZIO. Mr. Chairman, I rise today in strong support of H.R. 5241, the Treasury, Postal Service, and general Government appropriations bill for fiscal year 1991. I want to commend Chairman ROYBAL, the ranking minority member, Mr. KEEN, as well as the staff for the outstanding job they have done in crafting this important legislation.

H.R. 5241 provides \$20.7 billion for programs under the Department of the Treasury, the Postal Service, and other general Government agencies. The bill meets the budget authority and outlay targets contained in the House budget resolution, House Concurrent Resolution 310, adopted by the House on May 1.

Of particular interest is the \$20 million increase the bill provides in funding for salaries and expenses of the U.S. Customs Service. As you know, Mr. Chairman, the Customs Service is second only to the IRS in generating Government revenue. In addition, the Customs Service performs a number of highly important law enforcement activities. The Customs Service, under the tactical interdiction program, stops smuggling activities along our Nation's borders through a combination of land, sea, and air tactical enforcement operations. The Customs Service also conducts criminal, civil, and fact-finding investigations of customs and related laws, including currency, fraud, neutrality, smuggling, and illegal exports of critical technology. H.R. 5241 would further enhance the Customs Service's ability to carry out these important functions by creating 614 new positions.

As a member of the Appropriations Committee, I am particularly pleased by the committee's unanimous adoption of an amendment which permits the use of Secret Service agents, in coordination with other agencies, to investigate fraud and crime in the savings and loan industry. The FBI has stated it needs 400 more agents to handle the more than 20,000 referrals they have received. This provision will add 300 trained agents without an increase appropriated funds. More importantly, it will provide the manpower needed for a full-scale investigation of savings and loan criminals.

Finally, Mr. Chairman, H.R. 5241 contains \$16,791,000 in funding for the renovation and expansion of the John E. Moss Federal Building/U.S. Courthouse in Sacramento, CA. The Moss building is a nine-story office building that was built in 1961. The bill's funding will enable the construction of the 21,000 square feet extension and the renovation of approximately 115,000 square feet of existing space which will permit the courts and court-related activities to remain in a single federally owned location and avoid the costs of leasing. The construction projects will also enhance the work environment and improve the efficiency

of operations of the courts and court-related agencies.

Mr. Chairman, H.R. 5241 is a well-balanced and fair piece of legislation. I commend Chairman ROYBAL for his leadership in developing this important measure and urge my colleagues to support its passage.

Mr. PANETTA. Mr. Chairman, I rise in support of H.R. 5241, Treasury, Postal Service, and General Government appropriations bill for fiscal year 1991, and request permission to revise and extend my remarks. This is the sixth of the 13 annual appropriations bills.

The bill provides \$11.476 billion in discretionary budget authority and \$10.291 billion in discretionary outlays. I am pleased to note that the bill is \$74 million below the level of discretionary budget authority and \$9 million below the outlays as set by the subdivision for this subcommittee.

As chairman of the Budget Committee, I plan to inform the House of the status of all spending legislation, and will be issuing a "Dear Colleague" on how each bill compares to the budget resolution.

I look forward to working with the Appropriations Committee on its other bills.

#### [Fact sheet]

#### H.R. 5241, TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS BILL, FISCAL YEAR 1991 (H. REPT. 101-589)

The House Appropriations Committee reported the Treasury, Postal Service, and General Government Appropriations bill for Fiscal Year 1991 on Wednesday, July 11, 1990. This bill is scheduled for floor action on Friday, July 13, subject to a rule being adopted.

#### COMPARISON TO THE 302 (b) SUBDIVISION

The bill, as reported, provides \$11.476 billion of discretionary budget authority, \$74 million less than the appropriations subdivision for this subcommittee. The Budget Act provides a point of order if the target for discretionary budget authority is breached. Since the bill is under the subdivision for discretionary budget authority, there is no such point of order against this bill. The bill is \$9 million under the subdivision total for estimated discretionary outlays. A detailed comparison of the bill to the spending subdivisions follows:

#### COMPARISON TO SPENDING ALLOCATION

[In millions of dollars]

	Treasury, Postal Service, and General Government appropriations bill		Appropriations Committee 302(b) subdivision		Bill over (+) / under (-) committee 302(b) subdivision	
	BA	O	BA	O	BA	O
Discretionary.....	11,476	10,291	11,550	10,300	-74	-9
Mandatory <sup>1</sup> .....	8,882	9,221	8,882	9,221		
Total.....	20,358	19,512	20,432	19,521	-74	-9

<sup>1</sup> Conforms to the Budget Resolution estimates for existing law.

Note: BA—New budget authority, O—Estimated outlays.

#### COMPARISON TO CREDIT ALLOCATION

There are no direct or loan guarantee programs in this bill.

The House Appropriations Committee reported the committee's subdivision of budget authority, outlays and credit authority in House Report 101-545. Those subdivisions are consistent with the total "allocation of spending and credit responsibilities

to Committees" as contained in House Report 101-445 to accompany H. Con. Res. 310, Concurrent Resolution on the Budget for Fiscal Year 1991, which was adopted by the House on May 1, 1990.

Following are the major program highlights for the Treasury, Postal Service, and General Government Appropriations bill for Fiscal Year 1991, as reported:

#### PROGRAM HIGHLIGHTS

[In millions of dollars]

	Budget authority	New outlays
Treasury Department:		
Internal Revenue Service.....	6,135	5,250
Customs Service.....	1,264	1,043
U.S. Secret Service.....	398	338
Financial Management Service.....	219	190
Bureau of the Public Debt.....	175	149
Bureau of Alcohol, Tobacco, and Firearms.....	296	258
Payment to the Postal Service Fund.....	523	523
Other Agencies:		
Executive Office of the President.....	330	222
Federal Buildings Fund limitation.....	(5,279)	
GSA Management and Administration.....	35	25
National Archives and Records Administration.....	139	111
Office of Personnel Management.....	114	108
Government Payment for Health Benefits (mandatory).....	3,510	3,180
Payment to the Civil Service Retirement Fund (mandatory).....	5,687	5,687

Mr. RAHALL. Mr. Chairman, I rise today in support of the fiscal year 1991 Treasury-Postal appropriations bill. This package contains many provisions which will prove beneficial not only to my State of West Virginia, but the Nation as a whole.

The \$8.7 billion for the Treasury Department represents an increase of \$588 million over fiscal year 1990 funding levels. Within the total \$8.7 billion, \$296 million is appropriated for the Bureau of Alcohol, Tobacco, and Firearms. This is an increase of \$32 million over fiscal year 1990, and sends a strong signal that the Federal Government is serious about fighting crime, since the majority of the increase is intended for staff increases in the Armed Career Criminal Apprehension Program.

The Treasury portion of this bill also contains \$1.3 billion for the U.S. Customs Service, the front lines of stopping drug entry into our country. In addition, \$6.1 billion is appropriated for the Internal Revenue Service along with \$398 million for the U.S. Secret Service.

In light of recent events, I want to add my wholehearted support to the Savings and Loan Accountability and Management Reform Act, which adds 300 trained agents to the FBI's unit assigned to handle investigations of financial institution fraud. We have an obligation to the American taxpayers to pass this measure, and make it absolutely clear that we will not tolerate further abuse of financial institutions at their expense.

This bill also includes important provisions affecting the Postal Service as well as postal and Federal employees.

An increase of \$31 million over the fiscal 1990 appropriation levels for revenue foregone on free and reduced rate mail for certain preferred mailers. Revenue foregone ensures that the good work done by many nonprofit charitable organizations will continue unhindered, including braille mailings for the blind, and other special services for the disabled,



the elderly who are unable to visit libraries on their own.

H.R. 5241 also provides a moderate 4.1-percent pay increase for most Federal civilian employees letting our underpaid civil servants know that their work is important, appreciated, and does not go unnoticed. Additionally a provision allowing Federal employees to use sick leave for purposes relating to the adoption of a child is included within this bill, extending to them the same rights afforded biological parents. It also allows for agencies of the Federal Government sponsoring child care facilities to use appropriated funds for the training of their child care personnel, ensuring that those Federal employees making use of these facilities have qualified staff taking care of their children.

Mr. Chairman, I urge my colleagues to vote in favor of this bill.

Mr. CONYERS. Mr. Chairman, there is a provision in this bill which I, as chairman of the Government Operations Committee, strongly support. This provision addresses the mandatory use by Federal agencies of the FTS 2000 contracts. These contracts awarded by General Services Administration under its governmentwide telecommunications procurement authority, as provided by the Brooks Act—(Public Law 89-306)—will supply telecommunication services to the Federal Government from now until the year 2000. The Government Operations Committee has worked very closely with the General Services Administration for over 5 years—during the development, proposal, evaluation, and award phases of this procurement—to assure the American taxpayers that their tax dollars are spent wisely. The Government Operations Committee works closely with the agency as it manages and implements these contracts. The committee will continue to review and monitor all activities associated with the FTS 2000 contracts.

Mr. Chairman, I am working diligently to insert mandatory use language in an appropriate authorizing bill.

Mr. ALEXANDER. Mr. Chairman, I rise in strong support of the Treasury, Postal Service, and general Government bill.

I'd like to commend my chairman, my colleague, Mr. SKEEN, all of the rest of my colleagues on the subcommittee, and the staff members for their hard work.

This is not the most glamorous of the 13 appropriations bills.

There is not as much opportunity in this bill as in some others to work for flashy projects that play well in press releases.

But this is still a critically important bill.

Without the programs funded by this bill, none of those great programs funded by the other bills would be possible.

This is the bill that provides for enforcing many of our laws. There's money in here for the Customs Service, the Bureau of Alcohol, Tobacco, and Firearms, the Secret Service, and the IRS.

This is the bill that makes the money at the Bureau of Engraving and the U.S. Mint.

It's the bill that collects the money through IRS, Customs, and BATF.

It's the bill that disburses the money through the Financial Management Service.

And it's the bill that borrows any extra we may need through the Bureau of the Public Debt.

This is the bill that literally keeps the lights on, keeps the telephone bills paid, keeps the roof over Federal employees' heads, and keeps the agencies in paper and paper clips through GSA.

It is the bill that prevents legal chaos by providing for the administration of two centuries of legal records through the National Archives.

And it's the bill that ensures that competent career professionals work for the Government through the Office of Personnel Management, the Merit Systems Protection Board, and the Federal Labor Relations Authority.

Mr. Chairman, this is also a critically important drug war bill. Outside of the Justice Department agencies and the Coast Guard, every major agency with responsibility for drug law enforcement—Customs, BATF, Secret Service, and IRS—is funded by this bill.

The Customs Service's role in drug interdiction is well known.

But you might be surprised to learn that out of 448 investigations undertaken by the Organized Crime Drug Enforcement Task Force in fiscal 1988, IRS was involved in 306—more than any other agency except the Drug Enforcement Administration.

The other Treasury law-enforcement agencies have important roles in the drug war as well.

The drug kingpins are slick, and they aren't always easy to catch on drug violations. From the days of prohibition, we remember that Al Capone wasn't busted for murder, or contraband. He was convicted of income tax evasion.

All of these important drug war agencies should be supported to the hilt.

One might suppose that the broad range of responsibilities covered in this bill means we are calling for spending that breaks all ceilings.

But, that's not true. The \$20 billion bill we bring you today is only \$7 million over the President's request.

That's less than one-tenth of 1 percent over the President's budget.

This year's Treasury-Postal bill is in keeping with Congress' 45-year record of passing appropriations bills that have spent \$175 billion less than Presidents have recommended.

Today, we are considering the one appropriations bill that makes all of the other appropriations bills possible. And, we have held the line on it. I urge all of my colleagues to support this fine bill.

Mr. SKEEN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ROYBAL. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 5241

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appro-*

*riated, for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1991, and for other purposes, namely:*

#### TITLE I

#### TREASURY DEPARTMENT OFFICE OF THE SECRETARY DEPARTMENTAL OFFICES

##### SALARIES AND EXPENSES

For necessary expenses of the Departmental Offices including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; not to exceed \$22,000 for official reception and representation expenses; not to exceed \$200,000 for unforeseen emergencies of a confidential nature, to be allocated and expended under the direction of the Secretary of the Treasury and to be accounted for solely on his certificate; not to exceed \$1,649,000, to remain available until expended, for systems modernization requirements; not to exceed \$1,000,000, to remain available until expended, for repairs and improvements to the Main Treasury Building and Annex; \$63,083,000.

##### INTERNATIONAL AFFAIRS

For necessary expenses of the international affairs function of the Departmental Offices, including operation and maintenance of the Treasury Building and Annex; hire of passenger motor vehicles; maintenance, repairs, and improvements of, and purchase of commercial insurance policies for, real properties leased or owned overseas, when necessary for the performance of official business; not to exceed \$2,000,000 for official travel expenses; and not to exceed \$73,000 for official reception and representation expenses; \$27,517,000.

#### OFFICE OF INSPECTOR GENERAL

##### SALARIES AND EXPENSES

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, hire of passenger motor vehicles; not to exceed \$1,543,000 to remain available until expended, for systems modernization requirements; \$21,296,000.

#### FEDERAL LAW ENFORCEMENT TRAINING CENTER

##### SALARIES AND EXPENSES

For necessary expenses of the Federal Law Enforcement Training Center, as a bureau of the Department of the Treasury, including purchase (not to exceed thirty for police-type use) and hire of passenger motor vehicles; for expenses for student athletic and related activities; uniforms without regard to the general purchase price limitation for the current fiscal year; the conducting of and participating in firearms matches and presentation of awards; for public awareness and enhancing community support of law enforcement training; not to exceed \$7,000 for official reception and representation expenses; room and board for student interns; and services as authorized by 5 U.S.C. 3109: *Provided*, That the Center is authorized to accept gifts: *Provided further*, That notwithstanding any other provision of law, students attending training at any Federal Law Enforcement Training Center site shall reside in on-center or Center-provided housing, insofar as available and in accordance with Center policy: *Provided further*, That funds appropriated in this account shall be available for State

and local government law enforcement training on a space-available basis; training of foreign law enforcement officials on a space-available basis with reimbursement of actual costs to this appropriation; training of private sector security officials on a space available basis with reimbursement of actual costs to this appropriation; travel expenses of non-Federal personnel to attend State and local course development meetings at the Center: *Provided further*, That the Director of the Federal Law Enforcement Training Center shall annually present an award to be accompanied by a gift of intrinsic value to the outstanding student who graduated from a basic training program at the Center during the previous fiscal year, to be funded by donations received through the Center's gift authority: *Provided further*, That none of the funds appropriated under this heading shall be used to reduce the level of advanced training or other training activities of the Federal Law Enforcement Training Center at Marana, Arizona; \$36,727,000.

#### ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND RELATED EXPENSES

For expansion of the Federal Law Enforcement Training Center, for acquisition of necessary additional real property and facilities, and for ongoing maintenance, facility improvements, and related expenses, \$18,735,000, to remain available until expended.

#### FINANCIAL MANAGEMENT SERVICE

##### SALARIES AND EXPENSES

For necessary expenses of the Financial Management Service, \$218,742,000, of which not to exceed \$13,287,000 shall remain available until expended for systems modernization initiatives.

#### BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

##### SALARIES AND EXPENSES

For necessary expenses of the Bureau of Alcohol, Tobacco and Firearms, including purchase of not to exceed six hundred and fifty vehicles for police-type use for replacement only and hire of passenger motor vehicles; hire of aircraft; and services of expert witnesses at such rates as may be determined by the Director; not to exceed \$5,000 for official reception and representation expenses; for training of State and local law enforcement agencies with or without reimbursement; provision of laboratory assistance to State and local agencies, with or without reimbursement; \$296,284,000, of which \$19,000,000 shall be available solely for the enforcement of the Federal Alcohol Administration Act during fiscal year 1991, and of which not to exceed \$1,000,000 shall be available for the payment of attorneys' fees as provided by 18 U.S.C. 924(d)(2): *Provided*, That no funds appropriated herein shall be available for administrative expenses in connection with consolidating or centralizing within the Department of the Treasury the records of receipts and disposition of firearms maintained by Federal firearms licensees or for issuing or carrying out any provisions of the proposed rules of the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms, on Firearms Regulations, as published in the Federal Register, volume 43, number 55, of March 21, 1978: *Provided further*, That none of the funds appropriated herein shall be available for explosive identification or detection tagging research, development, or implementation: *Provided further*, That not to exceed \$300,000 shall be available for research and

development of an explosive identification and detection device: *Provided further*, That this provision shall not preclude ATF from assisting the International Civil Aviation Organization in the development of a detection agent for explosives or from enforcing any legislation implementing the Convention on the Marking of Plastic and Sheet Explosives for the Purpose of Detection: *Provided further*, That funds made available under this Act shall be used to achieve a minimum level of 3,984 full-time equivalent positions for fiscal year 1991, of which no fewer than 692 full-time equivalent positions shall be allocated for the Armed Career Criminal Apprehension Program.

#### UNITED STATES CUSTOMS SERVICE

##### SALARIES AND EXPENSES

For necessary expenses of the United States Customs Service, including purchase of up to 1,000 motor vehicles of which 960 are for replacement only, including 990 for police-type use and commercial operations; hire of motor vehicles; not to exceed \$20,000 for official reception and representation expenses; and awards of compensation to informers, as authorized by any Act enforced by the United States Customs Service; \$1,140,086,000, of which \$7,000,000 shall be for the Interagency Border Inspection System, and of which such sums as become available in the Customs User Fee Account, except sums subject to section 13031(f)(3) of the Consolidated Omnibus Reconciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)), shall be derived from that Account; of the total, not to exceed \$150,000 shall be available for payment for rental space in connection with preclearance operations, not to exceed \$4,000,000, to remain available until expended, for research, and not to exceed \$3,395,000, to remain available until expended, for renovation and expansion of the Canine Enforcement Training Center: *Provided*, That uniforms may be purchased without regard to the general purchase price limitation for the current fiscal year: *Provided further*, That none of the funds made available by this Act shall be available for administrative expenses to pay any employee overtime pay in an amount in excess of \$25,000: *Provided further*, That the Commissioner or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Service: *Provided further*, That none of the funds made available by this Act may be used for administrative expenses in connection with the proposed redirection of the Equal Employment Opportunity Program: *Provided further*, That the United States Customs Service shall hire and maintain an average of not less than 17,604 full-time equivalent positions in fiscal year 1991, of which a minimum level of 10,385 full-time equivalent positions shall be allocated to commercial operations activities, and of which a minimum level of 930 full-time equivalent positions shall be allocated to air interdiction activities of the United States Customs Service: *Provided further*, That no funds appropriated by this Act may be used to reduce to single eight hour shifts at airports and that all current services as provided by the Customs Service shall continue through September 30, 1991: *Provided further*, That not less than \$500,000 shall be expended for additional part-time and temporary positions in the Honolulu Customs District: *Provided further*, That \$1,750,000 shall be expended to increase by 30 the number of full-time employees of the

United States Customs Service in the Honolulu Customs District.

#### OPERATION AND MAINTENANCE, AIR INTERDICTION PROGRAM

For expenses, not otherwise provided for, necessary for the hire, lease, acquisition (transfer or acquisition from any other agency), operation and maintenance of aircraft, and other related equipment of the Air Program; \$107,047,000, to remain available until expended: *Provided*, That no aircraft or other related equipment with the exception of the aerostat program which will be transferred to the Department of Defense, shall be transferred to any other Federal agency, Department, or office outside of the Department of the Treasury during fiscal year 1991.

#### CUSTOMS FORFEITURE FUND

##### (LIMITATION ON AVAILABILITY OF DEPOSITS)

For necessary expenses of the Customs Forfeiture Fund, not to exceed \$14,855,000, as authorized by Public Law 100-690; to be derived from deposits in the Fund.

#### CUSTOMS SERVICES AT SMALL AIRPORTS

##### (TO BE DERIVED FROM FEES COLLECTED)

Such sums as may be necessary, not to exceed \$2,152,000, for expenses for the provision of Customs services at certain small airports or other facilities when authorized by law and designated by the Secretary of the Treasury, including expenditures for the salary and expenses of individuals employed to provide such services, to be derived from fees collected by the Secretary of the Treasury pursuant to section 236 of Public Law 98-573 for each of these airports or other facilities when authorized by law and designated by the Secretary of the Treasury, and to remain available until expended.

#### UNITED STATES MINT

##### SALARIES AND EXPENSES

For necessary expenses of the United States Mint; \$51,429,000, including amounts for purchase and maintenance of uniforms not to exceed \$275 multiplied by the number of employees of the agency who are required by regulation or statute to wear a prescribed uniform in the performance of official duties.

#### EXPANSION AND IMPROVEMENTS

For expansion and improvements to existing Mint facilities and for renovation of such facilities as may be acquired, \$550,000, to remain available until expended.

#### BUREAU OF THE PUBLIC DEBT

##### ADMINISTERING THE PUBLIC DEBT

For necessary expenses connected with any public-debt issues of the United States; \$175,139,000: *Provided*, That such sums as are necessary are appropriated to reimburse Federal Reserve Banks for services required by the Secretary to be performed by such Banks as fiscal agents of the United States in support of administering the public debt, effective October 1, 1991.

#### INTERNAL REVENUE SERVICE

##### ADMINISTRATION AND MANAGEMENT

For necessary expenses of the Internal Revenue Service, not otherwise provided for; executive direction, management services, and internal audit and security; including purchase (not to exceed 89 for replacement only, for police-type use) and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; \$136,072,000, of



which not to exceed \$25,000 for official reception and representation expenses; and of which not to exceed \$500,000 shall remain available until expended for research.

#### PROCESSING TAX RETURNS AND ASSISTANCE

For necessary expenses of the Internal Revenue Service, not otherwise provided for; including processing tax returns; revenue accounting; statistics of income; providing assistance to taxpayers; and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; \$1,444,517,000, of which \$3,000,000 shall be for the Tax Counseling for the Elderly Program, no amount of which shall be available for IRS administrative costs.

#### TAX LAW ENFORCEMENT

For necessary expenses of the Internal Revenue Service for determining and establishing tax liabilities; tax and enforcement litigation; technical rulings; examining employee plans and exempt organizations; investigation and enforcement activities; securing unfiled tax returns; collecting unpaid accounts; the purchase (not to exceed 451, for replacement only, for police-type use), and hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; \$3,560,484,000, of which not to exceed \$70,000 shall be for official reception and representation expenses in connection with the 1991 General Assembly of the Inter-American Center of Tax Administrators, to be hosted by the United States, and of which not less than \$10,000,000 above fiscal year 1990 levies shall be available for the purposes of enforcement activities related to United States subsidiaries of foreign-controlled corporations that are in non-compliance with United States tax laws.

#### INFORMATION SYSTEMS

For necessary expenses for data processing and telecommunications support for Internal Revenue Service activities, including: returns processing and services; compliance and enforcement; program support; and tax systems modernization; and for the hire of passenger motor vehicles (31 U.S.C. 1343(b)); and services as authorized by 5 U.S.C. 3109, at such rates as may be determined by the Commissioner; \$993,927,000, of which not less than \$247,878,000 shall remain available until expended and shall not be obligated prior to September 30, 1991, and pursuant to section 202(b) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, this action is a necessary (but secondary) result of a significant policy change, and of which not to exceed \$60,000,000 shall remain available until expended for other systems development projects and shall not be obligated prior to September 30, 1991, and pursuant to section 202(b) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, this action is a necessary (but secondary) result of a significant policy change.

#### ADMINISTRATIVE PROVISION—INTERNAL REVENUE SERVICE

SECTION 1. Not to exceed 5 per centum of any appropriation made available to the Internal Revenue Service for the current fiscal year by this Act may be transferred to any other Internal Revenue Service appropriation upon the advance approval of the House and Senate Committees on Appropriations.

#### UNITED STATES SECRET SERVICE

##### SALARIES AND EXPENSES

For necessary expenses of the United States Secret Service, including purchase (not to exceed three hundred and forty-three vehicles for police-type use for replacement only) and hire of passenger motor vehicles; hire of aircraft; training and assistance requested by State and local governments, which may be provided without reimbursement; services of expert witnesses at such rates as may be determined by the Director; rental of buildings in the District of Columbia, and fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control, as may be necessary to perform protective functions; the conducting of and participating in firearms matches and presentation of awards; and for travel of Secret Service employees on protective missions without regard to the limitations on such expenditures in this or any other Act: *Provided*, That approval is obtained in advance from the House and Senate Committees on Appropriations; for repairs, alterations, and minor construction at the James J. Rowley Secret Service Training Center; for research and development; for making grants to conduct behavioral research in support of protective research and operations; not to exceed \$12,500 for official reception and representation expenses; not to exceed \$15,000 to assist in hosting the Biennial Conference of the Organization of Women in Federal Law Enforcement; to be held during fiscal year 1991; not to exceed \$50,000 to provide technical assistance and equipment to foreign law enforcement organizations, in counterfeit investigations; for payment in advance for commercial accommodations as may be necessary to perform protective functions; and for uniforms without regard to the general purchase price limitation for the current fiscal year; \$397,640,000, of which \$2,500,000 shall remain available until expended for renovations at the temporary official residence of the Vice President and \$3,200,000 to remain available until expended for renovations of the New York Field Office; and of which not to exceed \$160,000 shall be made available for the protection at the one non-governmental property designated by the President of the United States under provisions of section 12 of the Presidential Protection Assistance Act of 1976 (18 U.S.C. 3056 note).

#### TREASURY DEPARTMENT—GENERAL PROVISIONS

SECTION 101. Appropriations to the Treasury Department in this Act shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901), including maintenance, repairs, and cleaning; purchase of insurance for official motor vehicles operated in foreign countries; entering into contracts with the Department of State for the furnishing of health and medical services to employees and their dependents serving in foreign countries; and services as authorized by 5 U.S.C. 3109.

Sec. 102. None of the funds appropriated by this title shall be used in connection with the collection of any underpayment of any tax imposed by the Internal Revenue Code of 1954 unless the conduct of officers and employees of the Internal Revenue Service in connection with such collection complies with subsection (a) of section 805 (relating to communications in connection with debt collection), and section 806 (relating to harassment or abuse), of the Fair Debt Collection Practices Act (15 U.S.C. 1692).

Sec. 103. Not to exceed 2 per centum of any appropriations in this Act for the Department of the Treasury may be transferred between such appropriations. However, no such appropriation shall be increased or decreased by more than 2 per centum and any such proposed transfers shall be approved in advance by the Committees on Appropriations of the House and Senate.

Sec. 104. Notwithstanding any other provision of law, beginning October 1, 1990, and thereafter, the Financial Management Service shall be fully and directly reimbursed from the Social Security Trust Funds for the costs it incurs in the issuance of Social Security Trust Funds benefit payments, including all physical costs associated with payment preparation and postage costs. Such direct reimbursement shall also be made for all other trust and special funds which are the recipients of services performed by the Financial Management Service and which prior to enactment of this provision reimburse the General Fund of the Treasury for such services.

This title may be cited as the "Treasury Department Appropriations Act, 1991".

Mr. ROYBAL (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order on title I?

If not, are there any amendments?

#### AMENDMENT OFFERED BY MR. TRAFICANT

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

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: On page 12, line 2, insert after "taxpayers:" the following: "establishing and operating an ongoing training program for IRS employees under which employees will be provided with training and information designed to curtail employee mistreatment of taxpayers;"

□ 1140

Mr. TRAFICANT. Mr. Chairman, I thank the chairman of the committee, the gentleman from California [Mr. ROYBAL], for the excellent job he has done, as well as the vice chairman, the gentleman from New Mexico [Mr. SKEEN], for his responsible efforts on the bill.

I have tried to cut this particular bill in the past because I felt the only way to get the attention of the IRS on abuses which have become legend was to hit them in the pocketbook.

After talking with the chairman and the vice chairman, there is no question that America has a crisis for revenue. For every dollar that we do spend with the IRS, we increase our revenues, and we collect an awful lot of money that is legally owed.

Not every IRS agent certainly is a tyrant. In fact, we probably have to say that tyrants would be in the minority, although for some reason they

seem to be the ones that carry the banner.

I just particularly feel this: that no American should fear their Government. And without question, the Internal Revenue Service has developed a legend that involves fear. The point is that Congress must make absolutely sure that everybody in this country knows, including the IRS, that the IRS works for the American people. They cannot take advantage of the American people. They cannot intimidate the American people. And by the nature of their charge, which is necessary to collect funds, they cannot be overzealous, they cannot frighten, mishandle, nor intrude into the privacy or obstruct one's constitutional rights in carrying out their charge, period.

I want to cite one particular case today, because I think we are in a tough fix. The American people do not know what the tax policy is, first of all, and second of all, they have to hire a Philadelphia attorney in order to figure it out, and they do not understand it. Then when they do get in trouble, they are guilty until they prove themselves innocent.

Now, that is the law, and I am not here today about the law. I am here today to cite a case of abuse that I believe is classic and that I want to put on the record of this House.

In the early 1970's a couple was married in North Carolina by the name of Alex and Kay Council. He was a graduate of Wake Forest. She had gotten her GED diploma.

They eventually moved to California, where they were successful in business, and they earned in one business year a bonus of \$300,000. With that \$300,000 bonus they went to a certified accountant and asked them how they could protect their future, how they could invest that money, satisfy their tax responsibilities, and have a nest egg. That is the American way.

The accountant advised them on different shelters that were available under the law. One of them was Jackie Fine Arts. That is where they bought the rights to pictures that they could reproduce and had rights to further reproductions, such as lithographs. They felt in addition to the shelter, they could recoup their original investment. And they made a sizeable investment.

To make a long story short, the IRS found fault with Jackie Fine Arts. Even though this couple meant well, the IRS denied the shelter. Knowing that that was happening, after they had already invested, after the accountant's advice, they expected an audit.

Sure enough, they got the call. They got a call for information. Over several years they gave the IRS the information they wanted. But then in 1983 they got the notice that they owned \$180,000 total in tax, interest, and pen-

alties, folks. But they never got a notice of deficiency. They never got a 90-day letter, they never got a 60-day letter, they never got any notices.

To make a long story short, when it all hit the fan, the IRS had the wrong address on the original notice. But when they got to court they heard a mailman say, "I thought I delivered it."

To make a long story short, the judges gave the IRS every opportunity for more time. The meter kept running. It was over \$300,000.

This Wake Forest graduate, despondent, took his life. He left two notes. The first note said:

You can find my body in the woods on the north side of the house.

The second one said:

There is a tape recorder that will advise you to the best of my ability what to do and how to obtain evidence of the death requirements that will satisfy official authorities so that you can collect \$250,000 insurance money protected in the event of suicide.

Members, Kay Council battled them tooth and nail all the way down the line. Six months after that suicide of her husband, she finally prevailed in court where some judge said the IRS did not give adequate notice.

I want to read that suicide note.

My dearest Kay,

I have taken my life in order to provide capital for you. The IRS and its liens which have been taken against our property illegally by a runaway agency of our Government, have dried up all sources of credit for us. So I have made the only decision I can. It is purely a business decision. I hope you can understand that.

I love you completely, Alex.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. TRAFICANT] has expired.

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

Mr. TRAFICANT. Mr. Chairman, Kay Council blamed the IRS for this death because of the hassling that she had. She fought them all the way down to the wire and she prevailed. Let me tell you what she ended up with. She ended up with a family without a father and without a husband, and she ended up with \$16 in her checking account.

Now, one might say this is abstract, but there is what my amendment calls for. My amendment calls for, and I am hoping for supportive, reinforcing report language in the bill and in conference and in committee to support it. It says that the IRS through the Commissioner will develop a program, and in that program the IRS will make sure that the American people are not intimidated, nor abused. They will work sensitively to reduce abuse. They will go over cases like this that are cited and other cases, and they will report back to Congress on the efficacy of such a program and how they are providing same in the different re-

gions of the Nation in addressing the abuse and mistreatment of taxpayers.

Now, let me say this, and I want to say this to Members: If this is not enough, then I am hoping that some day in the future someone in Congress, if they have to, will use a club. But I am willing to try this. I think we have to look at the side of our American taxpayers. If Congress fails to do that, Congress will have failed in a constitutional mandate that is most important to all of us, the rights of our citizens.

No American should fear the Government. That is not democracy. And Americans do fear the IRS. That is an issue. Whether it is perceived or real, taxpayer fear is an issue. No. 3, Congress must and has the mandate to mitigate these types of problems. This is either a step with a carrot in the right direction, or this is process to show the intent of the IRS. And if the IRS is not operating with integrity in meeting the needs and goals of Congress as set by this amendment and accompanying legislative history, that Congress will someday use a hammer. But either way, the IRS works for the American people. The Congress of the United States works for the American people. The boss is the American people, not an agency of our Federal Government.

Mr. Chairman, I ask for the support of all Members. I ask for support from the committee in inserting report language to make sure the IRS Commissioner gives us a yearly report, sets up a national program, and does not deal with it in a passive fashion, but does so in earnest.

Mr. Chairman, I submit for the RECORD the following article regarding Kay and Alex Council.

#### THE AUDIT, THE SUICIDE AND THE WIDOW'S BATTLE

(By Megan Rosenfeld)

It was a rational suicide, she said, if there can be such a thing, Kay Council's husband, Alex, killed himself nearly two years ago at the age of 49, leaving her two eerily businesslike notes that she found when she came home from taking her mother to a bingo game. A postscript to one of the notes said she would find his body on "the north side of the house," where he lay with a bullet through his head.

Another, longer note referred her to a tape recording. "I suggest you transcribe it so that . . . you can more easily refer to the information," he wrote. He also urged her to move quickly to "obtain the required evidence of death from the authorities" so that she could get the money from his suicide-proof insurance policy. His death, he wrote, "was a simple business decision."

Kay Council blames his death on the Internal Revenue Service.

For more than four years before he walked into the woods near the house they'd built, the Councils had been fighting to prove they did not owe the IRS nearly \$300,000 in penalties, interest and payment on a \$70,000 investment in what turned out to be an invalid tax shelter. Six months



after Alex Council's death that June evening, a U.S. District Court judge in North Carolina agreed with them—but by that time the victory was muted. The Councils' house-building business was nearly defunct, Kay Council's credit was nearly ruined, her house was on the block, she owed thousands in legal fees, and she had about \$16 in her bank account.

And, of course, her husband didn't know they'd won.

"I don't know which is harder for people to talk about, suicide or [troubles with] the IRS," Council said last week. But recently she decided she would talk about it, she said, because there have been so many rumors back home in North Carolina about why her husband killed himself. And besides, she said, she is still mad. She came to Washington at the suggestion of the National Taxpayers Union to testify at a Senate committee hearing.

The Councils met when they both worked at the same mortgage insurance company in Greensboro, N.C.; she was a data processing manager and he was the vice president and controller of the company. She was a high school dropout with a GED diploma, and he had a degree from Wake Forest University. Both had married young and had two children each and were in the process of divorce when they met.

In 1973 Alex Council was offered a job in California running a new mortgage insurance company; it looked like the fresh start he wanted. Kay followed him to a suburb of San Francisco the next year and they were married. They bought a condo, then moved up to a house, and then to a bigger house, taking advantage of California's spiraling real estate values.

By 1978 the business was a success, and the Councils found themselves the happy recipients of a \$300,000 bonus. They wanted to invest it in a way that would ensure their retirement and also minimize their tax liability. Their accountant suggested oil and gas leases and a tax shelter called Jackie Fine Arts, which involved buying the rights to reproduce paintings.

Investors in the company could receive a tax credit in the first year and a depreciation over the total investment during the term of the deal, according to 1980 news stories about Jackie Fine Arts. In addition, the Councils believed they could recoup their investment through the sale of lithographs made from the original paintings.

But in late 1979, after the Councils had claimed a \$470,000 write-off for that year's taxes, the IRS announced that those seeking tax shelter at Jackie Fine Arts might find themselves under a leaky roof.

So the Councils expected to be audited and knew they might have to ante up. Indeed, an auditor contacted their accountant and during the next few years repeatedly asked for information that the Councils' dutifully produced.

When neither they nor their accountant had received an official "notice of deficiency" by the time the statute of limitations ran out in May 1983, "we thought we were home free," said Council. But five months later they did hear from the IRS—not the notice, which would have given them a 90-day period to fight the assessment in tax court, but a bill for a tax of \$115,895, a penalty of \$5,795 and interest of \$61,331.12, for a total of \$183,021.12. As they tried unsuccessfully to find out what had happened to the original notice, which the IRS said it sent in April 1983 (one month before the statute of limitations expired), the interest

meter continued to run until the total reached nearly \$300,000.

"Prior to this bill, neither my accountant . . . nor I had received an audit report, a 30-day letter, a 90-day letter or any other notice of assessment," Alex Council said in an affidavit he filed in 1987. "The only communication I had received from the IRS since 1983 indicated receipt of my letters requesting the above information, bills threatening collection procedure, and notices of intent to levy on my assets."

Notices like this one, sent in 1985 and written in the urgent style the IRS favors:

"WE HAVE PREVIOUSLY WRITTEN TO YOU ABOUT THE FEDERAL TAX SHOWN BELOW. IT IS OVERDUE AND YOU SHOULD PAY THE TOTAL AMOUNT DUE IMMEDIATELY TO AVOID ADDITIONAL INTEREST AND PENALTIES.

"IF YOU CANNOT PAY THIS AMOUNT IN FULL, PLEASE WRITE OR CALL US IMMEDIATELY. . . . WE HAVE ENCLOSED A COPY OF PUBLICATION 568A, WHICH PROVIDES INFORMATION ABOUT OUR COLLECTION PROCEDURES AND YOUR RIGHTS IN RELATION TO THEM."

Before receiving their first bill from the IRS and starting their lengthy legal battle, the Councils moved back to North Carolina. They wanted to be closer to her daughter and the child she was about to have, and Alex Council wanted to get into the construction business. "He had always been a coat and tie sort of man," said Kay Council. "Now he was in jeans and flannel shirts and couldn't have been happier."

They continued to correspond with the IRS. They asked for a copy of the notice the IRS said it had sent, and got it—two years later. The IRS maintained the original notice had been sent by certified mail, so the Councils asked for the certification number so they could check with the San Francisco post office. The IRS produced that in 1987, but all the paperwork except one list had been destroyed two years before in routine Post Office procedure.

That list, however, showed a curious error. The Councils' notice of deficiency had been slightly misaddressed. Instead of sending it to 71 Corte Del Bayo, Larkspur, Calif., the IRS sent it to 7+.

The IRS is prohibited by privacy laws from commenting about a specific case, but in its legal brief (which contained two typos itself), the agency's lawyer argued that "actual receipt of the notice is not required if the notice was properly mailed." During the district court trial in October 1988, the IRS called as witnesses the Councils' regular mailman, who said he might have delivered the misaddressed letter anyway, but he couldn't remember whether he had. The IRS also called the clerk who would have put the notice in the envelope, but she couldn't say for sure whether it had been in a window envelope (the address was correct on the actual notice) or mailed in a regular envelope.

The Councils' attorney, James M. Iseman Jr., produced two other persons' deficiency notices that were not mailed in window envelopes, and examples of other incorrectly typed addresses—including that of the Councils' accountant. He too never received the notice of deficiency.

But that was after the matter finally came to trial four months after Alex Council's death. Meanwhile, the IRS had, as a result of the 1979 audit, also audited the Councils' 1978 return, as well as the busi-

ness returns for 1983, 1984 and 1985. A penalty of \$6,821 was levied for 1978—as a result of the problems with Jackie Fine Arts—and was paid.

Council had borrowed money to build his first development of middle-class, suburban homes, sold them and then bought more land. They built a house for themselves first, taking out a \$112,000 construction loan to do it, which they planned to convert to a standard mortgage once the development was built and sold. But in July 1987, the IRS placed a lien on the home, and the Council Development Co. began to crumble.

As a result of the lien, which lenders would discover in a routine credit check, mortgage insurance on the houses under construction was canceled, and Alex Council couldn't get the money he needed to keep his business afloat. They could not convert the construction loan on their own home to a mortgage because of the lien, and faced losing the house altogether when the loan came due.

"You get to the point where you expect them to walk in any day and take what you have," said Council. "We lived with that every day. But when they didn't, I came to believe that it was because they knew they were wrong."

In May 1988, the Councils celebrated their 14th wedding anniversary with a three-day trip. "We talked through the whole thing for three days," Kay Council said. "I said I could live with losing everything and having to start over, as long as we had each other. He let me think he felt that too."

That month they had what appeared to be a hopeful sign when the judge in U.S. District Court granted them an injunction against the IRS enforcing the lien. But instead of ruling that the IRS was wrong, as the Councils had hoped, the judge scheduled a trial and allowed the IRS more time to gather evidence.

"There was something so defeating about expecting an answer and getting another delay," she said. "That was a real downer. Of course the 60 days turned into October." By that time the Councils' net worth was about \$15,000, she said, their business was stymied, their lives were consumed with their tax battle, and they could not see how to get out from under it all.

A month after their anniversary trip, Alex Council was dead.

In the shorter of the two notes he left, he wrote:

"My dearest Kay,

"I have taken my life in order to provide capital for you. The IRS and its liens which have been taken against our property illegally by a runaway agency of our government, have dried up all sources of credit for us. So I have made the only decision I can. Its purely a business decision. I hope you can understand that.

"I love you completely,

ALEX."

"He was the last person in the world people thought would kill himself," said his widow. "He was the one who always had a solution to any problem. . . . He loved life. This was a man who loved to learn—when he died he was taking a course at Wake Forest in the Constitution. He wanted to know everything, do everything, experience everything. We never fussed or fought. This was a man who never missed a day telling me he loved me, and never got up from my table without thanking me for a good meal. If two people were ever close to being one, it was Alex and me."

After her husband's death, Kay Council had the tape he left transcribed. It ran 15 pages and contained detailed instructions about everything he wanted her to do. Although Kay was a half owner of the construction business, she knew little about the details, she said. For example, she did not know that her husband did not have mortgage insurance.

After she got the \$250,000 from his insurance policy (it had a clause that paid off for suicide after two years of premium payments), she tried to do what he wanted her to: keep the court case against the IRS alive, pay off bills, finish building the housing development, in debt.

"I was determined the IRS would not get one penny of Alex's money," she said. "Even if I had to burn it in my back yard. My lawyer said, 'Don't you know you could go to jail for that?' And I said I didn't care."

So she paid her credit card bills, bought herself a \$70,000 "cracker box" town house with cash, gave her attorneys \$15,000, and tried to run the construction business, which she found rough going. "I really didn't know about that part of the business," she said "What I had done was pick out the color of carpets and that kind of thing."

When the case came to trial, the IRS argued that since the Councils knew from their auditor that their deduction probably would not be allowed, they should have contacted the agency to find out what happened. The judge, in a sentence Council's friends love to quote, dismissed that notion sharply: The tax code "does not place upon plaintiffs the burden of hounding the IRS for delivery of a possible notice of deficiency." He also said that neither the Councils nor their accountant had any motive to falsely claim they had not received the notice, because they had no way of knowing whether the IRS would be able to prove it had sent it. He ordered the deficiency cancelled and the lien revoked.

But Kay Council's troubles were not quite over.

Knowing the construction loan on the house was coming due in March, she put the house up for sale. But in February of last year, one week before the closing, she learned the lien had not been removed by the IRS, and the sale was doomed. Her attorney arranged for the lien to be lifted under the condition he hold the net proceeds of the sale for 10 days. When she went to get the money from him, she said Iseman told her the money was owed to him and refused to release it until she had paid him \$10,000 and a deed of trust for \$3,000 on her town house.

Iseman says he understands that Council feels attorney's fees were high but that they didn't realize that bills had been mounting since 1985. Although the IRS had been ordered to pay attorney's fees, it did not pay them until two weeks ago—one week before Council was scheduled to tell a Senate committee about her experiences.

Council must pay the difference between the amount Iseman charged and the IRS paid as well as what is left from the other audit. She currently owes about \$14,000, and she discovered, to her dismay, that it is her responsibility to convince credit bureaus that the lien has been removed and was improperly filed in the first place.

Kay Council speaks of herself as a woman who had to become tough or "lay down and die." In choosing to fight, she gained strength she never thought she could possess. But she doesn't know quite what to do with it.

Her victory last October was hollow, she said sadly. There was something missing in the dry legal language of the court decision and the dry legal handshakes of her attorney. When she came to Washington last week to tell Sen. David Pryor's committee about what had happened to her, she knew that IRS Commissioner Fred Goldberg was going to precede her at the witness table, and she wanted to meet him.

"I wanted him to shake my hand," she said. "What I wanted was for him to say he was sorry. That they made a mistake, and they were sorry. But he left before I even got near him."

Mr. ROYBAL. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I am very sympathetic to the issue that the gentleman from Ohio [Mr. TRAFICANT] has raised regarding the conduct of IRS employees. If we go back in time we probably remember that this subject matter was discussed right here in this House about 3 years ago, and I assured members of the committee and the House that we as a committee had already dealt with the problem. In fact, we spoke to the Commissioner of the IRS. We presented the problem to him based on complaints that were made to the committee.

For example, I had received various complaints in which an individual taxpayer has said that at the time that he was audited and went before the IRS, he was made to feel like a criminal, that he was guilty, and that the attitude of his guilt was there on the part of the IRS employee. He felt that that was wrong. He assured me that everything came out to his satisfaction, but, nevertheless, he was complaining about attitudes.

Mr. Chairman, we talked to the Commissioner about that. That same year the Commissioner responded by sending a communication to all employees of the IRS.

□ 1150

In that letter the Commissioner said that the members of the IRS should first of all become familiar with a summary of the taxpayers' bill of rights. And in that taxpayers' bill of rights they urge courtesy and respect.

But he also said in that letter that:

We have always strongly endorsed the need for taxpayers to know what their rights are and for IRS employees to protect the taxpayers' rights.

This was started some time ago. There was no specific organization set up for any training, that is true. But at least they responded to the request of the committee. And then in that same letter the Commissioner went on to say that:

Throughout the implementation and planning process care was being given to make sure that our actions agree with the spirit as well as the letter of the law.

And then he goes on to tell his employees:

I know that I can count on each and every one of you to maintain this commitment as you put our plans into effect.

Now comes the Traficant amendment. I think, Mr. Chairman, it is a good one. I think that what is being planned now is that a mechanism be set up whereby employees of the IRS will get some specific training of some kind. I think that the training that has been available through universities throughout this country is something that perhaps can be used by the Federal Government, and that is training in cross-cultural activities, to find out what the problems are in the various communities. Do not forget that we as a nation represent various ethnic groups, various backgrounds in the United States, and each one of us may have a very different point of view when we come before any particular public official.

But I believe that that public official should be aware of the fact that there is a difference, and that courtesy is one way of getting things done. I think what the gentleman from Ohio [Mr. TRAFICANT] is attempting to do is to be sure that all taxpayers are treated with courtesy. I do not think he is asking too much.

I think this is a good amendment, Mr. Chairman, and I will agree to this particular time to accept the amendment.

Mr. SKEEN. Mr. Chairman, I move to strike the last word and I rise in support of the amendment.

Mr. Chairman, in the years that I have served on this committee I have felt that one of the great pleasures has been being able to examine the IRS. In doing so, I have gained a great deal of respect for those who have been Commissioners of the Internal Revenue Service, because one of the foremost things in my experience, has been the attitude of the Commissioners that they want to improve the relationship and the image of agents from the IRS with the general population, a very difficult task because, as most of us are very much aware, this is like having an illegitimate child at a family reunion and telling them that they are illegitimate. I can understand how agents of the IRS feel day after day of having their legitimacy questioned, that this does something psychologically to an individual that knows that it is a very unpleasant task to begin with, unless they have some sort of a peculiar twist of mind where they decide that they really enjoy examining people, taking their money away from them, telling them that they owe taxes, be the bearer of bad tidings. No one likes to do it. Everyone likes to be loved.

But the great importance of this amendment is that it reemphasizes the position that we have had that we do want to improve that relationship, and



also reemphasizes the fact that these are servants of the general public and they should treat these people of the United States as they do examinations with great respect and kindness, a difficult thing to, and I understand that. But we need to reemphasize that time and time again, and that is what this amendment does, and I hope that we can implement the spirit of this particular amendment and assure that there is a program in the Internal Revenue Service that provides some measure of charm, if you will, to agents. That is a very difficult thing to do, but it is something we should strive for, and we should keep reemphasizing it. It is a worthwhile amendment and I certainly would support it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

The CHAIRMAN. Are there additional amendments to title I?

If not, the Clerk will read.

The Clerk read as follows:

#### TITLE II

##### UNITED STATES POSTAL SERVICE

###### PAYMENT TO THE POSTAL SERVICE FUND

For payment to the Postal Service Fund for revenue forgone on free and reduced rate mail, pursuant to subsection (c) of section 2401 of title 39, United States Code; \$484,592,000: *Provided*, That mail for overseas voting and mail for the blind shall continue to be free: *Provided further*, That six-day delivery and rural delivery of mail shall continue at not less than the 1983 level: *Provided further*, That none of the funds made available to the Postal Service by this Act shall be used to implement any rule, regulation, or policy of charging any officer or employee of any State or local child support enforcement agency, or any individual participating in a State or local program of child support enforcement, a fee for information requested or provided concerning an address of a postal customer: *Provided further*, That none of the funds provided in this Act shall be used to consolidate or close small rural and other small post offices in the fiscal year ending on September 30, 1991.

###### PAYMENT TO THE POSTAL SERVICE FUND FOR NONFUNDED LIABILITIES

For payment to the Postal Service Fund for meeting the liabilities of the former Post Office Department to the Employees' Compensation Fund pursuant to 39 U.S.C. 2004, \$38,142,000.

This title may be cited as the "Postal Service Appropriations Act, 1991".

Mr. ROYBAL (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order on title II?

If not, are there any amendments to title II?

If not, the Clerk will read.

The Clerk read as follows:

#### TITLE III EXECUTIVE OFFICE OF THE PRESIDENT

##### COMPENSATION OF THE PRESIDENT

For compensation of the President, including an expense allowance at the rate of \$50,000 per annum as authorized by 3 U.S.C. 102; \$250,000: *Provided*, That none of the funds made available for official expenses shall be expended for any other purpose and any unused amount shall revert to the Treasury pursuant to section 1552 of title 31 of the United States Code: *Provided further*, That none of the funds made available for official expenses shall be considered as taxable to the President.

##### OFFICE OF ADMINISTRATION

###### SALARIES AND EXPENSES

For necessary expenses of the Office of Administration; \$24,910,000, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger motor vehicles.

##### THE WHITE HOUSE OFFICE

###### SALARIES AND EXPENSES

For necessary expenses for the White House as authorized by law, including not to exceed \$3,850,000 for services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105; including subsistence expenses as authorized by 3 U.S.C. 105, which shall be expended and accounted for as provided in that section; hire of passenger motor vehicles, newspapers, periodicals, teletype news service, and travel (not to exceed \$100,000 to be expended and accounted for as provided by 3 U.S.C. 103); not to exceed \$20,000 for official entertainment expenses, to be available for allocation within the Executive Office of the President; \$32,799,000.

##### EXECUTIVE RESIDENCE AT THE WHITE HOUSE

###### OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurbishing, improvement, heating and lighting, including electric power and fixtures, of the Executive Residence at the White House and official entertainment expenses of the President; \$8,495,000, of which \$500,000 for the rehabilitation of the White House kitchens shall remain available until expended, to be expended and accounted for as provided by 3 U.S.C. 105, 109-110, 112-114.

##### OFFICIAL RESIDENCE OF THE VICE PRESIDENT

###### OPERATING EXPENSES

For the care, maintenance, repair and alteration, refurbishing, improvement, heating and lighting, including electric power and fixtures, of the official residence of the Vice President, the hire of passenger motor vehicles, and not to exceed \$90,000 for official entertainment expenses of the Vice President, to be accounted for solely on his certificate; \$626,000: *Provided*, That advances or repayments or transfers from this appropriation may be made to any department or agency for expenses of carrying out such activities.

##### SPECIAL ASSISTANCE TO THE PRESIDENT

###### SALARIES AND EXPENSES

For necessary expenses to enable the Vice President to provide assistance to the President in connection with specially assigned functions, services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 106, including subsistence expenses as authorized by 3 U.S.C. 106, which shall be expended and accounted for

as provided in that section; and hire of passenger motor vehicles; \$2,587,000.

##### COUNCIL OF ECONOMIC ADVISERS

For necessary expenses of the Council in carrying out its functions under the Employment Act of 1946 (15 U.S.C. 1021); \$3,064,000.

##### OFFICE OF POLICY DEVELOPMENT

###### SALARIES AND EXPENSES

For necessary expenses of the Office of Policy Development, including services as authorized by 5 U.S.C. 3109, and 3 U.S.C. 107; \$3,395,000.

##### NATIONAL CRITICAL MATERIALS COUNCIL

###### SALARIES AND EXPENSES

For necessary expenses of the National Critical Materials Council, including activities as authorized by Public Law 98-373; \$235,000.

##### NATIONAL SECURITY COUNCIL

###### SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109; \$5,893,000, of which not to exceed \$2,000 may be for official reception and representation expenses.

##### OFFICE OF MANAGEMENT AND BUDGET

###### SALARIES AND EXPENSES

For necessary expenses of the Office of Management and Budget, including hire of passenger motor vehicles, services as authorized by 5 U.S.C. 3109; \$49,305,000, of which not to exceed \$4,500,000 shall be available to carry out the provisions of 44 U.S.C. chapter 35: *Provided*, That, as provided in 31 U.S.C. 1301(a), appropriations shall be applied only to the objects for which appropriations were made except as otherwise provided by law: *Provided further*, That none of the funds appropriated in this Act for the Office of Management and Budget may be used for the purpose of reviewing any agricultural marketing orders or any activities or regulations under the provisions of the Agricultural Marketing Agreement Act of 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none of the funds made available for the Office of Management and Budget by this Act may be expended for the altering of the transcript of actual testimony of witnesses, except for testimony of officials of the Office of Management and Budget, before the Committee on Appropriations or the Committee on Veterans' Affairs or their subcommittees: *Provided further*, That this proviso shall not apply to printed hearings released by the Committee on Appropriations or the Committee on Veterans' Affairs: *Provided further*, That none of the funds made available by this Act or any other Act shall be used to reduce the scope or publication frequency of statistical data relative to the operations and production of the alcoholic beverage and tobacco industries below fiscal year 1985 levels: *Provided further*, That none of the funds appropriated by this Act shall be available to the Office of Management and Budget for revising, curtailing or otherwise amending the administrative and/or regulatory methodology employed by the Bureau of Alcohol, Tobacco and Firearms to assure compliance with section 105, title 27 of the United States Code (Federal Alcohol Administration Act) or with regulations, rulings or forms promulgated thereunder.

OFFICE OF FEDERAL PROCUREMENT  
POLICY

## SALARIES AND EXPENSES

For expenses of the Office of Federal Procurement Policy, including services as authorized by 5 U.S.C. 3109; \$2,914,000.

OFFICE OF NATIONAL DRUG  
CONTROL POLICY

## SALARIES AND EXPENSES

## (INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Office of National Drug Control Policy; for research activities pursuant to title I of Public Law 100-690; not to exceed \$7,500 for official reception and representation expenses; for participation in joint projects or in the provision of services on matters of mutual interest with nonprofit, research, or public organizations or agencies, with or without reimbursement; \$66,500,000, of which \$50,000,000 will be for activities authorized by section 1005 of Public Law 100-690 for areas designated as High Intensity Drug Trafficking Areas and which may be transferred to Federal agencies and departments for the purposes of assisting such designated areas: *Provided*, That the Office is authorized to accept, hold, administer, and utilize gifts, both real and personal, for the purpose of aiding or facilitating the work of the Office.

## SPECIAL FORFEITURE FUND

## (INCLUDING TRANSFER OF FUNDS)

For activities authorized by Public Law 100-690, such sums as may be necessary, to be derived from deposits in the Special Forfeiture Fund, and to remain available until expended: *Provided*, That the amounts made available under this appropriation may not exceed the amounts deposited in the Special Forfeiture Fund as authorized by section 6073: *Provided*, That 28 U.S.C. 534(c)(9) is amended by deleting the second sentence and inserting the following: "For each of fiscal years 1991, 1992, and 1993, the Attorney General shall transfer such sums as may be necessary in unobligated amounts available in the Department of Justice Assets Forfeiture Fund to the Special Forfeiture Fund: *Provided further*, That such amounts will be transferred on a quarterly basis: *Provided further*, That such sums as may be necessary or, if determined by the Attorney General to be necessary to meet asset specific expenses, an amount equal to one-tenth of the previous year's obligations, may be retained in the Fund and remain available for appropriation." *Provided further*, That funds deposited into the Special Forfeiture Fund may be transferred to Federal agencies and departments for the purpose of executing the National Drug Control Strategy: *Provided further*, That section 6073(b) of the Anti-Drug Abuse Act of 1988 (Public Law 100-690) is amended to read as follows:

"(b) DEPOSITS.—In each of fiscal years 1991, 1992, and 1993, there shall be transferred to and deposited in the Special Forfeiture Fund, from the Department of Justice Assets Forfeiture Fund pursuant to 28 U.S.C. 524(c)(9), not to exceed \$150,000,000: *Provided*, That amounts specified in the second proviso of said section may be retained in the Assets Forfeiture Fund and remain available for appropriation."

## UNANTICIPATED NEEDS

## UNANTICIPATED NEEDS

For expenses necessary to enable the President to meet unanticipated needs, in furtherance of the national interest, securi-

ty, or defense which may arise at home or abroad during the current fiscal year; \$1,000,000.

This title may be cited as the "Executive Office Appropriations Act, 1991".

Mr. ROYBAL (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order on title III?

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

Mr. Chairman, I had originally intended to make a point of order against language on page 22, beginning on line 5, where it reads "\$49,305,000 of which not to exceed \$4,500,000 shall be available to carry out the provisions of 44 U.S.C. chapter 35." I had intended to make this point of order as it would make an unauthorized appropriation on the basis of clause 2, rule 21 of the House.

This provision would fund the Office of Management and Budget at \$49.3 million and specifies that \$4.5 million of that appropriation would be for the Office of Information and Regulatory Affairs [OIRA] at OMB. Unfortunately, the Office of Information and Regulatory Affairs has been without a reauthorization since fiscal year 1989. For the past year the Committee on Government Operations, which has sole jurisdiction over this Office and 44 U.S.C. chapter 35, has been engaged in a difficult reauthorization effort with the administration.

Mr. Chairman, I am happy to report that this morning I and Mr. HORTON, the ranking minority member of Government Operations, Senator GLENN, chairman of our counterpart committee in the other body, Richard Darman, OMB Director and C. Boyden Gray, White House legal counsel, had an extensive negotiating session. The basic differences between us seem to have been resolved. We gave some and they gave some. That's what the legislative process is about.

Most importantly for the legislative branch, I believe important changes were agreed to which ensure that OIRA's review of regulations will be more out in the open, that deadlines for the length of review time on regulations will be adhered to, and that the public will get access to written reasons for changes in regulations which result from OMB's review process. These are important changes which will improve the regulatory review process and ultimately better protect the public's health.

I want to thank all the parties for the spirit with which these negotiations took place, and give a special nod of praise to Mr. Darman for his accommodating nature.

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

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

□ 1200

Mr. ROYBAL. I would like to commend the gentleman from Michigan [Mr. CONYERS] for the negotiations that have gone on. I think that is the proper way to proceed. I am sure that the final result of his negotiations are most beneficial not only for the passage of this bill but for the country as a whole.

Mr. CONYERS. I thank the gentleman from California, the manager of the bill.

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

Mr. CONYERS. I yield to the gentleman from New Mexico.

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

Mr. Chairman, I want to commend the gentleman. I know it has been a very serious challenge to the chairman of the Committee on the Judiciary, Mr. CONYERS, because of all of the diffidence that has taken place over the years. In working out this kind of a compromise, I think he has established himself as a greater leader and one who can recognize that the work has to go on but that getting some of these folks' attention is sometimes very difficult.

But the gentleman has done an outstanding job. I, too, want to commend the gentleman.

Mr. CONYERS. Mr. Chairman, I thank my colleague.

Mr. Chairman, I close by saying that Richard Darman is the new Director of the OMB. I do not think he should be blamed for many of the differences across the years that have occurred. I think he is a gentleman who bargained in good faith. There are still a lot of details to be cleaned up, but I do not think we can get hung up on details. I think the principles of an agreement have been struck last night and this morning, and I am very pleased to bring this information to the floor.

The CHAIRMAN. Are there further amendments to title III?

If not, the Clerk will read.

The Clerk read as follows:

## TITLE IV

## INDEPENDENT AGENCIES

ADMINISTRATIVE CONFERENCE OF  
THE UNITED STATES

## SALARIES AND EXPENSES

For necessary expenses of the Administrative Conference of the United States, established by the Administrative Conference Act, as amended (5 U.S.C. 571 et seq.), including not to exceed \$1,000 for official reception and representation expenses; \$2,079,000.



# ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS SALARIES AND EXPENSES

For expenses necessary to carry out the provisions of the Advisory Commission on Intergovernmental Relations Act of 1959, as amended (42 U.S.C. 4271-79); \$1,300,000, and additional amounts not to exceed \$200,000, collected from the sale of publications shall be credited to and used for the purposes of this appropriation.

## ADVISORY COMMITTEE ON FEDERAL PAY

### SALARIES AND EXPENSES

For necessary expenses of the Advisory Committee on Federal Pay, established by 5 U.S.C. 5306; \$207,000: *Provided*, That the annual report of the Advisory Committee on Federal Pay shall be submitted to the Appropriations Committees of the House and Senate and other appropriate Committees of the Congress at the same time the report is submitted to the President.

## COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

### SALARIES AND EXPENSES

For necessary expenses of the Committee for Purchase From the Blind and Other Severely Handicapped established by the Act of June 23, 1971, Public Law 92-28 \$1,160,000.

## FEDERAL ELECTION COMMISSION

### SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the Federal Election Campaign Act of 1971, as amended; \$17,150,000, of which not to exceed \$5,000 shall be available for reception and representation expenses.

## GENERAL SERVICES ADMINISTRATION

### REAL PROPERTY ACTIVITIES

#### FEDERAL BUILDINGS FUND

#### LIMITATIONS ON AVAILABILITY OF REVENUE

For additional expenses necessary to carry out the purposes of the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)), \$1,408,870,000 to be deposited into said Fund. The revenues and collections deposited into said fund shall be available for necessary expenses of real property management and related activities not otherwise provided for, including operation, maintenance, and protection of federally owned and leased buildings; rental of buildings in the District of Columbia; restoration of leased premises; moving Governmental agencies (including space adjustments and telecommunications relocation expenses) in connection with the assignment, allocation and transfer of space; contractual services incident to cleaning or servicing buildings and moving; repair and alteration of federally owned buildings, including grounds, approaches and appurtenances; care and safeguarding of sites; maintenance, preservation, demolition, and equipment; acquisition of buildings and sites by purchase, condemnation, or as otherwise authorized by law; conversion and extension of federally owned buildings; preliminary planning and design of projects by contract or otherwise; construction of new buildings (including equipment for such buildings); and payment of principal, interest, taxes, and any other obligations for public buildings acquired by installment purchase and purchase contract,

in the aggregate amount of \$5,279,209,000, of which (1) not to exceed \$1,469,642,000 shall remain available until expended for construction of additional projects at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

#### New Construction:

##### California:

East Los Angeles, a grant to California State University, \$200,000

Los Angeles, a grant to the Japanese American National Museum, \$39,000

Marymount, a grant to Loyola University, \$5,000,000

Menlo Park, Laboratory Building A, \$22,000,000

Sacramento, John E. Moss Federal Building U.S. Courthouse, Extension, \$5,801,000

San Diego, a grant to Children's Hospital, \$2,000,000

##### District of Columbia:

A grant to the American Indian Higher Education Consortium, \$2,000,000

A grant to the D.C. Children's National Medical Center, \$2,000,000

##### Florida:

Miami, a grant to Mt. Sinai Medical Center, \$2,000,000

##### Illinois:

Chicago, John C. Kluczynski Federal Building, Claim, \$455,000

##### Kansas:

Kansas City, Federal Building U.S. Courthouse, \$29,475,000

##### Maryland:

Baltimore, a grant for planning and design of the Christopher Columbus Center on Marine Research and Exploration, \$5,000,000

College Park, a grant to the University of Maryland for superconducting materials research, \$1,500,000

Prince George's County, U.S. Courthouse, \$21,883,000

##### Massachusetts:

Boston, Federal Building-Courthouse, site acquisition and design, \$51,300,000

Waltham, a grant to establish and construct a National Center for Complex Systems at Brandeis University, \$5,000,000

Woods Hole, a grant for the continued development of the Marine Biomedical Institute for Advanced Studies, \$6,000,000

##### Michigan:

Houghton, a grant to Michigan Technological University for construction of a center for applied metallurgical, minerals, and materials research, \$2,000,000

##### Minnesota:

Minneapolis, Federal Building and U.S. Courthouse Annex, \$68,772,000

##### New Jersey:

Camden, Post Office and Courthouse Annex, Escalation, \$8,903,000

##### New Mexico:

Alamogordo, a grant to the Primate Research Institute, Site and Facilities, to be constructed on a site leased from the United States Air Force at Holloman Air Force Base, \$5,000,000

##### New York:

Rochester, a grant to Rochester Institute of Technology for a strategic materials research center, \$2,000,000

##### New York:

White Plains, Courthouse, \$26,350,000

##### Oregon:

Portland, Courthouse Annex, \$33,320,000

##### Pennsylvania:

Wilkes Barre, Social Security Administration Data Operations Center, Escalation, \$11,905,000

Philadelphia, a grant to Parents Against Drugs, \$778,000

#### Texas:

College Station, a grant to Texas A&M University for the establishment of the Institute for National Drug Abatement Research at the Texas Engineering Experiment Station, \$1,000,000

El Paso, a grant to the University of Texas, \$2,000,000

#### Virginia:

Alexandria, U.S. Courthouse, \$58,202,000  
Non-Prospectus Construction Projects, \$5,000,000

#### New Construction (other):

##### District of Columbia:

Department of Transportation, Headquarters, Site, \$50,000,000: *Provided*, That such funds will be available only with the prior approval of the House and Senate Committees on Appropriations and the House Committee on Public Works and Transportation Southeast Federal Center, \$122,000,000

##### Louisiana:

Shreveport, Federal Building and Courthouse, \$24,669,000

##### Maryland:

Prince George's County, Internal Revenue Service, \$206,502,000

##### Virginia:

Northern, Naval Systems Commands, \$679,588,000

*Provided*, That each of the immediately foregoing limits of costs on new construction projects may be exceeded to the extent that savings are effected in other such projects, but by not to exceed 10 per centum: *Provided further*, That all funds for direct construction projects shall expire on September 30, 1992 and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date: *Provided further*, That claims against the Government of less than \$100,000 arising from direct construction projects, acquisitions of buildings and purchase contract projects pursuant to Public Law 92-313, be liquidated with prior notification to the Committees on Appropriations of the House and Senate to the extent savings are effected in other such projects; (2) not to exceed \$579,710,000 which shall remain available until expended, for repairs and alterations: *Provided further*, That funds in the Federal Buildings Fund for Repairs and Alterations shall, for prospectus projects, be limited to the amount by project as follows, except each project may be increased by an amount not to exceed 10 per centum unless advance approval is obtained from the Committees on Appropriations of the House and Senate for a greater amount:

#### Repairs and Alterations:

##### California:

Calexico, New Border Station, \$1,174,000  
Otay Mesa, New Facility, \$7,000,000

Sacramento, John E. Moss Federal Building U.S. Courthouse, \$10,990,000

San Diego, Federal Building and U.S. Courthouse, \$7,836,000

San Francisco, Appraisers Building, \$3,958,000

San Francisco, Customhouse, \$9,508,000

##### Colorado:

Lakewood, Denver Federal Center, Building 56, \$8,584,000

##### District of Columbia:

Washington, DC Area Elevators, \$16,500,000

Hubert H. Humphrey Federal Building, \$7,300,000

Veterans' Administration Building, \$26,000,000

##### Georgia:

Richard B. Russell Federal Building and United States Courthouse, \$3,544,000

Illinois:  
Chicago, Customhouse (phase 2), \$10,260,000  
Chicago, Everett McKinley Dirksen Building (phase 2), \$37,700,000  
Chicago, Federal Building, 536 S. Clark Street (phase 2), \$6,248,000

Indiana:  
Indianapolis, Federal Building and Courthouse, \$3,908,000

Minnesota:  
Saint Paul, Warren E. Burger Federal Building and United States Courthouse, \$7,633,000

New Jersey:  
Newark, Peter W. Rodino, Jr. Federal Building, \$3,755,000

New York:  
New York, Bowling Green Customhouse (phase 1), \$4,727,000  
New York, Emanuel Celler Federal Building and U.S. Courthouse, \$3,915,000  
New York, Jacob K. Javits Federal Building, \$13,721,000  
Rochester, Kenneth B. Keating Federal Building and U.S. Courthouse, \$1,994,000

Oklahoma:  
Oklahoma City, Post Office and Courthouse, \$11,242,000

Pennsylvania:  
Philadelphia, Customhouse, \$20,166,000  
Pittsburgh, Post Office and Courthouse, \$2,700,000

Tennessee:  
Nashville, Estes Kefauver Federal Building and U.S. Courthouse Annex, \$4,616,000

Texas:  
Dallas, Federal Building (Terminal Annex), \$4,307,000  
El Paso, Ysleta Border Station, \$9,044,000

Virginia:  
Arlington, Pentagon, \$35,500,000  
Portsmouth, Federal Building, \$1,700,000

Washington:  
Seattle, Federal Office Building, \$17,932,000  
Spokane, Federal Building and Post Office, \$5,071,000

Minor Repairs and Alterations, \$271,177,000: *Provided*, That additional projects for which prospectuses have been fully approved may be funded under this category only if advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further*, That all funds for repairs and alterations prospectus projects shall expire on September 30, 1992, and remain in the Federal Buildings Fund except funds for projects as to which funds for design or other funds have been obligated in whole or in part prior to such date; (3) not to exceed \$136,579,000 for installment acquisition payments including payments on purchase contracts; (4) not to exceed \$1,506,300,000 for rental of space; (5) not to exceed \$1,037,200,000 for real property operations; (6) not to exceed \$90,781,000 for program direction and centralized services; and (7) not to exceed \$242,165,000 for design and construction services which shall remain available until expended, including expenses for preliminary design for a 300,000 square foot Government-owned facility for the Center for Disease Control at their campus on Clifton Road in Atlanta, Georgia, such expenses to be reimbursed to GSA by the Center for Disease Control: *Provided further*, That for the purposes of this authorization, buildings constructed pursuant to the purchase contract authority of the Public Buildings Amendments of 1972 (40 U.S.C. 602a), and

buildings under the control of another department or agency where alterations of such buildings are required in connection with the moving of such other department or agency from buildings then, or thereafter to be, under the control of the General Services Administration shall be considered to be federally owned buildings: *Provided further*, That none of the funds available to the General Services Administration shall be available for expenses in connection with any construction, repair, alteration, and acquisition project for which a prospectus, if required by the Public Buildings Act of 1959, as amended, has not been approved, except that necessary funds may be expended for each project for required expenses in connection with the development of a proposed prospectus: *Provided further*, That funds available in the Federal Buildings Fund may be expended for emergency repairs when advance approval is obtained from the Committees on Appropriations of the House and Senate: *Provided further*, That amounts necessary to provide reimbursable special services to other agencies under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)(6)) and amounts to provide such reimbursable fencing, lighting, guard booths, and other facilities on private or other property not in Government ownership or control as may be appropriate to enable the United States Secret Service to perform its protective functions pursuant to 18 U.S.C. 3056, as amended, shall be available from such revenues and collections: *Provided further*, That revenues and collections and any other sums accruing to this Fund during fiscal year 1991 excluding reimbursements under section 210(f)(6) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(f)(6)) in excess of \$5,279,209,000 shall remain in the Fund and shall not be available for expenditure except as authorized in appropriations Acts.

#### FEDERAL SUPPLY SERVICE

##### OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for property management activities, utilization of excess and disposal of surplus personal property, rehabilitation of personal property, transportation management activities, transportation audits by in-house personnel, procurement, and other related supply management activities, including services as authorized by 5 U.S.C. 3109; \$53,957,000.

#### FEDERAL PROPERTY RESOURCES SERVICE

##### OPERATING EXPENSES

##### (INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for carrying out the functions of the Administrator with respect to utilization of excess real property; the disposal of surplus real property, the utilization survey, deed compliance inspection, appraisal, environmental and cultural analysis, and land use planning functions pertaining to excess and surplus real property, including services as authorized by 5 U.S.C. 3109; \$13,386,000, to be derived from proceeds from transfers of excess real property and disposal of surplus real property and related personal property, subject to the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-5).

#### REAL PROPERTY RELOCATION

For expenses not otherwise provided for, \$8,000,000 to remain available until expended,

necessary for carrying out the functions of the Administrator with respect to relocation of Federal agencies from property which has been determined by the Administrator to be other than optimally utilized under the provisions of section 210(e) of the Federal Property and Administrative Services Act of 1949, as amended: *Provided*, That \$2,500,000 of this amount shall be made available to pay expenses related to the relocation of the United States Fish and Wildlife Service regional office authorized and directed by Public Law 101-136: *Provided further*, That such relocations shall only be undertaken when the estimated proceeds from the disposition of the original facilities approximate the appraised fair market value of such new facilities and exceed the estimated costs of relocation. Relocation costs include expenses for and associated with acquisition of sites and facilities, and expenses of moving or repurchasing equipment and personal property. These funds may be used for payments to other Federal entities to accomplish the relocation functions: *Provided further*, That nothing in this paragraph shall be construed as relieving the Administrator of General Services or the head of any other Federal agency from any obligation or restriction under the Public Buildings Act of 1959 (including any obligation concerning submission and approval of a prospectus), the Federal Property and Administrative Services Act of 1949, as amended, or any other Federal law, or as authorizing the Administrator of General Services or the head of any other Federal agency to take actions inconsistent with statutory obligations or restrictions placed upon the Administrator of General Services or such agency head with respect to authority to acquire or dispose of real property.

#### GENERAL MANAGEMENT AND ADMINISTRATION

##### SALARIES AND EXPENSES

For necessary expenses, not otherwise provided, for Policy Direction, Board of Contract Appeals, and accounting, records management, and other support services incident to adjudication of Indian Tribal Claims by the United States Court of Claims, and services authorized by 5 U.S.C. 3109, \$35,100,000: *Provided*, That this appropriation shall be available, for general administrative and staff support services, subject to reimbursement by the applicable organization or agencies pursuant to subsections (a) and (b) of section 1535 of title 31, United States Code: *Provided further*, That not to exceed \$5,000 shall be available for official reception and representation expenses.

#### INFORMATION RESOURCES MANAGEMENT SERVICE

##### OPERATING EXPENSES

For expenses authorized by law, not otherwise provided for, necessary for carrying out Government-wide and internal responsibilities relating to automated data management, telecommunications, information resources management, and related activities, including services as authorized by 5 U.S.C. 3109; and for the Information Security Oversight Office established pursuant to Executive Order 12356; \$39,961,000.

#### OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General \$30,997,000 of which not to exceed \$1,000,000 shall remain available until expended for procurement and installment of an automation program in support of audits and investigations: *Provided*, That



not to exceed \$10,000 shall be available for payment for information and detection of fraud against the Government, including payment for recovery of stolen Government property: *Provided further*, That not to exceed \$2,500 shall be available for awards to employees of other Federal agencies and private citizens in recognition of efforts and initiatives resulting in enhanced Office of Inspector General effectiveness.

#### ALLOWANCES AND OFFICE STAFF FOR FORMER PRESIDENTS

For carrying out the provisions of the Act of August 25, 1958, as amended (3 U.S.C. 102 note), and Public Law 95-138; \$1,964,000: *Provided*, That the Administrator of General Services shall transfer to the Secretary of the Treasury such sums as may be necessary to carry out the provisions of such Acts.

#### GENERAL SERVICES ADMINISTRATION—GENERAL PROVISIONS

SECTION 1. The appropriate appropriation or fund available to the General Services Administration shall be credited with the cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U.S.C. 129).

SEC. 2. Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

SEC. 3. Not to exceed 1 per centum of funds made available in appropriations for operating expenses and salaries and expenses, during the current fiscal year, may be transferred between such appropriations for mandatory program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate for approval.

SEC. 4. Funds in the Federal Buildings Fund made available for fiscal year 1991 for Federal Buildings Fund activities may be transferred between such activities only to the extent necessary to meet program requirements. Any transfers proposed shall be submitted promptly to the Committees on Appropriations of the House and Senate for approval.

SEC. 5. Funds hereafter made available to the General Services Administration for the payment of rent shall be available for the purpose of leasing, for periods not to exceed thirty years, space in buildings erected on land owned by the United States.

SEC. 6. Notwithstanding any provisions of this Act or any other Act in any fiscal year, the Administrator of General Services is authorized and directed to charge the Department of the Interior for design and alterations to the Avondale, Maryland, property at rates so as to recover the approximate applicable cost incurred by General Services Administration in providing such alterations, and the Department of the Interior is authorized to repay such charges out of any appropriation available to the department and the payments shall be deposited in the fund established by 40 U.S.C. 490(f).

SEC. 7. The General Services Administration shall take immediate action to secure corrections to health and safety problems at the IRS Manhattan District Office and is directed if unable to correct such problems through the lessor within 90 days, to take such actions necessary to accomplish the corrections and withhold such amounts expended on such corrections from rental payments.

SEC. 8. Notwithstanding any other provision of law, the Secretary of the Interior

shall transfer to the General Services Administration, without consideration, approximately 14 acres of the United States Geological Survey Western Region Headquarters together with any improvements, structures and fixtures located thereon. The General Services Administration shall construct additional facilities for the United States Geological Survey on this site.

SEC. 9. (a) Notwithstanding any other provision of law, agencies are hereafter authorized to make rent payments to the General Services Administration for lease space relating to expansion needs of the agency and General Services Administration is authorized to use such funds, in addition to the amount received as New Obligational Authority in the Rental of Space activity of the Federal Buildings Fund. Such payments are to be at the commercial equivalent rates specified by section 201(j) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(j)) and are to be deposited into the Fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(f)).

(b) There are hereby appropriated, out of the Federal Buildings Fund, such sums as may be necessary to carry out the purpose of subsection (a).

SEC. 10. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, excessing, surplus, or disposal of lands in the vicinity of Norfolk Lake, Arkansas, administered by the Corps of Engineers, Department of the Army, without the specific approval of the Congress.

SEC. 11. None of the funds appropriated by this Act may be obligated or expended in any way for the purpose of the sale, excessing, surplus, or disposal of lands in the vicinity of Bull Shoals Lake, Arkansas, administered by the Corps of Engineers, Department of the Army, without the specific approval of the Congress.

SEC. 12. Notwithstanding any other provision of law, the Administrator of General Services is authorized to sell by publicly advertising for bids and on such terms and conditions as the Administrator deems proper, the John W. McCormack Post Office and Courthouse located at One Post Office Square in Boston, Massachusetts. All proceeds from such sale, less direct expenses incurred in the sale, shall be deposited into the fund established under section 210(f) of the Federal Property and Administrative Services Act.

SEC. 13. Notwithstanding any other provisions of law, the Administrator of General Services is authorized and directed to provide not less than 12,000 square feet of storage, office and public space in Pittsfield, Massachusetts, for the New England Regional Archives of the National Archives and Records Administration.

SEC. 14. Notwithstanding the provisions of the Act of September 13, 1982 (Public Law 97-258, 31 U.S.C. 1345), any agency, department or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may reimburse any Federal employee or any person employed to provide such services for travel, transportation and subsistence expenses incurred for training classes, conferences or other meetings in connection with the provision of such services: *Provided*, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.

SEC. 15. The Administrator of General Services is directed to coordinate its requirements for office and other space to house Government activities by utilizing assets of the Resolution Trust Corporation and its receivers and conservators.

#### NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

##### OPERATING EXPENSES

For necessary expenses in connection with National Archives and Records Administration and related activities, as provided by law, and for expenses necessary for the review and declassification of documents, and for the hire of passenger motor vehicles, \$139,756,000, of which \$5,000,000 for allocations and grants for historical publications and records as authorized by 44 U.S.C. 2504, as amended, shall remain available until expended and of which \$9,877,000 shall remain available until expended for renovations and improvements to the John F. Kennedy Library.

#### OFFICE OF GOVERNMENT ETHICS

##### SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Government Ethics pursuant to the Ethics in Government Act of 1978, as amended by Public Law 100-598, and the Ethics Reform Act of 1989, Public Law 101-194, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and not to exceed \$1,500 for official reception and representation expenses: \$3,725,000.

#### OFFICE OF PERSONNEL MANAGEMENT

##### SALARIES AND EXPENSES

##### (INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses to carry out functions of the Office of Personnel Management pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, medical examinations performed for veterans by private physicians on a fee basis, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, not to exceed \$2,500 for official reception and representation expenses, and advances for reimbursements to applicable funds of the Office of Personnel Management and the Federal Bureau of Investigation for expenses incurred under Executive Order 10422 of January 9, 1953, as amended: *Provided*, That, notwithstanding 31 U.S.C. 3302, the Director is hereby authorized to accept gifts for goods and services, which shall be available only for hosting National Civil Service Appreciation Conferences, to be held in several locations throughout the United States in 1991. Goods and services provided in connection with the conference may include, but are not limited to, food and refreshments; rental of seminar rooms, banquet rooms, and facilities; and use of communications, printing and other equipment. Awards of minimal intrinsic value will be allowed. Gifts provided by an individual donor shall not exceed 50 percent of the total value of the gifts provided at each location; \$114,461,000; and in addition \$74,379,000 for administrative expenses, to be transferred from the appropriate trust funds of the Office of Personnel Management in the amounts determined by the Office of Personnel Management without regard to other statutes, including direct procurement of health benefits printing, for

the retirement and insurance programs: *Provided further*, That amounts authorized to be transferred from the appropriate trust funds for implementation of the Federal Employees' Retirement System automated recordkeeping system in this or prior Acts, may be transferred at any time the Office of Personnel Management deems appropriate: *Provided further*, That the provisions of this appropriation shall not affect the authority to use applicable trust funds as provided by section 8348(a)(1)(B) of title 5, U.S.C.: *Provided further*, That no part of this appropriation shall be available for salaries and expenses of the Legal Examining Unit of the Office of Personnel Management established pursuant to Executive Order 9358 of July 1, 1943, or any successor unit of like purpose: *Provided further*, That the President's Commission on White House Fellows, established by Executive Order 11183 of October 3, 1964, may, during the fiscal year ending September 30, 1991, accept donations of money, property, and personal services in connection with the development of a publicity brochure to provide information about the White House Fellows, except that no such donations shall be accepted for travel or reimbursement of travel expenses, or for the salaries of employees of such Commission.

#### OFFICE OF INSPECTOR GENERAL

##### SALARIES AND EXPENSES

##### (INCLUDING TRANSFER OF TRUST FUNDS)

For necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act, as amended, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles: \$4,607,000; and in addition, not to exceed \$3,043,000 for administrative expenses to audit the Office of Personnel Management's insurance programs, to be transferred from the appropriate trust funds of the Office of Personnel Management, as determined by the Inspector General.

#### GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES HEALTH BENEFITS

For payment of Government contributions with respect to retired employees, as authorized by chapter 89 of title 5, United States Code, and the Retired Federal Employees Health Benefits Act (74 Stat. 849), as amended, \$3,509,563,000, to remain available until expended.

#### GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE LIFE INSURANCE

For payment of Government contributions with respect to employees retiring after December 31, 1989, as required by chapter 87 of title 5, United States Code, \$8,700,000, to remain available until expended.

#### PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the unfunded liability of new and increased annuity benefits becoming effective on or after October 20, 1969, as authorized by 5 U.S.C. 8348, and annuities under special Acts to be credited to the Civil Service Retirement and Disability Fund, \$5,687,105,000: *Provided*, That annuities authorized by the Act of May 29, 1944, as amended and the Act of August 19, 1950, as amended (33 U.S.C. 771-75), may hereafter be paid out of the Civil Service Retirement and Disability Fund.

##### REVOLVING FUND

Pursuant to section 4109(d)(1) of title 5, United States Code, costs for entertainment

expenses of the President's Commission on Executive Exchange shall not exceed \$12,000.

#### MERIT SYSTEMS PROTECTION BOARD SALARIES AND EXPENSES

##### (INCLUDING TRANSFER OF FUNDS)

For necessary expenses to carry out functions of the Merit Systems Protection Board pursuant to Reorganization Plan Numbered 2 of 1978 and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, rental of conference rooms in the District of Columbia and elsewhere, hire of passenger motor vehicles, and direct procurement of survey printing, \$22,564,000, together with not to exceed \$1,500,000 for administrative expenses to adjudicate retirement appeals to be transferred from the Civil Service Retirement and Disability Fund in amounts determined by the Merit Systems Protection Board.

#### OFFICE OF SPECIAL COUNSEL

##### SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Office of Special Counsel pursuant to Reorganization Plan Numbered 2 of 1978, the Civil Service Reform Act of 1978 (Public Law 95-454), and the Whistleblower Protection Act of 1989 (Public Law 101-12), including services as authorized by 5 U.S.C. 3109, payment of fees and expenses for witnesses, rental of conference rooms in the District of Columbia and elsewhere, and hire of passenger motor vehicles: \$6,608,000.

#### FEDERAL LABOR RELATIONS AUTHORITY

##### SALARIES AND EXPENSES

For necessary expenses to carry out functions of the Federal Labor Relations Authority, pursuant to Reorganization Plan Numbered 2 of 1978, and the Civil Service Reform Act of 1978, including services as authorized by 5 U.S.C. 3109, including hire of experts and consultants, hire of passenger motor vehicles, rental of conference rooms in the District of Columbia and elsewhere: \$18,443,000: *Provided*, That public members of the Federal Services Impasses Panel may be paid travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 5703) for persons employed intermittently in the Government service, and compensation as authorized by 5 U.S.C. 3109.

#### UNITED STATES TAX COURT

##### SALARIES AND EXPENSES

For necessary expenses, including contract reporting and other services as authorized by 5 U.S.C. 3109; \$31,598,000: *Provided*, That travel expenses of the judges shall be paid upon the written certificate of the judge.

This title may be cited as the "Independent Agencies Appropriations Act, 1991".

Mr. ROYBAL (during the reading). Mr. Chairman, I ask unanimous consent that title IV of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order against title IV?

If not, are there any amendments to title IV?

#### AMENDMENT OFFERED BY MR. JACOBS

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

The Clerk read as follows:

Amendment offered by Mr. JACOBS: Page 43, line 18, strike out "\$1,964,000" and insert in lieu thereof "\$449,200."

Mr. JACOBS. Mr. Chairman, the latter figure represents the pensions for former Presidents and the surviving spouse of a former President.

Each of the former Presidents now collects a pension of \$107,000 per annum by consequence of his service in the White House. Either one or two collect the full congressional pension on top of that.

What this does is strike out the freebies and the emoluments that are given to former Presidents when they leave office—or rather when they do not leave office, because all they do is transfer offices and the taxpayers put up the money for another office when these former Presidents become private citizens.

You will recall that Thomas Jefferson said upon leaving the White House, "I go forth to accept the promotion from servant to master," meaning private citizen. There is no reason for the taxpayers to pay for these offices for former Presidents.

The former Presidency, in most cases, has become big business. A lot of money is made by former Presidents simply because they are former Presidents, and for the taxpayers to pay for the office expenses of carrying on these enterprises, these big business former Presidency enterprises, seems quite unreasonable to me and, by most polls I have read, seems quite unreasonable to most of the taxpayers in this country.

Here is a man who shows his buddy his new house. They go in, and he says, "Here is the living room, here is the dining room, and here is the Florida room."

In the Florida room there is a man and a woman—there are a man and a woman—sitting on a loveseat holding hands and kissing. And the host says, "And that is my wife."

Then they go into another room, "This is the library," and eventually they get into the kitchen. The host pours a cup of coffee for his friend. His friend just cannot stand it anymore. He says, "What about the guy in the Florida room?" And the host says, "Let him get his own coffee."

Now that is how I feel about our revered former Presidents. They are all millionaires, they all can get—although I will say parenthetically President Nixon has declined any honoraria since he has left the White House, and I find that to be a dignified thing to do—but they can command speaker's fees of \$25,000 each when they go to be ornaments at conventions at different places.



So let them pay their own overhead.

I hear it said that these offices are to enable former Presidents to answer their voluminous mail that flows in, if you believe that. Therefore, my staff and I have tested that theory a couple of times. From three out of four, we never got any answer at all. From the fourth, we got the kind of post card you can get back from a mail order house which says they do not have the stuff that they advertise.

So I do not think that is much of an argument.

With this Government tottering on the financial brink of disaster, taxpayers in this country might wonder about the sanity of forcing them to give a half-million dollars each to four wealthy men who are already collecting \$107,000 a year in pensions.

One of our former Presidents said, "We are going to get government off the backs of our people." This amendment gives one message to the former Presidents: Hop off.

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, as we all know, this amendment has been presented every year, but this appropriation is authorized by law. In fact, it is authorized by title III, United States Code section 102.

If there is any change to be made, it should be made in the law itself. That suggestion has been made year after year, but nothing has happened. There is no attempt of any kind to change the legislation and to change the intent of the law. But what this appropriation actually does is provide an office allowance and pension for former Presidents. That is authorized in the law.

Now, when a man leaves as President of the United States, he does not cease to exist in the public eye. He is still a public figure.

Under this law, the former Presidents are allowed staff to perform certain functions related to their duties as former Presidents.

They receive mail, for example, which should be answered. They should have a staff to do that. That is made possible by the law itself.

Former Presidents make public appearances on various subjects. They, of course, continue with their interests in the welfare of the United States of America.

They also perform certain charity functions and whatever official duties may arise at any time.

I believe, Mr. Chairman, that this amendment should be defeated. I request and ask Members of the House to defeat this amendment.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment. The past several years my good friend, the gentleman from Indiana, has religiously challenged the justification for the allowances for former Presidents.

Each year, we've debated the merits of the program.

The arguments pro and con are well known to many Members of the House, but since the issue was raised again this year, and since some Members may not be familiar with this issue, the history and justification for the program deserve repeating.

Thirty-two years ago when this program was authorized, the leaders of both parties recognized the special burdens placed upon those who have served as President of the United States.

For just a moment, and before we vote, let's examine the circumstances surrounding the establishment of this "allowance for former Presidents."

Two unmet needs motivated the creation of this program and, today, justify its continued existence. First, many people in this country continue to place demands on our President after their term has expired.

They receive thousands of letters and invitations, make hundreds of public appearances for charities and occasionally perform official duties.

Most recently, former Presidents Carter and Ford risked their lives and went to Central America as observers of the so-called elections in Panama.

In 1958, when this program was under consideration by the Congress, Speaker John McCormack said at the time:

The interest of the American people in the President does not cease when his term of office has ended. The public demands \* \* \* the speeches, the conferences, advice, correspondence, and otherwise, \* \* \* after his service as President is over, continues.

Speaker McCormack recognized that public demands on our former Presidents must be met with public support.

Another justification for this allowance can be found in the way our former Presidents were treated as compared to public servants. Before this allowance was authorized, former Presidents were the only major officeholders or public servants not receiving a pension or other benefits from the Government.

At the time, Supreme Court Justices could retire at full salary, at any point, no matter how long they served. Former Speakers of the House receive a pension and a generous allowance for office staff and expenses.

An even better comparison was our treatment of five-star generals. These retired military leaders, technically on active duty, not only received full salaries for pension, but they were allowed a full military staff, a chauffeur, and a secretary. The question at the time was rightfully asked: Should the Commander in Chief of our Armed Forces be treated less than his subordinates?

This program corrects this inequity and provides our former Presidents with a modest allowance to assist them as they continue to serve this country after their terms have expired.

The gentleman from Indiana has been persistent over the years in his commitment to offer this amendment. I believe the gentleman is sincere about this commitment, but I would suggest that we consider this program in the proper forum.

I am willing to take a closer look at this allowance in the proper context and setting. If there is waste and abuse, it should be stopped. If there is excessive spending, it must be curtailed. But the subcommittee received no testimony in opposition to this program, and the administration has consistently supported additional resources.

The increase requested here is modest and the total amount is small in comparison to other Federal programs. In fact, former Presidents have made significant reductions in costs for office space, equipment, and staff.

Former President Nixon, for example, has assumed the cost of his protection and many other expenses associated with maintaining his office.

For 29 years, there has been a Federal commitment to former Presidents of the United States. If changes are required, let's do it right and not disable the program.

I urge Members to maintain this commitment and vote against the amendment.

AMENDMENT OFFERED BY MR. SKEEN TO THE  
AMENDMENT OFFERED BY MR. JACOBS

Mr. SKEEN. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. SKEEN to the amendment offered by Mr. JACOBS: Strike "\$449,200" in the amendment, and insert in lieu thereof "\$1,808,000".

Mr. SKEEN. Mr. Chairman, what this amendment does is cut \$156,000 from the President's request, which is about an 8-percent reduction. It brings the amount of this figure down to last year's level.

This is a perennial thing. Mr. Chairman, I have developed a great friendship with the gentleman from Indiana [Mr. JACOBS] over the years, discussing this particular amendment. I do not want to belabor it any longer.

Rather than single out Presidents, former Presidents of the United States, if we are going to do this on retirement and benefits which have been enacted into law, I think we ought to look at the whole spectrum, which would also include former Members of Congress, Supreme Court Justices, Speakers of the House and all the rest, because many of them are also millionaires and have access also to large remunerative commitments that put money in their pockets.

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I do think that we have a definite problem in balancing the budget and deficits, and I recognize the gentleman's zeal and candor and sincerity and all the rest, but I think that the proper approach is to leave it where it is, make our commitment to former Presidents who have given great service.

Mr. ROYBAL. Mr. Chairman, I rise in support of the amendment made by the gentleman from New Mexico [Mr. SKEEN]. I think that that amendment makes a lot of sense.

What is does, of course, is to cut back the amount of last year's appropriation which actually results in an 8 percent decrease from that amount requested this year. But it does not destroy the function of former Presidents. It leaves it intact, and perhaps will send a message that we are looking at this account very carefully, and that they will be prudent in the expenditure of funds and their job at all times must be done correctly. I would accept the amendment as offered by the gentleman from New Mexico [Mr. SKEEN].

Mr. DORGAN of North Dakota. Mr. Chairman, I rise in opposition to the amendment. I have joined my colleague from Indiana [Mr. JACOBS] over a good many years on the floor on this subject, and he has faithfully come to the floor and attempted to see if we could not cut back on the expenditures that we make in this body for ex-Presidents. I think ex-Presidents are wonderful for this country. We have had some awfully good Presidents, and they have served this country well. They retire, they certainly should be afforded the dignity and respect that we owe them.

I recall reading about Harry Truman, when he retired back to Missouri he did not have enough money to write letters. He needed some money for postage, and so on. They had no effective pension. It was a tough situation. So Congress responded to that, and Congress responded appropriately. We should respond to that.

However, Members know what has happened in the 1970's and the 1980's. It is on both sides of the aisle, Democrat and Republican former Presidents. We started pumping money into libraries, gave them offices and staff, and a good range of things. And all of a sudden it started looking more like retired royalty than retired President. The gentleman from Indiana has appropriately come to the floor of the House, I think now, for 8 or 10 years and said what is fair is far, but enough is enough. We have plenty of needs for money that we do not have to pile extra money and extra benefits on top of benefits here for people who do not need them. They should have a pension, sure. They should have Secret Service protection. No one is suggesting they should not.

We have gone way too far. This is a country that is a democracy, a republic form of government. It is not a monarchy. We do not have retired kings here, and I think enough is enough. I think the gentleman from Indiana is offering an amendment that is very sensible. The gentleman from New Mexico [Mr. SKEEN], as I understand it, is attempting to whittle away at this amendment and trying to belittle something that does not do much, that heads off what the gentleman

from Indiana [Mr. JACOBS] is trying to do. I support what the gentleman from Indiana [Mr. JACOBS] is trying to do. I oppose the Skeen amendment, and support the Jacobs amendment. I think that is the right thing for the ex-Presidents and the right thing for the American taxpayer.

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

I want to point out that I do not think any Member in my group wants to be unreasonable with the former Presidents. We probably ought to have some kind of a transition. They have that, anyway, to private life.

However, once they are in private life, there just really is not an excuse, and if a lot of people do not understand, just go home and ask our taxpayers what they think of giving the millionaires free offices when 90 percent of those offices are used to get richer still.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico [Mr. SKEEN] to the amendment offered by the gentleman from Indiana [Mr. JACOBS].

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

#### RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 300, noes 91, not voting 41, as follows:

#### [Roll No. 229]

##### AYES—300

Ackerman	Coleman (MO)	Gallo
Alexander	Coleman (TX)	Gaydos
Anderson	Collins	Gejdenson
Andrews	Combest	Gekas
Annunzio	Condit	Gephardt
Anthony	Conte	Geren
Applegate	Cooper	Gibbons
Archer	Coughlin	Gillmor
Aspin	Courter	Gilman
Baker	Cox	Gingrich
Ballenger	Darden	Gonzalez
Barnard	Davis	Gordon
Bartlett	de la Garza	Goss
Barton	DeLay	Gradison
Bateman	Dellums	Grandy
Bates	Derrick	Gray
Beilenson	DeWine	Green
Bentley	Dickinson	Gunderson
Berman	Dicks	Hall (OH)
Bevill	Dixon	Hammerschmidt
Bilbray	Dornan (CA)	Hansen
Bilirakis	Douglas	Harris
Bliley	Downey	Hastert
Boehlert	Dreier	Hefley
Boggs	Duncan	Hefner
Bonior	Dwyer	Henry
Brennan	Dyson	Herger
Brooks	Early	Hiler
Broomfield	Engel	Hoagland
Browder	English	Hochbrueckner
Bruce	Erdreich	Holloway
Bryant	Espy	Hopkins
Buechner	Fascell	Horton
Bunning	Fawell	Hoyer
Bustamante	Fazio	Hubbard
Byron	Feighan	Huckaby
Callahan	Fields	Hughes
Campbell (CO)	Fish	Hunter
Cardin	Flippo	Hutto
Chandler	Foglietta	Hyde
Chapman	Frenzel	Inhofe
Coble	Gallely	Ireland

James	Mrazek	Schuette
Johnson (CT)	Myers	Schulze
Johnson (SD)	Nagle	Schumer
Jones (GA)	Natcher	Serrano
Jones (NC)	Neal (MA)	Shaw
Kaptur	Nielson	Shumway
Kasich	Nowak	Shuster
Kastenmeier	Oakar	Sisisky
Kennelly	Oberstar	Skaggs
Klecza	Olin	Skeen
Kolbe	Ortiz	Slattery
Kolter	Owens (NY)	Slaughter (NY)
Kyl	Owens (UT)	Slaughter (VA)
Lagomarsino	Oxley	Smith (FL)
Lancaster	Packard	Smith (IA)
Laughlin	Pallone	Smith (NE)
Leach (IA)	Panetta	Smith (NJ)
Leath (TX)	Parker	Smith, Robert
Lehman (CA)	Parris	(OR)
Lehman (FL)	Pashayan	Snowe
Lent	Patterson	Solarz
Levine (CA)	Payne (NJ)	Solomon
Lewis (CA)	Payne (VA)	Spence
Lewis (FL)	Pelosi	Spratt
Lightfoot	Perkins	Stallings
Lipinski	Pickett	Stangeland
Livingston	Pickle	Stenholm
Lloyd	Porter	Sundquist
Lowery (CA)	Poshard	Swift
Lowey (NY)	Price	Tallon
Lukens, Thomas	Pursell	Tanner
Lukens, Donald	Quillen	Tauke
Machtey	Rangel	Tauzin
Madigan	Ravenel	Taylor
Manton	Ray	Thomas (CA)
Marlenee	Rhodes	Thomas (GA)
Martin (IL)	Richardson	Thomas (WY)
Matsui	Ridge	Torres
Mazzoli	Rinaldo	Towns
McCandless	Ritter	Traffant
McCullum	Roberts	Udall
McCrery	Roe	Vucanovich
McGrath	Rogers	Walgren
McHugh	Ros-Lehtinen	Walker
McMillan (NC)	Rose	Walsh
McMillen (MD)	Rostenkowski	Waxman
McNulty	Rowland (CT)	Weber
Meyers	Rowland (GA)	Weiss
Mfume	Roybal	Weldon
Michel	Sabo	Wheat
Miller (OH)	Saiki	Whittaker
Miller (WA)	Sangmeister	Whitten
Moakley	Sarpalius	Wolf
Molinari	Savage	Wyden
Mollohan	Sawyer	Wylie
Montgomery	Saxton	Yates
Moody	Schaefer	Young (AK)
Moorhead	Schiff	
Morrison (WA)	Schneider	

##### NOES—91

Armey	Guarini	Roukema
Atkins	Hamilton	Russo
AuCoin	Hancock	Scheuer
Bennett	Hawkins	Schroeder
Bereuter	Hayes (IL)	Sensenbrenner
Borski	Hertel	Sharp
Bosco	Jacobs	Shays
Brown (CO)	Jontz	Sikorski
Burton	Kanjorski	Smith (VT)
Campbell (CA)	Kildee	Staggers
Carper	Lantos	Stearns
Carr	Levin (MI)	Stokes
Clarke	Lewis (GA)	Studds
Conyers	Long	Stump
Costello	Markey	Synar
Craig	Mavroules	Traxler
Crane	McCloskey	Unsoeld
Dannemeyer	McCurdy	Upton
DeFazio	McDermott	Valentine
Dingell	McEwen	Vander Jagt
Donnelly	Miller (CA)	Vento
Dorgan (ND)	Mineta	Visclosky
Durbin	Murphy	Volkmer
Dymally	Neal (NC)	Williams
Eckart	Obeys	Wilson
Edwards (CA)	Pease	Wise
Edwards (OK)	Penny	Wolpe
Emerson	Petri	Yatron
Evans	Rahall	Young (FL)
Frank	Rohrabacher	
Grant	Roth	

##### NOT VOTING—41

Boucher	Boxer	Brown (CA)
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Clay  
Clement  
Clinger  
Coyne  
Crockett  
Flake  
Ford (MI)  
Ford (TN)  
Frost  
Glickman  
Goodling  
Hall (TX)  
Hatcher  
Hayes (LA)

Houghton  
Jenkins  
Johnston  
Kennedy  
Kostmayer  
LaFalce  
Martin (NY)  
Martinez  
McDade  
Morella  
Morrison (CT)  
Murtha  
Nelson  
Paxon

Regula  
Robinson  
Skelton  
Smith (TX)  
Smith, Denny  
(OR)  
Smith, Robert  
(NH)  
Stark  
Torricelli  
Washington  
Watkins

□ 1236

Messrs. SMITH of Vermont, VANDER JAGT, ROHRBACHER, SYNAR, PENNY, UPTON, EMERSON, ATKINS, LEWIS of Georgia, EDWARDS of Oklahoma, and GRANT changed their vote from "aye" to "no."

Messrs. FLIPPO, FOGLIETTA, DORNAN of California, OBERSTAR, HEFNER, and LANCASTER changed their vote from "no" to "aye."

So the amendment to the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana [Mr. JACOBS], as amended.

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

## RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 379, noes 7, not voting 46, as follows:

[Roll No. 230]

## AYES—379

Ackerman  
Alexander  
Anderson  
Andrews  
Annunzio  
Anthony  
Applegate  
Archer  
Army  
Aspin  
Atkins  
AuCoin  
Baker  
Ballenger  
Barnard  
Bartlett  
Barton  
Bateman  
Bates  
Beilenson  
Bennett  
Bentley  
Bereuter  
Berman  
Bevill  
Bilbray  
Bilirakis  
Bliley  
Boehlert  
Boggs  
Bonior  
Borski  
Bosco  
Brennan  
Brooks  
Broomfield  
Browder  
Brown (CO)

Bruce  
Bryant  
Buechner  
Bunning  
Burton  
Bustamante  
Byron  
Callahan  
Campbell (CA)  
Campbell (CO)  
Cardin  
Carper  
Carr  
Chandler  
Chapman  
Clarke  
Clay  
Coble  
Coleman (MO)  
Coleman (TX)  
Collins  
Combest  
Condit  
Conyers  
Cooper  
Costello  
Coughlin  
Courtier  
Cox  
Craig  
Crane  
Dannemeyer  
Darden  
Davis  
de la Garza  
DeFazio  
DeLay  
Dellums

Derrick  
DeWine  
Dickinson  
Dicks  
Dingell  
Dixon  
Donnelly  
Dorgan (ND)  
Dorman (CA)  
Douglas  
Downey  
Dreier  
Duncan  
Durbin  
Dwyer  
Dyson  
Eckart  
Edwards (CA)  
Edwards (OK)  
Emerson  
Engel  
English  
Erdreich  
Espy  
Evans  
Fascell  
Fawell  
Fazio  
Feighan  
Fields  
Fish  
Flippo  
Frank  
Frenzel  
Gallegly  
Gallo  
Gaydos  
Gejdenson

Gekas  
Gephardt  
Geren  
Gibbons  
Gillmor  
Gilman  
Grinch  
Gonzalez  
Gordon  
Goss  
Gradison  
Grandy  
Grant  
Green  
Guarini  
Gunderson  
Hall (OH)  
Hamilton  
Hammerschmidt  
Hancock  
Hansen  
Harris  
Hastert  
Hayes (IL)  
Hefley  
Hefner  
Henry  
Herger  
Hertel  
Hiler  
Hoagland  
Hochbrueckner  
Holloway  
Hopkins  
Horton  
Hoyer  
Hubbard  
Huckaby  
Hughes  
Hunter  
Hutto  
Hyde  
Inhofe  
Ireland  
Jacobs  
James  
Johnson (CT)  
Johnson (SD)  
Jones (GA)  
Jones (NC)  
Jontz  
Kanjorski  
Kaptur  
Kasich  
Kastenmeier  
Kennelly  
Kildee  
Klecicka  
Kolbe  
Kolter  
Kyl  
LaFalce  
Lagomarsino  
Lancaster  
Lantos  
Laughlin  
Leath (TX)  
Lehman (CA)  
Lehman (FL)  
Levin (MI)  
Levine (CA)  
Levine (CA)  
Lewis (FL)  
Lewis (GA)  
Lightfoot  
Lipinski  
Livingston  
Lloyd  
Long  
Lowery (CA)  
Lowey (NY)  
Luken, Thomas  
Lukens, Donald  
Machtley  
Madigan  
Manton  
Markey  
Marlenee  
Martin (IL)

Matsui  
Mavroules  
Mazzoli  
McCandless  
McCloskey  
McCollum  
McCrery  
McCurdy  
McDermott  
McGrath  
McHugh  
McMillan (NC)  
McMillen (MD)  
McNulty  
Meyers  
Mfume  
Michel  
Miller (CA)  
Miller (OH)  
Miller (WA)  
Mineta  
Moakley  
Molinari  
Mollohan  
Montgomery  
Moody  
Moorhead  
Mrazek  
Murphy  
Myers  
Nagle  
Natcher  
Neal (MA)  
Neal (NC)  
Nielson  
Nowak  
Oakar  
Oberstar  
Obey  
Olin  
Ortiz  
Owens (NY)  
Owens (UT)  
Oxley  
Packard  
Pallone  
Panetta  
Parker  
Parris  
Pashayan  
Patterson  
Payne (NJ)  
Payne (VA)  
Pease  
Penny  
Perkins  
Petri  
Pickett  
Pickle  
Porter  
Poshard  
Price  
Quillen  
Rahall  
Rangel  
Ravenel  
Ray  
Rhodes  
Richardson  
Ridge  
Rinaldo  
Ritter  
Roberts  
Roe  
Rogers  
Rohrabacher  
Ros-Lehtinen  
Rose  
Rostenkowski  
Roth  
Roukema  
Rowland (CT)  
Rowland (GA)  
Roybal  
Russo  
Sabo  
Saiki  
Sangmeister  
Sarpalius

Savage  
Sawyer  
Saxton  
Schaefer  
Scheuer  
Schiff  
Schneider  
Schroeder  
Schuette  
Schulze  
Schumer  
Sensenbrenner  
Serrano  
Sharp  
Shaw  
Shays  
Shumway  
Shuster  
Sikorski  
Sisisky  
Skaggs  
Skeen  
Skelton  
Slattery  
Slaughter (NY)  
Slaughter (VA)  
Smith (FL)  
Smith (IA)  
Smith (NE)  
Smith (NJ)  
Smith (VT)  
Smith, Robert  
(OR)  
Snowe  
Solarz  
Solomon  
Spence  
Spratt  
Staggers  
Stallings  
Stangeland  
Stearns  
Stenholm  
Stokes  
Studds  
Stump  
Sundquist  
Swift  
Synar  
Tallon  
Tanner  
Tauke  
Tauzin  
Taylor  
Thomas (CA)  
Thomas (GA)  
Thomas (WY)  
Torres  
Towns  
Traficant  
Traxler  
Udall  
Unsoeld  
Upton  
Valentine  
Vento  
Visclosky  
Volkmer  
Vucanovich  
Walgren  
Walker  
Walsh  
Waxman  
Weber  
Wheat  
Whittaker  
Whitten  
Williams  
Wilson  
Wise  
Wolf  
Wolpe  
Wyden  
Wylie  
Yates  
Yatron  
Young (AK)  
Young (FL)

## NOES—7

Conte  
Dymally  
Foglietta  
McEwen  
Pelosi  
Vander Jagt  
Weiss

## NOT VOTING—46

Boucher  
Boxer  
Brown (CA)  
Clement  
Clinger  
Coyne  
Crockett  
Early  
Flake  
Ford (MI)  
Ford (TN)  
Frost  
Glickman  
Goodling  
Gray  
Hall (TX)

Hatcher  
Hawkins  
Hayes (LA)  
Houghton  
Jenkins  
Johnston  
Kennedy  
Kostmayer  
Leach (IA)  
Lent  
Martin (NY)  
Martinez  
McDade  
Morella  
Morrison (CT)  
Morrison (WA)

Murtha  
Nelson  
Paxon  
Pursell  
Regula  
Robinson  
Smith (TX)  
Smith, Denny  
(OR)  
Smith, Robert  
(NH)  
Stark  
Torricelli  
Washington  
Watkins  
Weldon

□ 1255

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

## PERSONAL EXPLANATION

Mr. GOODLING. Mr. Chairman, I was not able to cast votes on the previous two amendments: The Skeen amendment to the Jacobs amendment—rollcall No. 229—and the Jacobs amendment—rollcall No. 230. A valued former employee of mine, Lucille Fetter, passed away and I traveled to my home district to attend her funeral. Had I been present on the floor of the House, I would have voted in favor of the Skeen amendment, and in favor of the Jacobs amendment as amended.

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

Mr. Chairman, I would like to enter into a brief colloquy with the chairman of the subcommittee, my good friend Ed ROYBAL.

Mr. Chairman, the subject pertains to a letter from Charles Bowsher, the Comptroller General of the United States, to the Honorable Richard Darman, the Director of the Office of Management and Budget.

I will insert this letter in the RECORD at this point.

COMPTROLLER GENERAL  
OF THE UNITED STATES,  
Washington, DC, July 10, 1990.

HON. RICHARD DARMAN,  
Director, Office of Management and Budget.

DEAR DICK: It is my understanding that OMB has recently announced to the Chief Financial Officers Council that it plans to establish in the executive branch a board to set federal government accounting standards. I am both surprised and concerned by this announcement. In my opinion it would be inappropriate and counterproductive for OMB to unilaterally embark on the establishment of a new accounting standards setting process for the federal government.

As you know, 31 U.S.C. § 3511 provides that "[t]he Comptroller General shall prescribe the accounting principles, standards, and requirements that the head of each executive agency shall observe." For 40 years we have carried out this assignment in close cooperation with the Office of Management and Budget and the Treasury Department. I think it inappropriate for OMB to now turn its back on this statutorily-mandated and long-standing arrangement and administratively establish an alternate process for standard setting that is inconsistent with the applicable law.

As the Congress and the Administration try to find a resolution of the budget crisis they are handicapped by inadequate federal accounting systems and financial reporting. The participants in the budget discussions have numbers that are neither accurate nor timely, and therefore do not have a true picture of where we stand. This is the heart of the problem, not the standards or the standard setting process.

I am convinced that creating an effective financial management system is important to long term resolution of the government's budget and financial problems. I have shared with you personally both that conviction and my belief that we can work together on this matter without a confrontation over the process of setting accounting standards. During our discussions, you have expressed to me a commitment to dealing with the government's financial management problems and improving federal accounting systems. I and the staff of GAO have been working with you and the staff of OMB on the development of a financial management reform program for the government that we can both support. I would like these cooperative efforts to continue.

Unilateral steps to establish a new process for setting government accounting standards would only impede this cooperation and seriously set back the cause of federal financial management reform which is so important to both of us. I hope that we can meet on this important matter as soon as possible.

Sincerely,

CHARLES A. BOWSHER,

Comptroller General of the United States.

Mr. FAZIO. Mr. Chairman, I would like to point out to Chairman ROYBAL that the Comptroller General's letter states "surprise and concern" that the OMB has decided to unilaterally announce plans to establish in the executive branch a board to set Federal Government accounting standards.

The letter further points out that statutory authority for prescribing such standards resides with the Comptroller General under section 3511 of title 31, United States Code.

The Comptroller General is not objecting to OMB's objectives of improving Federal accounting systems and financial reporting. He merely believes that this should be a cooperative effort. He has made that offer to Mr. Darman and had understood there was general agreement.

But, this unilateral step seems to indicate otherwise.

Mr. Chairman, I know you agree that the Comptroller General has this statutory authority, as defined by section 3511 of title 31.

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

Mr. FAZIO. I am happy to yield to the gentleman from California.

Mr. ROYBAL. That is true. Section 3511 says that the—

Comptroller General shall prescribe the accounting principles, standards, and requirements that the head of each executive agency shall observe.

Mr. FAZIO. Mr. Chairman, I urge the subcommittee to remind Mr.

Darman of that statute and to work cooperatively with the Comptroller General.

Mr. ROYBAL. We will be happy to do that and I thank the gentleman for bringing this to our attention.

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

Mr. Chairman, the minority has not been exposed to this particular measure. I do not know what it does or does not do. I would appreciate at least some kind of an opportunity to visit with the gentleman or have it explained to me.

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

Mr. SKEEN. I am happy to yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I will be happy to do so. This is, of course, not anything we need to vote on. It is simply a statement to OMB that they not go forward with a unilateral effort to revise the accounting standards for the executive branch. This is statutorily and traditionally the role of the GAO, and we simply want to assure our Comptroller, Mr. Bowsher, that we understand and appreciate his role, and that Mr. Darman and he work on these issues together as they had tentatively agreed to do. It is not an effort to tell Mr. Darman what to do except that we want to assure him that whatever new changes in the accounting standard be done between the two branches of Government.

Mr. SKEEN. Mr. Chairman, we do not necessarily agree, because we have not studied the problem and would appreciate the opportunity to have some discussion with the gentleman on this.

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

Mr. Chairman, I would like to engage in a brief colloquy with a member of the subcommittee, the gentleman from Maryland [Mr. HOYER].

I know that in title V of this appropriation bill there will be money and instructions to move 300 Secret Service agents to get involved in S&L investigations. I would certainly say to the gentleman that the amendment is worthy and needed, well intended in the fact that we are desperately short of agents, investigators, U.S. attorneys to look into the crimes of the magnitude that have been perpetrated in the S&L industry, although I do have a concern, and that it is pretty apparent that we need some one person in charge. We cannot have two separate agencies of people running to investigate the same thrifts, subpoenaing the same records, calling in the same witnesses, perhaps working on different charges at cross-purposes.

I would ask the gentleman from Maryland what can be done to make sure that while we utilize the manpower we do not have two separate heads running the same type of investigation.

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

Mr. SCHUMER. I am happy to yield to the gentleman from Maryland.

□ 1300

Mr. HOYER. Mr. Chairman, I thank the gentleman for his question and for his comments. I think we all share in this body a view that we need to apply all of the resources available to us to get at the savings and loan problem that confronts this Nation in its great magnitude, and particularly the fraud and abuse and theft that has occurred.

The point of the gentleman is well-taken that in doing this, we do not want to create bureaucracies which will negate effective action as opposed to enhancing effective action.

I have indicated in my discussions with the gentleman from New York [Mr. SCHUMER], which I will follow through on between now and the conference on this bill, working with the gentleman from California [Mr. ROYBAL] and working with the gentleman from New Mexico [Mr. SKEEN], that we will indeed address the question of coordination to make sure that efforts are complementary to one another and not at cross-purposes.

Mr. Chairman, I think the point of the gentleman from New York [Mr. SCHUMER] is very well-taken, and I look forward to working with him toward that objective.

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

Mr. Chairman, I want to take this opportunity to establish some legislative history with respect to the amendment unanimously added at the full committee giving the Secret Service concurrent authority to investigate savings and loan and any other financial crimes.

Mr. Chairman, it is common sense to assume that the Secret Service, in working these savings and loan cases, will coordinate during their investigations with the FBI or any other Federal department or agency involved in this activity. No one wants to duplicate the resources. Here when fraud is so widespread, it is hard to imagine resources will be duplicated.

As was mentioned at the full committee, thousands and thousands of referrals remain unexamined, and many more are expected over the months to come. It is my understanding that the Secret Service will work to reduce this backlog within the task force system where it is possible.

Members should be aware that the Justice Department has established only one savings and loan task force so far, in Dallas, TX. Many more are planned, but where there is no structure in place, and where it would be impractical, the Secret Service should proceed to investigate these financial



crimes whenever it gets the proper referral. Moreover, the Secret Service should take every advantage of collateral investigation when the situations arise.

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

Mr. CONTE. I yield to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Chairman, I would like to engage the gentleman from Massachusetts [Mr. CONTE] and perhaps the gentleman from New Mexico [Mr. SKEEN] in a colloquy related to this subject.

As I understand it, the legislation before us grants additional sums to the Secret Service.

Mr. CONTE. Mr. Chairman, reclaiming my time, no, it does not. There are no additional sums whatsoever.

Mr. ROGERS. If the gentleman will yield further, what does the legislation do in regard to Secret Service involvement in the S&L legislation?

Mr. CONTE. This amendment simply allows the funds made available to the Secret Service to be used for criminal investigations related to the savings and loan crisis. It adds no money to the bill, but it does give the Federal Government an additional tool to put the crooks in jail that caused this financial mess.

Mr. ROGERS. Mr. Chairman, I would ask with regard to the investigations being conducted, who is in charge? Will the Justice Department remain in charge of the investigation?

Mr. CONTE. The provision does not affect the existing jurisdiction of any other agency or department, but it will give jurisdiction also to the Secret Service. If they come upon a case where fraud or corruption is discovered, then the Secret Service can get involved on that particular case.

Mr. ROGERS. Mr. Chairman, as the gentleman knows, and all Members I think understand, the Attorney General and the Justice Department has investigative teams all over the world, in fact, at this minute investigating these cases, and has had for several years now. There are literally thousands of investigations going on, a lot of which require the services of Treasury agents, those people who are more expert in the laws of the Treasury Department, the Internal Revenue Service and the like. I have seen nothing myself but cooperation from the Secret Service and those teams that involve FBI, Justice Department lawyers, prosecutors and the like, financial consultants, Secret Service agents and the like, all around the world.

Mr. Chairman, we have not seen as massive an investigation going on with regard to anything in my lifetime as we are seeing today by the Justice Department and Federal agencies in ferreting out the crooks involved here.

Mr. CONTE. Mr. Chairman, let me answer this: The FBI only has one

task force devoted exclusively to S&L fraud cases, and that task force is in Dallas, TX.

Mr. ROGERS. If the gentleman would yield further on that, there are other task forces around the world. I am not talking about a prosecutorial task force as in Dallas. I am talking about the investigative task forces that are all over the world investigating cases.

Mr. CONTE. Reclaiming my time, the Attorney General, I might say, estimated that 25 to 30 percent of the thrift failures can be attributed to criminal activity by S&L officers, and many of those cases remain in the box. They are still in the box because of the resources not being available to investigate these crimes. In fact, the estimate is that there are some 20,000 referrals to the FBI that have not even been looked at yet.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. CONTE] has expired.

(At the request of Mr. HILER and by unanimous consent, Mr. CONTE was allowed to proceed for 5 additional minutes.)

Mr. CONTE. Mr. Chairman, one example of where the Secret Service will get involved in S&L cases will be in places where there is no ongoing investigation by the FBI. We are not expecting any duplication. We are trying to marshal every resource that we can in the Federal Government to get after these rascals. Of course, the Secret Service may also join the FBI task forces if that is the most practical option.

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

Mr. CONTE. I yield to the gentleman from Kentucky.

Mr. ROGERS. Mr. Chairman, I certainly welcome the additional support to the Justice Department that this legislation gives. I just wish Congress had acted on this a long, long time ago. The Justice Department, and the gentleman from Massachusetts [Mr. CONTE] has been here along with other Members, has been demanding more money for years now. Congress has been the one that has not even passed the Justice Department authorization in 10 years. That is the kind of oversight the Congress has given to this S&L investigation, zero.

Mr. CONTE. Mr. Chairman, reclaiming my time, the gentleman from Kentucky [Mr. ROGERS] is absolutely right. The Secret Service should have had this authority a long time ago. I brought up in the full committee recently that I was going to offer this amendment. Then something happened on the way to the forum, but I won't get into that today. And let me say that I have had a long affiliation with the Secret Service, about 32 years now, going back to Mr. Rowley when he was head of the Secret Service. And

I know that additional resources will be needed. We are having more foreign government visitors coming to this country as a result of what is happening in Eastern Europe and around the world, and they are putting a tremendous load on the Secret Service since they are required to provide protection for these officials. They are down to the bare bones at the Secret Service.

Mr. Chairman, the administration should send up a supplemental or a budget amendment to add additional resources. I hope before work on this bill is over, that maybe they will send something up to the Senate for extra money, because the budget is very tight, just taking care of protecting these visiting potentates, as I call them.

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

Mr. CONTE. I yield to the gentleman from Indiana.

Mr. HILER. Mr. Chairman, I would like to get more clarification on the role of the Secret Service. Maybe the gentleman from Maryland [Mr. HOYER] would be a better one to answer this question. Would the gentleman envision that the additional help that the Secret Service would provide would be coordinated through the Department of Justice and through the Attorney General?

Mr. CONTE. Not all of it. Not all of it. The Secret Service is granted concurrent authority by this amendment, and as the author of this provision, it is my understanding that the Secret Service will be able to conduct investigations where they are uncovered, especially during collateral investigations.

Mr. HOYER. Will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Chairman, there certainly needs to be coordination. I think all Members agree with that. You do not want to have everybody going off on their own hook with uncoordinated investigations.

I would call the attention of Members to the fact that in 1984 we created the Interagency Bank Fraud Working Group, specifically designed to make sure that all of the folks working on bank fraud would be coordinated. In 1989, as the gentleman may well know, the Secret Service was added to that group. It was added to that group because they were involved in these investigations at that time.

□ 1310

So there now exists, and I am not going to go through the whole list, but Treasury, FBI, Justice, Secret Service, and others are in that working group, so there currently exists a mechanism to coordinate.

What I did in my colloquy with the gentleman from New York was to indicate that, of course, we do want to get coordination, and I think we need to discuss with the administration, with Justice, with Secret Service, and with ourselves between now and conference time how this best can be accomplished, because obviously everybody wants to make sure that we do not have the right hand not knowing what the left hand is doing and create an inefficient, though maybe bigger process for getting at the fraud and the theft that has occurred.

Mr. HILER. I thank the gentleman.

Mr. CONTE. I thank the gentleman.

AMENDMENT OFFERED BY MR. FAWELL

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

The Clerk read as follows:

Amendment offered by Mr. FAWELL: Page 28, strike "\$5,279,209,000" and all that follows through page 32, line 11 and insert the following: \$5,241,692,000, of which (1) not to exceed \$1,432,125,000, shall remain available until expended for construction of additional projects at locations and at maximum construction improvement costs (including funds for sites and expenses) as follows:

New Construction:

California:

Menlo Park, Laboratory Building A, \$22,000,000.

Sacramento, John E. Moss Federal Building U.S. Courthouse, Extension, \$5,801,000.

Illinois:

Chicago, John C. Kluczynski Federal Building, Claim, \$455,000.

Kansas:

Kansas City, Federal Building U.S. Courthouse, \$29,475,000.

Maryland:

Prince George's County, U.S. Courthouse, \$21,883,000.

Massachusetts:

Boston, Federal Building—Courthouse, site acquisition and design, \$55,300,000.

Woods Hole, a grant for the continued development of the Marine Biomedical Institute for Advanced Studies, \$6,000,000.

Minnesota:

Minneapolis, Federal Building and U.S. Courthouse Annex, \$68,772,000.

New Jersey:

Camden, Post Office and Courthouse Annex, Escalation, \$8,903,000.

New York:

White Plains, Courthouse, \$26,350,000.

Oregon:

Portland, Courthouse Annex, \$33,320,000.

Pennsylvania:

Wilkes Barre, Social Security Administration Data Operations Center, Escalation, \$11,905,000.

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

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. FAWELL. Mr. Chairman, if ever one feels like a skunk at the picnic, it is when one presents an amendment such as I am presenting where I am asking that, in effect, we simply strike

16 unauthorized grants in this appropriation bill under the General Services Administration. These are not authorized. They were not asked for by the General Services Administration. The General Services Administration has indicated to me that it is not, in their opinion, their business to be in the grant business. They point out that their responsibility is to purchase and hold real estate and personal property for this Nation of ours.

So I believe that when one considers the tremendous debt problems that we have in this Nation that we ought to not include, even though the rule did waive a point of order in this regard, we should not include this in the appropriation.

I am not asking that this be an across-the-board cut, though there is lot of merit in that. I am targeting the particular reduction which comes to about \$37 million. I am not questioning in any way the quality of these projects or the priority that one might rate them. I know there are several which are under the jurisdiction of the Science, Space, and Technology Committee, and I know that they are controversial and have not been able to make their way out of that committee.

I think that we as Members of Congress have to be responsible and follow just some of the basic rules that we have before we do appropriate.

I was looking just the other day at the CBO estimates in regard to the tremendous debt that we will be adding on the backs of our children and our grandchildren this year. It adds up, Mr. Chairman, to something like \$336 billion, \$200 billion in a deficit, and I am talking about fiscal year 1990, that is \$100 billion more than the Gramm-Rudman deficit target. In addition, \$135 billion borrowed from trust funds as we profligately dawn our way there, and then, in addition, this does not count another \$30 billion from the S&L crisis. And the CBO tells us that it is going to be more of the same and even closer to \$400 billion of brandnew debt next year.

I know this is not popular. I know that some of my colleagues are not happy with what I am doing here. But we do have to pay attention to what the process is, and when we do not, that is why the people of this Nation are losing confidence in us collectively, although seemingly liking us all individually.

So, Mr. Chairman, I do represent this amendment for consideration of the House.

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the committee has taken all these matters under consideration, and we discussed them quite extensively. The committee has included in the bill funding for grants

for universities, for hospitals, and philanthropic organizations.

The truth of the matter is that the requests that we received far exceeded the amounts made available. What we have in this bill is funding for grants that amounts to about \$43 million.

My understanding of the amendment is that in one sweep of the amendment almost all of the grants are taken out of the bill, and then the amendment puts back just those that were authorized by the authorizing committee.

We are dealing now with funding that has become necessary because of the great need of these organizations. Each one of them came to the committee; made a presentation. The end result, Mr. Chairman, was that we could not fund them to the full extent. In fact, again, the request was over \$120 million to \$140 million. We could not do that.

What we actually did is examine very carefully the requests of every organization, and then we were able to grant a small fraction of the total request which, in fact, does amount to about \$43 million. That is what is being stricken now if this amendment prevails.

It seems to me that these philanthropic organizations, these universities, and these hospitals that have this kind of need should be able to receive the grants that are requested, because there is not a single one of these requests that were funded by this committee that does not meet a public need. It seems to me, Mr. Chairman, that this amendment should be defeated just on its merit.

Mr. SKEEN. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, I understand the zeal with which many folks in this body feel about debt, the savings and loans, every other fiscal ill that we have visited upon ourselves and this Nation, and we are going to resolve it all every time one of these bills comes through. And I understand the zeal, and I understand the fervor, and I understand the momentum and appreciate it.

In this case we have a situation in which these projects are of a very timely nature. They have tremendous merit. They were taken on the basis of merit, judged on that basis. They are not willy-nilly. It is not who you knew or what you knew or whatever. It was done on the basis of appeal, particularly in the area of timeliness, and this is the way the committee discharged its obligation in regard to these various projects.

It is not capricious. They do cost money. We understand that at a time when we do not want to increase funding for anything. But we cannot make government work without spending some money on something, particular-



ly on worthwhile projects. Life has to go on despite all of the debacles we find ourselves mired in, and we still have to make this country move forward, and as a result of that process the infrastructure disintegration of this country is a good example of not paying heed to those things that are of a timely nature and must be done.

I reluctantly oppose my friend who offered the amendment. But I do not think that this is the time or the place to try to do this.

Mr. PETRI. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, I would like to make several points. We have in this Congress set up a system of authorizing expenditures through an elaborate committee and subcommittee process, and then of appropriating. It is a double check system which was, I suspect, a reform of the appropriations process that was probably adopted in the last century.

□ 1320

I understand that sometimes there are emergencies which might require us to telescope that process and waive the need for an authorization in order to deal with an emergency in an appropriation bill in order to get something going.

I just would like to hear, if I could, from anyone on the committee the specifics of why it is necessary to proceed without having had an orderly hearing and authorization of something like the grant to the Japanese American National Museum of \$39,000, and so on.

We know, in addition to our own congressional authorizing and appropriation process, that we have set up numerous agencies that are in the grant-giving business, for scientific research, facilities construction and so on.

They have orderly procedures for submitting grants and supporting them and trying to choose between them. That procedure is not being followed.

I understand the committee had to, on some basis, choose between \$140 million of requests for appropriations and chose only some \$40 million or \$50 million. On what basis were the other \$100 million excluded from the process and these particular \$40 million chosen?

It seems to me it may be necessary upon occasion to waive the ordinary process and go ahead and appropriate because of some emergency, but if this is not an emergency—and I have heard no justification or specifics as to why these different projects are emergency projects—it seems to me that we ought to raise a question and we ought not allow this sort of thing to just go on

without notice, because if that happens it will get worse.

I think a line should be drawn and we should not be appropriating for projects without any kind of public notice and thorough hearing and we should not be waiving the process without true urgency.

I therefore support the amendment at this time.

Mr. ARMEY. Mr. Chairman, I move to strike the last word, and I rise in support of the amendment.

Mr. Chairman, I will not take the full 5 minutes.

Let me also pay my regards to the subcommittee.

I understand and appreciate the amount of time, effort and work that the various subcommittees and full committee put into these bills, working on the details, working on the priorities and juggling matters. I certainly do not want to be disrespectful of their hard work. At the same time let me pay my regards to the gentleman from Illinois [Mr. FAWELL]. He is a colleague who serves on the Committee on Education and Labor, where we sit next to each other.

I have occasion to watch my good friend from Illinois as he reads the bill and examines the particulars and the details of the bill. I dare say there is nobody in this body who is more diligent in attending to the detail and the fine print of a piece of legislation than the gentleman from Illinois [Mr. FAWELL].

Mr. Chairman, this is a case in point. I also would like to share the portion of view of my friend from Wisconsin [Mr. PETRI] which he just made. As I understand, what the gentleman from Illinois has done is go through one particular section of the bill and has identified as series of grants, particular grants, to particular projects, to particular institutions, none of which have been authorized by the appropriate authorizing committees, nor requested by the appropriate administrative agency, all of which I am sure are worthwhile projects.

Let me mention one in particular so as not appear to be indifferent. There is a particular project. Texas A&M University, a university that I hold in the highest esteem. It is not unusual for me to have said, as an old college professor who has paid attention to these things, that Texas A&M University is the most outstanding educational institution in the Southwest.

I say that with conviction and I say that with a great deal of affection for the institution.

Yet, this institution is afforded here special consideration within the procedures of this House, consideration that the institution does not need within the context of any authorizing body of any administrative agency.

This is a proud institution and an able and well-respected institution

that can well endure and survive the rigors of our normal, appropriate procedures and, therefore, does not need this special favored consideration.

I am sure that is true of some of the others. But I think it is only in the best interest of a competitive process and a clear process and the recognition of this across this Nation that the best and the brightest of our applicants for these grants be in clear competition with everyone else.

I do that with the youngsters who apply for nomination to the military academy, with full faith and confidence that not only will those youngsters who get the nomination know that they won it on their merits in a fair competition, but also, and importantly, for those youngsters who did not get the nomination to be assured that it was a fair process, that politics was not a consideration and that they were treated fairly and judged on their merits relative to other people.

That is the way I think we ought to proceed here.

For that reason, I want to support the gentleman's amendment to assure every organization, every agency, every university that should apply to the Federal Government for a grant, for a project, that they define their project well and they demonstrate their merit in a fair and competitive process through normal procedures; they will have a fair hearing and that this Congress, this body spends the taxpayers' money with discretion and careful comparisons rather than to leave any vestige of a doubt.

And please understand I am not suggesting or alleging that. I just want to be sure that our procedures leave no vestige of a doubt with anyone else that political favoritism could possibly or conceivably overrule comparisons based on merit.

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

(Mr. COLEMAN of Texas asked and was given permission to revise and extend his remarks.)

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in answer to the complaints of the two previous speakers, I can provide the background for the subcommittee action in providing the third and final installment of funding for the Institute of Materials Management at the University of Texas at El Paso as part of the fiscal year 1991 Treasury, Postal, general government appropriations bill. I have been working on this effort for 6 years, dating back to my service on the subcommittee. The request I made was for \$5,310,300 represented the culmination of what has become a very successful program in the fields of technology

transfer and data base management at UTEP. It has now already been reduced to \$2,000,000.

The university's original request for fiscal year 1990 funding ran to nearly \$8 million. Because that figure included funding for construction of a facility off campus to house the institute—and because the university at the time was pursuing alternative means of financing the construction portion of its budget—I omitted a substantial share in my request to the subcommittee. To date, the institute has been provided with \$3 million in fiscal year 1989 funds through the national defense stockpile transaction fund and \$4,152,000 in fiscal year 1990 funds through the General Services Administration for a total of \$7,152,000. This final installment will bring the complete cost of the project to just under \$12.5 million.

The fiscal year 1991 request, as described in the attached memorandum from the university, includes a relatively small line item for construction \$750,000. Last year and this year, with the concurrence of both GSA and the Defense Logistics Agency [DLA], UTEP channeled Federal funds into the renovation of Burgess Hall, a centrally located three-story building on the main campus. At my insistence, the director of the institute has compartmentalized the facility's laboratories into separate areas for defense-related materials management activities and economic database management activities, which are funded by the State of Texas. Although the defense side of the house regularly draws on the automated data processing resources of the economic development wing, Federal funds have been and will continue to be used exclusively for ongoing research projects in such fields as machine vision and "matrix composite-industrial applications"—the development of synthetic polymers for defense and commercial use. With the final installment of funds, the university hopes to complete the equipping of several laboratories and to put in place staff and materials for the recently developed doctoral degree program in materials science and engineering and for a new program involving metals-based technologies for storing industrial wastes.

Because of the subcommittee's consideration and leadership, the institute has already contributed significantly to the missions identified by both the defense community and the GSA. And, as you know, this is not and never has been a project developed by any outside consultant. I have greatly appreciated the work of the subcommittee in bringing the institute up to its present capacity.

I urge opposition to the amendment offered by the gentleman for Illinois.

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

Mr. Chairman, all I am going to say is that I applaud the two gentlemen who have offered this amendment. They have been very diligent in examining appropriation bills, trying to ferret out

what they feel, in good conscience, should be ferreted out of the bills.

When they argue, though, that things in here, universities or hospitals, have not been authorized, I must remind them that I tried to go through the authorization process for the Speaker O'Neill Library—which is the only one, the only library for a former Speaker that has not been specifically addressed in Federal legislation.

I tried to go through the authorization process and was defeated by these two gentlemen.

I hope someday we can revisit that issue.

Let me say I have no projects in here for my district. I listened very attentively to all of the arguments and the evidence that was presented during the hearing process. Many of these projects are already underway. There are holes in the ground already using funds previously appropriated. So it would be very, very disruptive if the House were to cut them off at this time, because the construction has already begun through appropriations of past years.

So I hope these amendments will be defeated.

Mr. Chairman, I rise in opposition to the amendment, and I do so because I am familiar with many of the institutions mentioned in the amendment and the projects which are funded in this bill.

Let me say at the beginning that none of the projects funded in this bill are in my district. But I'm familiar with these projects because the subcommittee, of which I am a member, carefully reviewed the requests for funding and allocated limited resources based on merit.

I am most familiar with two projects, Brandeis University and the Marine Biological Laboratory, since these institutions are located in my State. First, the Brandeis project is in the second phase of a funding cycle began 2 years ago when the Congress appropriated \$3 million to begin planning and design work. Funds allocated to Brandeis will be used to provide the Federal matching share for the construction of a National Center for Complex Systems.

The overall purpose of the national center is to study large, complex systems through the use of a variety of methods. The center will be one of its kind, drawing from many disciplines in the university to produce a single center where the complex systems of the human brain and mind can be studied.

NIH is very interested in this concept, and officials from the Institute have met with university officials.

If this center is built, that agency and others will have facility to contract needed research without having the costs of operating and maintaining a separate lab.

The same is true for the Marine Biological Lab in Woods Hole, MA. I know its not included, but a description is warranted. It's a center for biomedical and marine research, providing training and actual specimens for federally sponsored research.

In fact, a number of NIH Institutes currently maintain labs at MBL, and the facilities funded by this amendment will augment this capability. MBL is truly a world-class institution, claiming 34 Nobel Prize winners over its 102-year history. And 80 members of the MBL corporation are also members of the National Academy of Sciences.

Moreover, the MBL project has been authorized by law, and funded by Congress in the past.

Mr. Chairman, I urge my colleague to oppose this amendment and support the committee's recommendation.

Many of these projects are in the middle of the funding process, and all are partially financed by private resources. It's an investment in America and an investment for the future. I hope the amendment is rejected by the House.

Mr. Chairman, I will include for the RECORD additional materials supporting the Brandeis project.

TESTIMONY BY DR. EVELYN E. HANDLER,  
PRESIDENT, BRANDEIS UNIVERSITY

Mr. Chairman and members of the Subcommittee, my name is Evelyn E. Handler and I am President of Brandeis University. On behalf of the University, I appreciate the opportunity to provide to the Subcommittee this testimony for funding assistance in the amount of \$15,000,000 over two years for the construction of the National Center for Complex Systems on the Brandeis University campus.

In May, 1989, the Federal government awarded Brandeis a grant for \$3,000,000 to begin architectural and engineering studies. The project has now finished the conceptual design stage and it will be imperative that construction funds be committed to the project before November, 1990. Without the commitment of construction funds, Brandeis cannot enter into contractual agreements with a general contractor and its subcontractors and proceed with the construction phase of the facility.

Construction costs for the National Center are projected to be \$26,500,000. Brandeis has raised and currently expended \$2,000,000 on the construction of a new structural biology laboratory. It has also submitted a proposal to the NSF for \$4,144,000 for the construction of a portion of the new National Center. The depth of Brandeis' continued commitment to the National Center is best demonstrated by the University's willingness to match the \$4,144,000 of the NSF support. Brandeis is also committed to absorbing the continuing operating expenses of the new National Center facility.

The overall purpose of the National Center is to study large, complex systems through the use of a wide variety of methods, including experiments and observations, computational modeling, and the construction of theories. Examples of "complex systems" are large scale simulations, chemical reaction dynamics, and the biological development of cells. However, for the Brandeis faculty who fall broadly within the National Center mission, the complex systems of greatest interest are the human brain and mind. Interest in this area is shared by faculty members specializing in artificial intelligence, cognitive science, linguistics, neuroscience, experimental psychology, and artificial neural networks.



Brandeis University is located in Waltham, Massachusetts, and was founded as a private, non-sectarian university in 1948. The University currently has an undergraduate student population of 2900, a graduate school population of 700, and a full-time faculty of 374. Brandeis University is dedicated to both the dissemination of knowledge to its student body and the creation of new knowledge through its research laboratories.

The stated goals, or mission, of The National Center For Complex Systems are the following:

1. To advance our knowledge of cognitive processes, perception, and neuroscience in order to understand the functioning of the human mind and brain.

2. To transfer advances in the cognitive and neurosciences to improve the design of computer hardware and software in order to develop faster and more sophisticated computational systems.

3. To accelerate progress in the development of medicine and various technologies using advanced computational systems.

4. To develop powerful and novel computational methods that can be used to study a variety of complex systems, ranging from the functioning of the brain to novel emerging technologies.

5. To train a new generation of scientific researchers to lead advances in multi-disciplinary sciences of the future.

A key goal of the National Center is to establish the flow of ideas and results among the various National Center disciplines. To date, neuroscience and cognitive science have not benefited very much from the existence of computers, unlike fields such as physics, where computational modeling occupies a prominent role. A major reason for this difference is that the brain and mind are a great deal more complex. The nervous system is highly non-uniform, and individual neurons and neural assemblies are very different and specialized. Until the advent of high-powered, especially massive parallel supercomputers, it has not been feasible to model such complex systems. However, it is now clear that computers capable of modeling non-trivial portions of the brain in detail are now available, and will become both more affordable and much more powerful over the next decade. The National Center hopes to be in the forefront in applying such supercomputers to the modeling of the brain (and other complex systems). In turn, it is believed that our studies in neuroscience, and cognitive and experimental psychology will provide useful knowledge that can be used by computer system designers in building much more intelligent, and possibly more brain-like, machines for the future.

One of the most striking areas where the work of the National Center is making an impact is the understanding of the fundamental mechanism of the chemistry of the brain. The National Center will have a significant role in the understanding of how various drugs work in the brain. Take for example the concept of addiction to drugs. The chemical balance in the brain is a delicate one between neural transmitters and neural receptors. (These are chemicals that control most activities.) When drugs are introduced into the system, the equilibrium chemical balance is destroyed and, in many cases, this change is irreversible, for example, with cocaine addiction. The brain does not work as it should, even though the chemical is no longer in the system. A group of neuroscientists, physicists, chemists, and

computer scientists are exploring the transmitter/receptor equilibrium trying to understand what triggers a response. They are even building, out of transistors and resistors, neural networks that model actual living nerve systems. The National Center's first publication, "The Effect of Electrical Coupling on the Frequency of a Neural Oscillator" by T.B. Kepler, E. Marder and L.F. Abbott has been accepted by Science.

A second example involves the understanding of how to cure, repair or learn to reverse the handicaps caused by diseases of the brain or nervous system. Researchers in the National Center are conducting Alzheimer's research where the gene for the production of B-Amyloid (the protein that is believed to cause the disease) has been isolated in a model system. Another example in this area is when people suffer nervous system damage; most of the time it cannot be reversed. Members of the National Center are working on the regeneration of synapses and the growth of new nerve tissues. The cooperation of researchers of different fields including computer scientists and neuroscientists may make it possible someday to insert a neural circuit (a computer chip) that will form the bridge to allow an individual who suffers irreversible spinal cord injury and loss of the use of limbs to regain movement and control again.

A third example of where the National Center's research will affect important national issues is to understand how people learn. Researchers want to understand the fundamental mechanisms of learning. Learning means retaining information and, therefore, understanding memory. Members of the National Center are already working on the identification of molecules that impart memory and can be isolated. Biologists and cognitive scientists are also working together to understand the fundamental processes of changes through development. Working with the Boston VA Hospital, researchers are trying to understand aphasia, the inability to use and understand words. Researchers in Cognitive Science, Computer Science and Neuroscience are working together to understand how language is input, stored and outputted from the brain.

Brandeis University has a group of some of the most outstanding neural scientists including two Hughes investigators, a Markey scholar, three Jacob Javits and two NIH Merit Award winners. Acknowledgment of the quality of the research is borne out by the operational funding the National Center for Complex Systems has achieved during the last fiscal year. A total of \$8,610,881 has been received in support for research associated with the National Center for Complex Systems for fiscal year 1989. In addition, we have just received approval of a single grant of \$925,266 from the NIMH to support the interdisciplinary research of three individuals on "The Theory and Modelling of Oscillatory Neural Networks".

In the future, members of the National Center for Complex Systems will work to understand how memory functions and affects learning, development, aging and treatment of "diseases" of the mind. They will take our understanding of the brain and transfer it to the artificial world of computers and develop highly intelligent systems that can be used to open up and simplify our complex world. They will gain understanding in various social problems like drug addiction, environmental changes, how people age and how people learn.

In order to make this interdisciplinary National Science Center a reality, a major new

facility is needed. Currently, there is no available space for the National Center on the Brandeis University campus. Including the research faculty of these programs in a single new facility will enhance interactions among groups that view similar problems from different fundamental disciplines, thus making the research more effective and productive.

Mr. Chairman and members of the Subcommittee, we respectfully request your support for these novel research efforts by providing funding in the amount of \$15,000,000 over two years for the construction of the National Center for Complex Systems on the Brandeis University campus.

Finally, we thank you for your consideration of our proposal.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, in watching the debate, like everyone else during the course of the debate, I want to remind Members as we proceed to debate on the amendment of the gentleman from Illinois [Mr. FAWELL], there are some facts we need to remember. First we need to remember that the General Services Administration budget in the appropriations, the proposal is to increase the appropriations from last year, fiscal year 1990 level of \$288 million to this year's proposal of \$1,592,000,000.

□ 1330

I am not on the committee. I am just reading from ledger digest that indicates that is a 450-percent increase. I am concerned there may be more new answers.

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

Mr. BARTLETT. I will be happy to yield to the gentleman from Massachusetts if there is a fact not apparent.

Mr. CONTE. Mr. Chairman, that is a Presidential request. It was in the past that we leased Federal buildings. We build the Federal buildings, a private person will build the buildings, and we would lease them back, and the only thing that showed up in the appropriation process were the yearly leases.

Now the President has asked, "Listen, you are going to build a building, pay for it up front."

Mr. BARTLETT. Mr. Chairman, I appreciate the gentleman's clarification. Some of that increase, though, as I understand it, is in this \$37 million of specific grants that are contained, that the gentleman from Illinois [Mr. FAWELL] would seek to strike. These grants are neither good nor bad in and of themselves. I am certain some are quite beneficial, and some may not be.

What do they have in common? First, they are buildings that are new construction. The money will not be going to services or to research or to development or to programs or to any

other level of individuals who are being assisted. Second, these buildings will not be owned by the Federal Government. The Federal taxpayers will be paying for these buildings out of the Gramm-Rudman budget, and we will be facing Gramm-Rudman when the budget deficit finally reports, but we know the money will come out of all the programs because of Gramm-Rudman. The buildings will be owned by somebody else, not by GSA, not by the Federal Government, but by another entity. In one case, it is the East Los Angeles California State University. In another case, it is the Japanese-American National Museum. In another case it is Loyola University. All together, no doubt, good universities or entities or programs, but the fact is, they have not been requested by the executive branch. They have not had hearings by the legislative branch. They have not been authorized by authorizing legislation, and they will not be owned by the Federal taxpayer. They will simply be put into an appropriations bill by name, not competed, not for a general public policy purpose, not to assist women, infants and children in their food supplements, not to assist the food stamp shortfalls, not to research, but simply to provide an unauthorized, uncompleted grant, to build a building for somebody else.

In this summer of the deficit summit, we ought to look at the grants and Federal proposals with some sense of prioritizing, and I would suggest that while these no doubt are important to these particular entities, we ought to place them into the lesser priorities category for the Federal Government and say that we will not fund this \$37 million that will come out of Gramm-Rudman, and thus be taken out of women, infants, and children and education of the handicapped and vocational rehabilitation, but instead we will require that new construction grants be authorized, be competed, and go through the orderly course of the process in order to determine which grants ought to be funded and which are lower priority.

I support the gentleman's amendment, and I think it does a great deal of service to this process, and I urge a yes vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. FAWELL].

The amendment was rejected.

Are there additional amendments to title IV?

If not, the Clerk will read.

The Clerk read as follows:

#### TITLE V—GENERAL PROVISIONS

##### THIS ACT

SECTION 501. Where appropriations in this Act are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amount set forth therein in the budget es-

timates submitted for the appropriations without the advance approval of the House and Senate Committees on Appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System; to travel performed directly in connection with care and treatment of medical beneficiaries of the Department of Veterans Affairs; to travel of the Office of Personnel Management in carrying out its observation responsibilities of the Voting Rights Act; or to payments to interagency motor pools where separately set forth in the budget schedules.

SEC. 502. No part of any appropriation contained in this Act shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Office of Personnel Management as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 503. No part of any appropriation made available in this Act shall be used for the purchase or sale of real estate or for the purpose of establishing new offices inside or outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. 504. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 505. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 506. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of any hand or measuring tool(s) not produced in the United States or its possessions except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of hand or measuring tools produced in the United States or its possessions cannot be procured as and when needed from sources in the United States and its possessions, or except in accordance with procedures prescribed by section 6-104.4(b) of Armed Services Procurement Regulation dated January 1, 1969, as such regulation existed on June 15, 1970: *Provided*, That a factor of 75 per centum in lieu of 50 per centum shall be used for evaluating foreign source end products against a domestic source end product. This section shall be applicable to all solicitations for bids opened after its enactment.

SEC. 507. None of the funds made available to the General Services Administration pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949 shall be obligated or expended after the date of enactment of this Act for the pro-

curement by contract of any service which, before such date, was performed by individuals in their capacity as employees of the General Services Administration in any position of guards, elevator operators, messengers, and custodians, except that such funds may be obligated or expended for the procurement by contract of the covered services with sheltered workshops employing the severely handicapped under Public Law 92-28.

SEC. 508. No funds appropriated in this Act shall be available for administrative expenses in connection with implementing or enforcing any provisions of the rule TD ATF-66 issued June 13, 1980, by the Department of the Treasury, Bureau of Alcohol, Tobacco and Firearms on labeling and advertising of wine, distilled spirits and malt beverages, except if the expenditure of such funds, is necessary to comply with a final order of the Federal court system.

SEC. 509. None of the funds appropriated in this Act may be used for administrative expenses to close the Federal Information Center of the General Services Administration located in Sacramento, California.

SEC. 510. None of the funds made available by this Act for the Department of the Treasury may be used for the purpose of eliminating any existing requirement for sureties on customs bonds.

SEC. 511. None of the funds made available by this Act shall be available for any activity or for paying the salary of any Government employee where funding an activity or paying a salary to a Government employee would result in a decision, determination, rule, regulation, or policy that would prohibit the enforcement of section 307 of the 1930 Tariff Act.

SEC. 512. None of the funds made available by this Act shall be available for the purpose of transferring control over the Federal Law Enforcement Training Center located at Glynco, Georgia, Marana, Arizona, and Artesia, New Mexico, out of the Treasury Department.

SEC. 513. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes within the United States not heretofore authorized by the Congress.

SEC. 514. No part of any appropriation contained in this Act shall be available for the payment of the salary of any officer or employee of the United States Postal Service, who—

(1) prohibits or prevents, or attempts or threatens to prohibit or prevent, any officer or employee of the United States Postal Service from having any direct oral or written communication or contact with any Member or committee of Congress in connection with any matter pertaining to the employment of such officer or employee or pertaining to the United States Postal Service in any way, irrespective of whether such communication or contact is at the initiative of such officer or employee or in response to the request or inquiry of such Member or committee; or

(2) removes, suspends from duty without pay, demotes, reduces in rank, seniority, status, pay, or performance of efficiency rating, denies promotion to, relocates, reassigns, transfers, disciplines, or discriminates in regard to any employment right, entitlement, or benefit, or any term or condition of employment of, any officer or employee of the United States Postal Service, or attempts or threatens to commit any of the foregoing actions with respect to such officer or employee, by reason of any communi-



cation or contact of such officer or employee with any Member or committee of Congress as described in paragraph (1) of this subsection.

Sec. 515. No funds appropriated by this Act shall be available to pay for an abortion, or the administrative expenses in connection with any health plan under the Federal employees health benefit program which provides any benefits or coverage for abortions.

Sec. 516. The provision of section 515 shall not apply where the life of the mother would be endangered if the fetus were carried to term.

Sec. 517. None of the funds appropriated by this Act may be used to solicit bids, lease space, or enter into any contract to close or consolidate executive seminar centers for the Office of Personnel Management.

Sec. 518. The Administrator of General Services, under section 210(h) of the Federal Property and Administrative Services Act of 1949, as amended, may acquire, by means of a lease of up to thirty years duration, space for the United States Courts in Tacoma, Washington, at the site of Union Station, Tacoma, Washington.

Sec. 519. Funds under this Act shall be available as authorized by sections 4501-4506 of title 5, United States Code, when the achievement involved is certified, or when an award for such achievement is otherwise payable, in accordance with such sections. Such funds may not be used for any purpose with respect to which the preceding sentence relates beyond fiscal year 1990.

Sec. 520. (a) Notwithstanding any other provision of law, during fiscal year 1991, the authority to establish higher rates of pay under section 5303 of title 5, United States Code, may—

(1) in addition to positions paid under any of the pay systems referred to in subsection (a) of section 5303 of title 5, United States Code, be exercised with respect to positions paid under any other pay system established by or under Federal statute for positions within the executive branch of the Government; and

(2) in addition to the circumstance described in the first sentence of subsection (a) of section 5303 of title 5, United States Code, be exercised based on—

(A) pay rates for the positions involved being generally less than the rates payable for similar positions held—

(i) by individuals outside the Government; or

(ii) by other individuals within the executive branch of the Government;

(B) the remoteness of the area or location involved;

(C) the undesirability of the working conditions or the nature of the work involved, including exposure to toxic substances or other occupational hazards; or

(D) any other circumstances which the President (or an agency duly authorized or designated by the President in accordance with the last sentence of section 5303(a) of title 5, United States Code, for purposes of this subparagraph) may identify.

Nothing in paragraph (2) shall be considered to permit the exercise of any authority based on any of the circumstances under such paragraph without an appropriate finding that such circumstances are significantly handicapping the Government's recruitment or retention efforts.

(b)(1) A rate of pay established during fiscal year 1991 through the exercise of any additional authority under subsection (a) of section 5303 of title 5, United States Code—

(A) shall be subject to revision or adjustment,

(B) shall be subject to reduction or termination (including pay retention), and

(C) shall otherwise be treated, in the manner as generally applies with respect to any rate otherwise established under section 5303 of title 5, United States Code.

(2) The President (or an agency duly authorized or designated by the President in accordance with the last sentence of section 5303(a) of title 5, United States Code, for purposes of this subsection) may prescribe any regulations necessary to carry out this subsection.

(c) Any additional authority under this section may, during fiscal year 1991, be exercised only to the extent that amounts otherwise appropriated under this Act for purposes of section 5303 of title 5, United States Code, are available.

Sec. 521. None of the funds available in this Act may be used to contract out positions or downgrade the position classification of the Bureau of Engraving and Printing Police Force.

Sec. 522. The Office of Personnel Management may, during the fiscal year ending September 30, 1991, accept donations of supplies and equipment for the Federal Executive Institute for the enhancement of the morale and educational experience of attendees at the Institute.

Sec. 523. No part of any appropriation contained in this Act shall be available for the procurement of, or for the payment of, the salary of any person engaged in the procurement of stainless steel flatware not produced in the United States or its possessions, except to the extent that the Administrator of General Services or his designee shall determine that a satisfactory quality and sufficient quantity of stainless steel flatware produced in the United States or its possessions, cannot be procured as and when needed from sources in the United States or its possessions or except in accordance with procedures provided by section 6-104.4(b) of Armed Services Procurement Regulations, dated January 1, 1969. This section shall be applicable to all solicitations for bids issued after its enactment.

Sec. 524. No monies appropriated by this Act may be used to implement or enforce section 1151 of the Tax Reform Act of 1986 or the amendments made by such section.

Sec. 525. (1) The Secretary of the Treasury shall issue, no later than one hundred and eighty days after the enactment of this Act, to the House Committee on Appropriations and the Senate Committee on Appropriations a report making recommendations on appropriate measures to reduce the Federal expenditures incurred when former Presidents and spouses of former Presidents travel for the purpose of speaking or making an appearance for a payment of money or any thing of value, in excess of any actual and necessary travel expenses.

(2) The Secretary of the Treasury, in consultation with the advisory committee established by Public Law 90-331, shall consider among other expenses, administrative expenses and expenses associated with Secret Service protection, and shall determine what methods of reimbursement would be feasible to offset expenditures by the Federal Government that are associated with such speeches or appearances by former Presidents or spouses of former Presidents.

Sec. 526. The United States Secret Service may, during the fiscal year ending September 30, 1991, accept donations of money to

offset costs incurred while protecting former Presidents and spouses of former Presidents when the former President or spouse travels for the purpose of making an appearance or speech for a payment of money or any thing of value.

Sec. 527. None of the funds made available by this Act may be used to withdraw the designation of the Virginia Inland Port at Front Royal, Virginia, as a United States Customs Service port of entry.

Sec. 528. None of the funds appropriated by this Act or by any other Act shall be used to impose or assess any tax due under subchapter D of Chapter 32 of the Internal Revenue Code of 1986, section 4181, in all cases where less than fifty items are manufactured, produced or imported per annum.

Sec. 529. None of the funds made available to the Postal Service by this Act shall be used to transfer mail processing capabilities from the Las Cruces, New Mexico postal facility, and that every effort will be made by the Postal Service to recognize the rapid rate of population growth in Las Cruces and to automate the Las Cruces, New Mexico postal facility in order that mail processing can be expedited and handled in Las Cruces.

#### ADDITIONAL AUTHORITY FOR THE SECRET SERVICE

Sec. 530. (a). IN GENERAL.—Section 3056(b)(1) of title 18, United States Code, is amended—

(1) by inserting "financial institutions, and the Resolution Trust Corporation, and concurrent with the authority of any other Federal law enforcement agency," after "land bank associations,";

(2) by inserting "215," after "213,";

(3) by inserting "656," after "493,";

(4) by inserting "1005," after "709,"; and

(5) by inserting "1341, 1343, 1344, 1510," after "1014,".

(b) EFFECT OF AMENDMENTS.—The amendments made by this section shall not alter the authority of any other Federal law enforcement agency.

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

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order on title V?

If not, are there amendments to title V?

#### AMENDMENT OFFERED BY MR. FRENZEL

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

The Clerk read as follows:

Amendment offered by Mr. FRENZEL: Page 67, insert after line 10 the following new section:

Sec. 531. Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is reduced by 6.9 percent, except that this reduction shall not apply to amounts appropriated or otherwise made available under Title I for items under the heading "INTERNAL REVENUE SERVICE."

Mr. FRENZEL. Mr. Chairman, my amendment proposes an across-the-board reduction of 6.9 percent for all discretionary spending in this bill with the exception of funding for the Internal Revenue Service. For those who have not looked over the bill, that is a powerful exception, because the Internal Revenue Service funding comprises most of the funding within this bill.

The purpose of the amendment is to reduce to last year's appropriate levels, but to protect the IRS spending, and to acknowledge the bookkeeping changes in the building program. I have not reversed the scorekeeping adjustment on building. Had I done so, the percentage reduction would have been about a third instead of about 7 percent.

Mr. Chairman, the reason for the exemption of the Internal Revenue Service was wholly budgetary because if we reduce funding for the Service, it is quite likely that the Service will be less able to collect moneys due to the United States and, therefore, I thought it was not wise budget policy to make a reduction in that account. There will be reductions in other accounts that would come from the amendment if it were to be adopted that might cause some small reductions, but the IRS factor was too much to be ignored.

I believe that we should not be providing increases in discretionary spending at the same time we are facing a large deficit. I have, each time an appropriations bill has come to the floor, offered an amendment to try to reduce it back to last year's spending levels. When, by rule, we deemed the budget resolution to have passed both Houses of the Congress, and thus allowed our Committee on Appropriations to go forward with these appropriations, I have objected vigorously. I do not believe that while the United States is meeting and attempting to make very large deficit reductions that we should be out here enjoying ourselves and indulging ourselves with appropriations bills that go way beyond any kind of reasonable limit, particularly any that go beyond last year's limit. I believe that each one of these appropriations bills that has passed, including this one which will be passed, is ultimately going to be scaled down monumentally. I think all the Members need to be prepared for that.

That is it. I am not expecting a lot of people will vote for my amendment. I shall, nevertheless, attempt to give them that opportunity. I believe the amendment represents some kind of fiscal responsibility, and I guess that is one of the reasons I do not expect this body to pass it. Nevertheless, I urge such colleagues, as are affected by occasional urges to be fiscally responsible, to vote aye.

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment. This amendment would have a devastating effect on the departments of the Government of the United States.

I notice that the gentleman has excluded the Internal Revenue Service, but the cuts that he is contemplating will be made on very important agencies of the Government, most of which are law enforcement. I think we need more law enforcement now, not less. In fact, this amendment would cut back the appropriation by more than \$400 million. It would also make necessary the separation of approximately 800 people, all working in different agencies of the Federal Government, particularly those that work in law enforcement.

I would like to cull from a statement of administration policy dated July 11, 1990. This first page says "The administration supports the overall funding level as reported by the committee."

□ 1340

I take from that particular statement that the administration opposes any cutback in the amounts that this committee has recommended, because this committee has recommended only those amounts recommended by the administration. More than 90 percent of the recommendations that were made are recommendations in which we reflect the true amount recommended by the administration. So the administration thus in fact supports the funding level as reported by the committee.

Mr. Chairman, I urge the defeat of this amendment.

Mr. SKEEN. Mr. Chairman, I move to strike the last word, and I rise in opposition to the amendment.

Mr. Chairman, with all the respect in the world for the objectives and the intent of the gentleman from Minnesota [Mr. FRENZEL], I have to say that if we want to hamstring the war on drugs or if we want to hamstring the investigation of the savings and loans, this is a good way to do it. The reason I really object to across-the-board cuts is that though they are well intentioned, they are poorly defined and poorly directed, because in a bill such as this one, with so many small agencies, we are dealing with cuts that are devastating.

I heard several statements, not only by the gentleman from Minnesota but by others, that this or that was done with little or no justification. If those folks want to know about the justifications, if they will meet with me on a regular basis, I will be very happy to go over the justifications with them.

Mr. Chairman, I oppose the amendment, and I urge its defeat.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

First, Mr. Chairman, I would like the record to show that I wish to be identified with all the comments of the gentleman from Minnesota [Mr. FRENZEL]. I hope that my colleagues heard all those comments. The gentleman from Minnesota is a very sagacious Member of this Congress, and we should listen to him more often.

Mr. CONTE. Mr. Chairman, I rise in opposition to this amendment, and I ask my colleagues to take a close look at the reason for the increased spending recommended by the committee before you vote on this amendment.

My reasons for opposing this amendment apply to any across-the-board amendments proposed for this bill, and I oppose the meat ax cut for basically two reasons.

First, most of the increase recommended by the Appropriations Committee was requested by the President, and for good reasons.

The President requested a \$634 million increase for the IRS, and we gave it to him.

The President requested \$43 million for programs operated by the drug czar, and we gave it to him.

The President requested \$1.3 billion for the GSA to operate the Federal buildings, including new construction, and we gave it to him.

The President requested \$475 million in mandatory payments for the civil service retirement fund, and we gave it to him.

And the President requested \$54 million for the Customs Service and \$31 million for the Secret Service, and we gave it to him.

These requested increases—which account for the bulk of the amount over the fiscal year 1990 level—were recognized by the President as essential to the efficient operation of the Government, and any reductions in the amounts recommended will have adverse impact on law enforcement and revenue collection.

And that's the basis for my second objection to this amendment. Proponents of across-the-board cuts tend to focus on the amount saved or the relatively small amount cut from each program. But in the end, like the meat ax of Gramm-Rudman, each of these cuts has a real impact, with measurable consequences.

The cut proposed for the Customs Service will result in a significant decrease in drug enforcement programs. One hundred and seventy-five border inspectors will not be hired, canine facilities and teams will not be assembled, and drug money laundering investigations will be curtailed.

For the Secret Service, the cut means that the 78 additional agents budgeted to conduct computer fraud investigations will not be hired.

For the BATF, the cut means a slowdown in the war on drugs, by reducing funds for the Armed Career Criminal Program.

These cuts are real, even though the percentage cut seems small on the surface.

Mr. Chairman, I urge my colleagues to reject this amendment, and support the increases recommended in this bill and requested by the President.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. FRENZEL].



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

## RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 130, noes 254, not voting 48, as follows:

[Roll No. 231]

## AYES—130

Archer	Hefley	Ray
Armey	Henry	Rhodes
Ballenger	Henger	Ridge
Barnard	Hiler	Ritter
Bartlett	Holloway	Roberts
Barton	Hopkins	Rohrabacher
Bates	Huckaby	Roth
Bennett	Hunter	Schaefer
Bentley	Hutto	Schroeder
Biiley	Inhofe	Schulze
Broomfield	Ireland	Sensenbrenner
Brown (CO)	Jacobs	Sharp
Buechner	Johnson (CT)	Shaw
Bunning	Kasich	Shays
Burton	Kolter	Shumway
Callahan	Kyl	Shuster
Campbell (CA)	Lagomarsino	Slattery
Coble	Lewis (FL)	Slaughter (VA)
Combust	Lightfoot	Smith (VT)
Cooper	Long	Smith, Robert
Cox	Lukens, Donald	(OR)
Craig	Madigan	Snowe
Crane	McCandless	Spence
Dannemeyer	McCollum	Stangeland
DeLay	McCrery	Stearns
DeWine	McEwen	Stenholm
Dornan (CA)	McMillan (NC)	Stump
Douglas	Michel	Sundquist
Dreier	Miller (OH)	Tailor
Edwards (OK)	Miller (WA)	Tanner
Fawell	Moorhead	Taylor
Fields	Morrison (WA)	Thomas (CA)
Frenzel	Murphy	Thomas (WY)
Gallegly	Neal (NC)	Upton
Gekas	Nielson	Vander Jagt
Gingrich	Owens (UT)	Vucanovich
Goodling	Oxley	Walker
Goss	Packard	Whittaker
Gradison	Parker	Wylie
Hamilton	Patterson	Yatron
Hammerschmidt	Penny	Young (AK)
Hancock	Petri	Young (FL)
Hansen	Porter	
	Ravenel	

## NOES—254

Ackerman	Clay	Erdreich
Alexander	Coleman (MO)	Espy
Anderson	Coleman (TX)	Evans
Andrews	Collins	Fazio
Annuzio	Condit	Feighan
Anthony	Conte	Fish
Applegate	Conyers	Foglietta
Aspin	Costello	Frank
Atkins	Coughlin	Gallo
Bateman	Courter	Gejdenson
Beilenson	Darden	Gephardt
Berman	Davis	Geren
Bevill	de la Garza	Gibbons
Bilbray	DeFazio	Gillmor
Bilirakis	Dellums	Gilman
Boehert	Derrick	Gonzalez
Boggs	Dickinson	Gordon
Bonior	Dicks	Grandy
Borski	Dingell	Grant
Bosco	Dixon	Gray
Brennan	Donnelly	Green
Brooks	Dorgan (ND)	Guarini
Browder	Downey	Gunderson
Bruce	Duncan	Hall (OH)
Bryant	Durbin	Harris
Bustamante	Dwyer	Hawkins
Byron	Dymally	Hayes (IL)
Campbell (CO)	Dyson	Hefner
Cardin	Eckart	Hertel
Carper	Edwards (CA)	Hoagland
Carr	Emerson	Hochbrueckner
Chapman	Engel	Horton
Clarke	English	Hoyer

Hubbard	Mollohan	Schiff
Hughes	Montgomery	Schneider
Hyde	Moody	Schuetter
James	Mrazek	Schumer
Johnson (SD)	Myers	Serrano
Jones (GA)	Nagle	Sikorski
Jones (NC)	Natcher	Sisisky
Jontz	Neal (MA)	Skaggs
Kanjorski	Nowak	Skeen
Kaptur	Oakar	Skelton
Kastenmeier	Oberstar	Slaughter (NY)
Kennelly	Obey	Smith (FL)
Kildee	Olin	Smith (IA)
Klecza	Ortiz	Smith (NE)
Kolbe	Owens (NY)	Smith (NJ)
LaFalce	Pallone	Solarz
Lancaster	Panetta	Solomon
Lantos	Parris	Spratt
Laughlin	Pashayan	Staggers
Leach (IA)	Payne (NJ)	Stallings
Leath (TX)	Payne (VA)	Stokes
Lehman (CA)	Pease	Studds
Lehman (FL)	Pelosi	Swift
Lent	Perkins	Synar
Levin (MI)	Pickett	Tauke
Levine (CA)	Pickle	Tauzin
Lewis (CA)	Poshard	Thomas (GA)
Lewis (GA)	Price	Torres
Lipinski	Pursell	Towns
Livingston	Quillen	Traficant
Lloyd	Rahall	Traxler
Lowery (CA)	Rangel	Udall
Lowey (NY)	Richardson	Unsoeld
Luten, Thomas	Rinaldo	Valentine
Machtley	Roe	Vento
Manton	Rogers	Volkmer
Marlenee	Ros-Lehtinen	Walgren
Martin (IL)	Rose	Walsh
Mavroules	Rostenkowski	Waxman
Mazzoli	Roukema	Weber
McCloskey	Rowland (CT)	Weiss
McCurdy	Rowland (GA)	Weldon
McDermott	Roybal	Wheat
McGrath	Russo	Whitten
McHugh	Sabo	Williams
McMillen (MD)	Saiki	Wilson
McNulty	Sangmeister	Wise
Meyers	Sarpalius	Wolf
Mfume	Savage	Wolpe
Miller (CA)	Sawyer	Wyden
Moakley	Saxton	Yates
Molinari	Scheuer	

## NOT VOTING—48

AuCoin	Frost	Morella
Baker	Glickman	Morrison (CT)
Bereuter	Hall (TX)	Murtha
Boucher	Hastert	Nelson
Boxer	Hatcher	Paxon
Brown (CA)	Hayes (LA)	Regula
Chandler	Houghton	Robinson
Clement	Jenkins	Smith (TX)
Clinger	Johnston	Smith, Denny
Coyne	Kennedy	(OR)
Crockett	Kostmayer	Smith, Robert
Early	Markay	(NH)
Fascell	Martin (NY)	Stark
Flake	Martinez	Torricelli
Flippo	Matsui	Washington
Ford (MI)	McDade	Watkins
Ford (TN)	Mineta	

## □ 1402

The Clerk announced the following pair:

On this vote;

Mr. Houghton for, with Mr. Mineta against.

Mr. MOODY changed his vote from "aye" to "no."

Mr. SPENCE and Mrs. PATTERSON changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

## POINTS OF ORDER

Mr. ROSTENKOWSKI. Mr. Chairman, I make a point of order against section 524 of the bill.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ROSTENKOWSKI. Mr. Chairman, I make a point of order against section 524 on the ground that it is a tax measure which is in violation of paragraph B, clause 5 of House rule 21.

Mr. Chairman, I am told that section 524 of the bill is identical to language included in last year's Treasury appropriation and was inadvertently included in this year's bill. The intent of the provision last year was to prevent the implementation of code section 89 dealing with the nondiscriminatory coverage requirements of employer-provided health insurance plans. As we all know, section 89 has since been repealed.

However, section 524 constitutes a tax measure within the meaning of House rule 21 because section 1151 of the Tax Reform Act of 1986 contained provisions other than section 89.

Specifically section 1151 of the Tax Reform Act of 1986 contains two tax provisions which were not affected by the 1989 repeal of section 89 of the Internal Revenue Code. First, section 1151(f) strengthens the conditions any employer must meet to obtain tax-exempt status for employer-provided dependent care assistance. Second, section 1151 also imposes certain record-keeping requirements necessary as a condition of obtaining tax qualification for qualified employee benefit plans.

Mr. Chairman, section 524 clearly constitutes a tax measure within the meaning of House rule 21.

I urge the Chair to sustain this point of order.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, the gentleman is correct, and the Committee recedes the point of order.

The CHAIRMAN (Mr. STUDDS). The point of order is conceded, and the Chair sustains the point of order.

Mr. ROSTENKOWSKI. Mr. Chairman, I make a point of order against section 528 of the bill.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ROSTENKOWSKI. Mr. Chairman, I make a point of order against section 528 on the ground that it is a tax measure which is in violation of paragraph B, clause 5 of House rule 21.

Mr. Chairman, Section 528 attempts to exempt small manufacturers and importers from the excise tax imposed under section 4181 of the Internal Revenue Code on certain firearms and ammunitions by providing that "no funds appropriated by this act or any other act shall be used to impose or assess any tax" under code section 4181.

Mr. Chairman, under the numerous precedents of the House concerning rule 21(5)(b), this prohibition is clearly a tax measure within the jurisdiction of rule 21. In fact, Mr. Chairman, I would point out that on September 12, 1984, that the Chair ruled that a virtually identical provision which had been proposed as an amendment by the Senate was, in fact, a revenue measure within the meaning of rule 21.

I urge the Chair to sustain this point of order.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, the committee concedes the point of order.

The CHAIRMAN (Mr. STUBBS). The point of order is conceded, and the Chair sustains the point of order.

The CHAIRMAN. The Committee will rise informally in order that the House may receive a message.

#### PERSONAL EXPLANATION

Mr. KOSTMAYER. Mr. Speaker, due to obligations that required me to be in my congressional district. I was unable to cast my votes on rollcalls 229-231. Had I been present, I would have voted "aye" on rollcall 229, the Skeen amendment, "aye" on rollcall 230, the Jacobs amendment as amended, and "no" on rollcall 231, the Frenzel amendment.

#### SUNDRY MESSAGES FROM THE PRESIDENT

The SPEAKER pro tempore (Mr. HOYER) assumed the chair.

The SPEAKER pro tempore. The Chair will receive a message.

#### SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Kalbaugh, one of his secretaries.

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

#### TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 1991

The Committee resumed its sitting.

##### AMENDMENT OFFERED BY MR. PENNY

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

The Clerk read as follows:

Amendment offered by Mr. PENNY: Page 67, insert after line 10 the following new section:

Sec. 531. Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is reduced by 2 percent, except that such reduction shall not apply to amounts appropriated or otherwise made available

under title I for items under the heading "INTERNAL REVENUE SERVICE".

Mr. PENNY. Mr. Chairman, this should be the last amendment of the afternoon.

The amendment proposes a 2-percent cut across the board in the Treasury and Postal Service appropriations bill, with the exception of the Internal Revenue Service.

I offer this amendment in conjunction with my colleague, the gentleman from Texas [Mr. ARMEY].

As most Members should know, this bill calls for over \$20 billion in spending. That is 12 percent higher than last year for these same programs. A 2-percent, across-the-board cut, with the exception of the IRS, would still leave most programs within this bill with sizable spending increases.

In particular, I want to make reference to the White House spending increases. The Office of Administration within the White House, a 34-percent increase.

The Executive residence at the White House, a 25-percent increase.

The Office of Management and Budget, an 11.3-percent increase.

Mr. Chairman, it seems to me that a President who up until 2 weeks ago said no new taxes should also have been submitting budget requests that involve no new White House spending. Though the President has now indicated there may be the need for some tax revenue increases to bring the budget deficit down, I do not think it is justifiable to propose those tax revenue increases only to spend them on White House spending increases.

Mr. Chairman, again this 2-percent reduction is a modest step toward deficit control, and I would urge favorable consideration by the House.

Mr. ROYBAL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment, of course, is not as destructive as the one that was just overwhelmingly defeated by the House.

□ 1410

This amendment does, in fact, cut \$160 million, and it affects 425 people that would have to be separated from the Government primarily from law enforcement agencies.

I would like to just break down very quickly where this money would be reduced. In the U.S. Customs, for example, they would receive \$23 million less under this amendment. It will affect 340 positions, and it would make it necessary for them to lay off or separate immediately 100 positions. This could well be men and women who are involved in the interdiction of narcotics, and it could very well mean that because we want to save \$23 million, it could very well cost us \$23 million down the line as we try to take care of those individuals who are affected by the narcotics that could be illegally

smuggled in to this country if the reduction takes place.

The other is \$5.9 million in Alcohol, Tobacco, and Firearms, that affects 50 positions. The Secret Service would be reduced by \$8 million, and as we go down the line, each one of these agencies would receive less money, all affecting their operations and their effectiveness.

I still insist that the administration's recommendation to this body was correct when they said that the administration supports the overall funding level as reported by the committee. The committee surely is not in favor of a 2-percent decrease. I was a vote against this amendment.

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

Mr. Chairman, I rise in opposition to the amendment.

I do not have any intention of speaking at length on this. I just want to point out that if we want to talk about the increases, the increases that are in this particular budget, take a look at what it does in the drug program; \$43 million for the drug czar for one, and then there is no wonder that there is a 25-percent increase in the President's request.

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

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Minnesota.

Mr. Chairman, as I understand the figures, this measure, as it stands now, is \$2.3 billion over in budget authority from last year. It is \$2 billion over last year in outlays. It is \$7 billion over in budget authority requests for this year from the President's request.

Mr. Chairman, the fact is every Member of this body is going to be asked to increase taxes on the working men and women of this country. They are going to be asked to increase the tax on cigarettes. They are going to be asked to increase the tax on beer, on wine, on hard liquor. They are going to be asked to increase the income taxes on hard-working men and women. They are going to be asked to increase the tax on gasoline, perhaps on oil. They are going to be asked to increase the tax on insurance. They are going to be asked to increase the tax on a dozen other commodities that we are looking at.

How does anyone go home and face their neighbors and say that we could not stand a 2-percent cut on a bill that is over budget and well over last year?

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

Mr. BROWN of Colorado. Mr. Chairman, I yield to the gentleman from Maryland.

Mr. Chairman, I think the statement to be true. It is over on budget authority from what the President requested,



and it is slightly under on outlays. I would appreciate it if the gentleman would correct me, if he thinks that is incorrect.

Mr. HOYER. Mr. Chairman, if the gentleman is talking about 302(b), we are \$73.5 million under 302(b).

Mr. BROWN of Colorado. I am sorry, I was referring to the President's request.

Mr. HOYER. If the gentleman will yield further, I want to also tell the gentleman we are \$8.5 million under on our outlay ceiling, and it is consistent, as the gentleman has just heard, with the President's level. On the authority number, I will have to get to the gentleman on that.

Mr. BROWN of Colorado. I thank the gentleman for that information. I think it is a valuable consideration.

Let me point out to the Members that if we take the budget as it has passed the House of Representatives, it involved over \$19 billion of tax increases in 1 year, so if we are comfortable going to our citizens and talking about supporting those tax increases, this is the vote that counts.

This is a vote to increase taxes, because it is a vote, if you vote against this, it is a vote to increase taxes, because this is very clearly where the rubber meets the road. If you want irresponsible spending, vote no. If you want to increase taxes, vote no. But if you want to ease the burden on the working men and women of this country, this is a chance to make a small step for fiscal responsibility.

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

Mr. Chairman, and colleagues, this is not 10 percent. This is not 6.9 percent. This is not 5 percent. It is 2 percent. Two percent.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. PENNY].

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

## RECORDED VOTE

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

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 178, noes 201, not voting 53, as follows:

[Roll No. 232]

## AYES—178

Applegate	Brown (CO)	Craig
Archer	Buechner	Crane
Armey	Bunning	Dannemeyer
Ballenger	Burton	Darden
Barnard	Callahan	Derrick
Bartlett	Campbell (CA)	DeWine
Barton	Campbell (CO)	Dorgan (ND)
Bateman	Coble	Dornan (CA)
Bates	Coleman (MO)	Dreier
Bennett	Combest	Duncan
Bereuter	Condit	Edwards (OK)
Billirakis	Cooper	Emerson
Bliley	Coughlin	Erdreich
Broomfield	Courter	Fawell
Browder	Cox	Fields

Fish	Leach (IA)	Saxton
Frenzel	Lent	Schaefer
Gallegly	Lewis (FL)	Schneider
Gallo	Lightfoot	Schroeder
Gaydos	Long	Schulze
Gekas	Lukens, Donald	Sensenbrenner
Geren	Marlenee	Sharp
Gillmor	Martin (IL)	Shaw
Gingrich	McCandless	Shays
Goodling	McCollum	Shumway
Goss	McCrery	Shuster
Gradison	McEwen	Sisisky
Grandy	McGrath	Skelton
Grant	McMillan (NC)	Slattery
Gunderson	Michel	Slaughter (VA)
Hall (OH)	Miller (OH)	Smith (NE)
Hamilton	Miller (WA)	Smith (VT)
Hammerschmidt	Molinari	Smith, Robert
Hancock	Montgomery	(OR)
Hansen	Moorhead	Snowe
Harris	Morrison (WA)	Spence
Hefley	Murphy	Stangeland
Henry	Neal (NC)	Stearns
Herger	Nielson	Stenholm
Hiler	Olin	Stump
Holloway	Packard	Sundquist
Hopkins	Pallone	Tallon
Hubbard	Parker	Tanner
Huckaby	Patterson	Tauke
Hunter	Payne (VA)	Thomas (CA)
Hutto	Penny	Thomas (WY)
Inhofe	Petri	Upton
Ireland	Pickett	Vander Jagt
Jacobs	Porter	Vucanovich
James	Quillen	Walgren
Johnson (CT)	Ravenel	Walker
Jones (GA)	Ray	Walsh
Jontz	Rhodes	Weber
Kasich	Ridge	Weldon
Kennelly	Ritter	Whittaker
Kolbe	Roberts	Williams
Kyl	Rohrabacher	Wyllie
Lagomarsino	Roth	Yatron
Lancaster	Roukema	Young (FL)
Lantos	Russo	

## NOES—201

Ackerman	Dymally	Lowery (CA)
Alexander	Dyson	Lowey (NY)
Anderson	Eckart	Lukens, Thomas
Andrews	Edwards (CA)	Machtley
Annuizio	Engel	Madigan
Anthony	English	Manton
Aspin	Espy	Mavroules
Atkins	Evans	Mazzoli
AuCoin	Fazio	McCloskey
Beilenson	Feighan	McCurdy
Bentley	Foglietta	McDermott
Berman	Frank	McHugh
Bevill	Gejdenson	McMillen (MD)
Bilbray	Gephardt	McNulty
Boehlert	Gibbons	Meyers
Boggs	Gilman	Mfume
Bonior	Gonzalez	Miller (CA)
Borski	Gordon	Moakley
Bosco	Gray	Mollohan
Brennan	Green	Moody
Brooks	Guarini	Mrazek
Bruce	Hayes (IL)	Myers
Bryant	Hefner	Nagle
Byron	Hertel	Natcher
Cardin	Hoagland	Neal (MA)
Carper	Hochbrueckner	Nowak
Carr	Horton	Oaker
Chapman	Hoyer	Oberstar
Clarke	Hughes	Obey
Clay	Johnson (SD)	Ortiz
Coleman (TX)	Jones (NC)	Owens (NY)
Collins	Kanjorski	Owens (UT)
Conte	Kaptur	Panetta
Conyers	Kastenmeier	Parris
Costello	Kildee	Pashayan
Davis	Kleczka	Payne (NJ)
de la Garza	Kolter	Pease
DeFazio	LaFalce	Pelosi
DeLay	Laughlin	Perkins
Dellums	Leath (TX)	Pickle
Dickinson	Lehman (CA)	Poshard
Dicks	Lehman (FL)	Price
Dingell	Levin (MI)	Pursell
Dixon	Levine (CA)	Rahall
Donnelly	Lewis (GA)	Rangel
Downey	Lipinski	Richardson
Durbin	Livingston	Rinaldo
Dwyer	Lloyd	Roe

Rogers	Skeen	Trafficant
Ros-Lehtinen	Slaughter (NY)	Traxler
Rose	Smith (FL)	Udall
Rostenkowski	Smith (IA)	Unsoeld
Rowland (GA)	Smith (NJ)	Valentine
Roybal	Solarz	Vento
Sabo	Solomon	Visclosky
Saiki	Spratt	Volkmeyer
Sangmeister	Staggers	Waxman
Sarpalius	Stallings	Weiss
Savage	Stokes	Wheat
Sawyer	Studds	Whitten
Scheuer	Swift	Wilson
Schiff	Synar	Wise
Schuette	Tauzin	Wolf
Schumer	Taylor	Wolpe
Serrano	Thomas (GA)	Wyden
Sikorski	Torres	Yates
Skaggs	Towns	Young (AK)

## NOT VOTING—53

Baker	Hall (TX)	Morrison (CT)
Boucher	Hastert	Murtha
Boxer	Hatcher	Nelson
Brown (CA)	Hawkins	Oxley
Bustamante	Hayes (LA)	Paxon
Chandler	Houghton	Regula
Clement	Hyde	Robinson
Clinger	Jenkins	Rowland (CT)
Coyne	Johnston	Smith (TX)
Crockett	Kennedy	Smith, Denny
Douglas	Kostmayer	(OR)
Early	Lewis (CA)	Smith, Robert
Fascell	Markey	(NH)
Flake	Martin (NY)	Stark
Flippo	Martinez	Torricelli
Ford (MI)	Matsui	Washington
Ford (TN)	McDade	Watkins
Frost	Mineta	
Glickman	Morella	

□ 1432

The Clerk announced the following pairs:

On the vote:

Mr. Douglas for, with Mr. Ford of Michigan against.

Mr. Houghton for, with Mr. Kostmayer against.

Mr. Oxley for, with Mr. Lewis of California against.

Mr. STAGGERS, Mrs. BENTLEY, and Mr. DAVIS changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there additional amendments to title V?

If not, the Clerk will read.

The Clerk read as follows:

## TITLE VI—GENERAL PROVISIONS

## DEPARTMENTS, AGENCIES, AND CORPORATIONS

SECTION 601. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year in accordance with section 16 of the Act of August 2, 1946 (60 Stat. 810), for the purchase of any passenger motor vehicle (exclusive of buses and ambulances), is hereby fixed at \$7,100 except station wagons for which the maximum shall be \$8,100: *Provided*, That these limits may be exceeded by not to exceed \$3,700 for police-type vehicles, and by not to exceed \$4,000 for special heavy-duty vehicles: *Provided further*, That the limits set forth in this section may be exceeded by not more than five percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976.

Sec. 602. Appropriations of the executive departments and independent establishments for the current fiscal year available

for expenses of travel or for the expenses of the activity concerned, are hereby made available for quarters allowances and cost-of-living allowances, in accordance with 5 U.S.C. 5922-24.

Sec. 603. Unless otherwise specified during the current fiscal year no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act, who, being eligible for citizenship, has filed a declaration of intention to become a citizen of the United States prior to such date and is actually residing in the United States, (3) is a person who owes allegiance to the United States, (4) is an alien from Cuba, Poland, South Vietnam, or the Baltic countries lawfully admitted to the United States for permanent residence, or (5) South Vietnamese, Cambodian, and Laotian refugees paroled in the United States after January 1, 1975: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony, and, upon conviction, shall be fined not more than \$4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of Ireland, Israel, the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

Sec. 604. Appropriations available to any department or agency during the current fiscal year for necessary expenses, including maintenance or operating expenses, shall also be available for payment to the General Services Administration for charges for space and services and those expenses of renovation and alteration of buildings and facilities which constitute public improvements performed in accordance with the Public Buildings Act of 1959 (73 Stat. 749), the Public Buildings Amendments of 1972 (86 Stat. 216), or other applicable law.

Sec. 605. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to chapter 91 of title 31, United States Code, shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with 5 U.S.C. 3109; and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on

administrative expenses shall be correspondingly reduced.

Sec. 606. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

Sec. 607. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits), only when reimbursement therefor is made to the Treasury from applicable appropriations of the agency concerned: *Provided*, That such credits received as exchanged allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury.

Sec. 608. No part of any appropriation contained in this or any other Act shall be available for interagency financing of boards, commissions, councils, committees, or similar groups (whether or not they are interagency entities) which do not have a prior and specific statutory approval to receive financial support from more than one agency or instrumentality.

Sec. 609. Funds made available by this or any other Act to the "Postal Service Fund" (39 U.S.C. 2003) shall be available for employment of guards for all buildings and areas owned or occupied by the Postal Service and under the charge and control of the Postal Service, and such guards shall have, with respect to such property, the powers of special policemen provided by the first section of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318), and, as to property owned or occupied by the Postal Service, the Postmaster General may take the same actions as the Administrator of General Services may take under the provisions of sections 2 and 3 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318a, 318b), attaching thereto penal consequences under the authority and within the limits provided in section 4 of the Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C. 318c).

Sec. 610. None of the funds made available pursuant to the provisions of this Act shall be used to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

Sec. 611. No part of any appropriation contained in, or funds made available by, this or any other Act, shall be available for any agency to pay to the Administrator of the General Services Administration a higher rate per square foot for rental of space and services (established pursuant to section 210(j) of the Federal Property and Administrative Services Act of 1949, as amended) than the rate per square foot established for the space and services by the General Services Administration for the fiscal year for which appropriations were granted.

Sec. 612. (a) Notwithstanding any other provision of law, and except as otherwise provided in this section, no part of any of the funds appropriated for the fiscal years ending September 30, 1991, or September

30, 1992, by this Act or any other Act, may be used to pay any prevailing rate employee described in section 5342(a)(2)(A) of title 5, United States Code, or any employee covered by section 5348 of that title—

(1) during the period from the date of expiration of the limitation imposed by section 612 of the Treasury, Postal Service, and General Government Appropriations Act, 1990, until the first day of the first applicable pay period that begins not less than ninety days after that date, in an amount that exceeds the rate payable for the applicable grade and step of the applicable wage schedule in accordance with such section 612; and

(2) during the period consisting of the remainder, if any, of fiscal year 1991, and that portion of fiscal year 1992, that precedes the normal effective date of the applicable wage survey adjustment that is to be effective in fiscal year 1992, in an amount that exceeds, as a result of a wage survey adjustment, the rate payable under paragraph (1) of this subsection by more than the overall average percentage adjustment in the General Schedule during fiscal year 1991.

(b) Notwithstanding any other provision of law, no prevailing rate employee described in subparagraph (B) or (C) of section 5342(a)(2) of title 5, United States Code, may be paid during the periods for which subsection (a) of this section is in effect at a rate that exceeds the rates that would be payable under subsection (a) were subsection (a) applicable to such employee.

(c) For the purpose of this section, the rates payable to an employee who is covered by this section and who is paid from a schedule that was not in existence on September 30, 1990, shall be determined under regulations prescribed by the Office of Personnel Management.

(d) Notwithstanding any other provision of law, rates of premium pay for employees subject to this section may not be changed from the rates in effect on September 30, 1990, except to the extent determined by the Office of Personnel Management to be consistent with the purpose of this section.

(e) The provisions of this section shall apply with respect to pay for services performed by any affected employee on or after October 1, 1990.

(f) For the purpose of administering any provision of law, including section 8431 of title 5, United States Code, or any rule or regulation that provides premium pay, retirement, life insurance, or any other employee benefit, that requires any deduction or contribution, or that imposes any requirement or limitation, on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

(g) Nothing in this section may be construed to permit or require the payment to any employee covered by this section at a rate in excess of the rate that would be payable were this section not in effect.

(h) The Office of Personnel Management may provide for exceptions to the limitations imposed by this section if the Office determines that such exceptions are necessary to ensure the recruitment or retention of qualified employees.

Sec. 613. None of the funds made available in this Act may be used to plan, implement, or administer (1) any reduction in the number of regions, districts or entry processing locations of the United States Customs Service; or (2) any consolidation or centralization of duty assessment or ap-



praisement functions of any offices in the United States Customs Service.

SEC. 614. During the period in which the head of any department or agency, or any other officer or civilian employee of the Government appointed by the President of the United States, holds office, no funds may be obligated or expended in excess of \$5,000 to furnish or redecorate the office of such department head, agency head, officer or employee, or to purchase furniture or make improvements for any such office, unless advance notice of such furnishing or redecoration is expressly approved by the Committees on Appropriations of the House and Senate.

SEC. 615. Funds appropriated in this or any other Act may be used to pay travel to the United States for the immediate family of employees serving abroad in cases of death or life threatening illness of said employee.

SEC. 616. (a) Notwithstanding the provisions of sections 112 and 113 of title 3, United States Code, each Executive agency detailing any personnel shall submit a report on an annual basis in each fiscal year to the Senate and House Committees on Appropriations on all employees or members of the armed services detailed to Executive agencies, listing the grade, position, and offices of each person detailed and the agency to which each such person is detailed.

(b) The provisions of this section shall not apply to Federal employees or members of the armed services detailed to or from—

- (1) the Central Intelligence Agency;
- (2) the National Security Agency;
- (3) the Defense Intelligence Agency;
- (4) the offices within the Department of Defense for the collection of specialized national foreign intelligence through reconnaissance programs;
- (5) the Bureau of Intelligence and Research of the Department of State;
- (6) any agency, office, or unit of the Army, Navy, Air Force, and Marine Corps, the Federal Bureau of Investigation and the Drug Enforcement Administration of the Department of Justice, the Department of the Treasury, and the Department of Energy performing intelligence functions; and

(7) the Director of Central Intelligence.

(c) The exemptions in part (b) of this section are not intended to apply to information on the use of personnel detailed to or from the intelligence agencies which is currently being supplied to the Senate and House Intelligence and Appropriations Committees by the executive branch through budget justification materials and other reports.

(d) For the purposes of this section, the term "Executive agency" has the same meaning as defined under section 105 of title 5, United States Code (except that the provisions of section 104(2) of title 5, United States Code shall not apply) and includes the White House Office, the Executive Residence, and any office, council, or organizational unit of the Executive Office of the President.

SEC. 617. No funds appropriated in this or any other Act for fiscal year 1991 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form or agreement if such policy, form or agreement—

(1) concerns information other than that specifically marked as classified; or, unmarked but known by the employee to be classified; or, unclassified but known by the

employee to be in the process of a classification determination;

(2) contains the term *classifiable*;

(3) directly or indirectly obstructs, by requirement of prior written authorization, limitation of authorized disclosure, or otherwise, the right of any individual to petition or communicate with Members of Congress in a secure manner as provided by the rules and procedures of the Congress;

(4) interferes with the right of the Congress to obtain executive branch information in a secure manner as provided by the rules and procedures of the Congress;

(5) imposes any obligations or invokes any remedies inconsistent with statutory law: *Provided*, That nothing in this section shall affect the enforcement of those aspects of such nondisclosure policy, form or agreement that do not fall within subsection (1)-(5) of this section.

SEC. 618. (a) Notwithstanding any other provision of law, in the case of fiscal year 1991, the overall average percentage of the adjustment under section 5305 of title 5, United States Code, in the rates of pay under the General Schedule, and in the rates of pay under the other statutory pay systems (as defined by section 5301(c) of such title), shall be an increase of 4.1 percent.

(b) Any increase in a pay rate or schedule which takes effect under such section 5305 in fiscal year 1991 (in accordance with subsection (a)) shall, to the maximum extent practicable, be of the same percentage, and shall take effect as of the first day of the first applicable pay period commencing on or after January 1, 1991.

SEC. 619. Notwithstanding any other provision of law, no executive branch agency shall purchase, construct, and/or lease any additional facilities, except within or contiguous to existing locations to be used for the purpose of conducting Federal law enforcement training without the advance approval of the House and Senate Committees on Appropriations.

SEC. 620. None of the funds appropriated by this or any other Act may be expended by any Federal agency to procure any product or service that is subject to the provisions of Public Law 89-306 and that will be available under the procurement by the Administrator of General Services known as "FTS2000" unless—

(1) such product or service is procured by the Administrator of General Services as part of the procurement known as "FTS2000"; or

(2) that agency establishes to the satisfaction of the Administrator of General Services that—

(A) the agency's requirements for such procurement are unique and cannot be satisfied by property and service procured by the Administrator of General Services as part of the procurement known as "FTS2000"; and

(B) the agency procurement, pursuant to such delegation, would be cost-effective and would not adversely affect the cost-effectiveness of the FTS2000 procurement.

SEC. 621. No department, agency, or instrumentality of the United States receiving appropriated funds under this Act for fiscal year 1991, or under any other Act appropriating funds for fiscal year 1991, shall obligate or expend any such funds, unless such department, agency, or instrumentality has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in

the Controlled Substances Act) by the officers and employees of such department, agency, or instrumentality.

SEC. 622. (a) No amount of any grant made by a Federal agency shall be used to finance the acquisition of goods or services (including construction services) unless the recipient of the grant agrees, as a condition for the receipt of such grant, to—

(1) announce in any solicitation for offers to procure such goods or services (including construction services) the amount of Federal funds that will be used to finance the acquisition for which such offers are being solicited; and

(2) express the amount announced pursuant to paragraph (1) as a percentage of the total costs of the planned acquisition.

(b) The requirements of subsection (a) shall not apply to a procurement for goods or services (including construction services) that has an aggregate value of less than \$500,000.

SEC. 623. Notwithstanding section 1346 of title 31, United States Code, or section 608 of this Act, funds made available for fiscal year 1991 by this or any other Act shall be available for the interagency funding of national security and emergency preparedness telecommunications initiatives which benefit multiple Federal departments, agencies, or entities, as provided by Executive Order Numbered 12472 (April 3, 1984).

SEC. 624. Notwithstanding any provisions of this Act or any other Act, during the fiscal year ending September 30, 1991, any department, division, bureau, or office participating in the Federal Flexiplace Project may use funds appropriated in this or any other Act to install telephone lines, necessary equipment, and pay monthly charges, in any private residence or private apartment: *Provided*, That the head of the department, division, bureau, or office certifies that adequate safeguards against private misuse exist, and that the service is necessary for direct support of the agency's mission.

SICK LEAVE AVAILABLE TO FEDERAL EMPLOYEES FOR PURPOSES RELATING TO THE ADOPTION OF A CHILD

SEC. 625. Section 6307 of title 5, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d);

(2) by inserting after subsection (b) the following new subsection:

"(c) Sick leave provided by this section may be used for purposes relating to the adoption of a child."; and

(3) in subsection (d) (as so redesignated by paragraph (1)), by inserting "or for purposes relating to the adoption of a child," after "illment,".

SEC. 626. Notwithstanding the provisions of the Act of September 13, 1982 (Public Law 97-258, 31 U.S.C. 1345), any agency, department or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may reimburse any Federal employee or any person employed to provide such services for travel, transportation and subsistence expenses incurred for training classes, conferences or other meetings in connection with the provision of such services: *Provided*, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code.

SEC. 627. (a) Notwithstanding any other provision of law, the Secretary of Educa-

tion, by appropriate release instrument, shall release New College of California, Inc., from the requirement not to mortgage, or encumber the property as specified in condition subsequent No. 2 as set forth at page 3 of that quitclaim Deed dated April 14, 1975, wherein the United States of America conveyed to New College of California, Inc., certain real property identified in that deed instrument. The intent purpose of such release and waiver being to enable New College of California, Inc., to secure needed financing for repairs to the facility, as identified in paragraph (b) necessitated by earthquake activity of October, 1989; such purpose to be included in the instrument releasing the requirement not to mortgage.

(b) The property, sometimes known as 50 Fell Street, is described as: A parcel of land situate in the City and County of San Francisco, State of California, said parcel being described in the Judgment on Declaration of Taking entered 11 March 1946 in Civil Action No. 25791 in the District Court of the United States in and for the Northern District of California, Southern Division, which was filed March 22, 1946, in the Office of the Recorder, City and County of San Francisco, California. Beginning at a point on the northerly line of Fell Street distant therefrom 100 feet easterly from the easterly line of Van Ness Avenue and running thence easterly along said line of Fell Street 109 feet; thence at a right angle northerly 120 feet; thence at a right angle westerly 109 feet; thence at a right angle southerly 120 feet to the Point of Beginning, being a portion of Western Addition, Block No. 69, and known on the assessor's map as Lot 10, Block 814, City and County of San Francisco, California.

Mr. ROYBAL (during the reading). Mr. Chairman, I ask unanimous consent that title VI be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there any points of order on title VI?

#### POINT OF ORDER

Mr. ACKERMAN. Mr. Chairman, I have a point of order.

Mr. Chairman, I raise a point of order against the language contained in lines 13 through 25 on page 82 of the bill.

The CHAIRMAN. The gentleman from New York will state his point of order.

Mr. ACKERMAN. Mr. Chairman, I raise a point of order against this language on the ground that such language constitutes legislation in an appropriations bill and, thus, violates clause 2 of rule XXI. The language in question proposes to amend section 6307 of title 5, United States Code, so as to authorize the use of sick leave for purposes not currently authorized.

The CHAIRMAN. Does the gentleman from California [Mr. ROYBAL] wish to be heard on the point of order?

Mr. ROYBAL. Mr. Chairman, we concede the point of order.

The CHAIRMAN (Mr. STUBBS). The point of order is conceded, and the Chair sustains the point of order.

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

Mr. Chairman, I just want to ask the gentleman from the Committee on Post Office and Civil Service one question.

This language would help Federal employees adopt children who have no mothers or fathers. It is very important that we pass it. Is there any chance that the Committee on Post Office and Civil Service could move the legislation on its own?

Mr. ACKERMAN. If the gentleman will yield, we will be glad to consider this legislation and look forward to working with the gentleman on the issue.

Mr. WOLF. I thank the gentleman and yield back the balance of my time.

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

Mr. Chairman, I want to clarify with the chairman of the Subcommittee on Appropriations that the funding restriction in section 508 of this act in no way applies to the rulemaking and other responsibilities of the Bureau of Alcohol, Tobacco and Firearms pursuant to Public Law 100-690, title 8.

Mr. ROYBAL. If the gentleman will yield, that is correct, the restriction does not apply to the responsibilities of the BAFT under Public Law 100-690 title 8.

Mr. CONYERS. I thank the gentleman.

The CHAIRMAN. Are there further amendments to title VI?

If not, the Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Treasury, Postal Service and General Government Appropriations Act, 1991".

Mr. ROYBAL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to, and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. ECKART] having assumed the chair, Mr. STUBBS, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 5241) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain independent agencies, for the fiscal year ending September 30, 1991, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with

the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 300, nays 72, not voting 60, as follows:

[Roll No. 233]

#### YEAS—300

Ackerman	de la Garza	Hoagland
Alexander	DeFazio	Hochbrueckner
Anderson	DeLay	Horton
Andrews	Dellums	Hoyer
Annunzio	Dickinson	Hubbard
Anthony	Dicks	Huckaby
Applegate	Dingell	Hughes
Aspin	Dixon	Hutto
Atkins	Donnelly	Inhofe
AuCoin	Dorgan (ND)	Jacobs
Ballenger	Duncan	James
Barnard	Durbin	Johnson (SD)
Bateman	Dwyer	Jones (GA)
Bates	Dymally	Jones (NC)
Bellenson	Dyson	Jontz
Bennett	Eckart	Kanjorski
Bentley	Edwards (CA)	Kaptur
Berman	Edwards (OK)	Kastenmeier
Bevill	Emerson	Kennelly
Bilbray	Engel	Kildee
Bilirakis	English	Kleczka
Boehlert	Erdreich	Kolbe
Boggs	Espy	Kolter
Bonior	Evans	LaFalce
Borski	Fazio	Lagomarsino
Bosco	Feighan	Lancaster
Brennan	Fish	Lantos
Brooks	Foglietta	Laughlin
Broomfield	Frank	Leach (IA)
Browder	Galleghy	Leath (TX)
Bruce	Gallo	Lehman (CA)
Bryant	Gaydos	Lehman (FL)
Byron	Gejdenson	Lent
Callahan	Gephardt	Levin (MI)
Campbell (CO)	Geren	Levine (CA)
Cardin	Gibbons	Lewis (GA)
Carper	Gillmor	Lipinski
Carr	Gilman	Livingston
Chapman	Gonzalez	Lloyd
Clarke	Goodling	Long
Clay	Gordon	Lowery (CA)
Coble	Grandy	Lowe (NY)
Coleman (MO)	Grant	Lukens, Thomas
Coleman (TX)	Gray	Madigan
Collins	Green	Manton
Combest	Guarini	Matsui
Condit	Gunderson	Mavroules
Conte	Hall (OH)	Mazzoli
Conyers	Hamilton	McCandless
Cooper	Harris	McCloskey
Costello	Hawkins	McCollum
Coughlin	Hayes (IL)	McCrery
Courter	Hefner	McCurdy
Darden	Hertel	McDermott
Davis	Hiler	McGrath



McHugh	Rangel	Spence
McMillen (MD)	Ravenel	Spratt
McNulty	Ray	Staggers
Meyers	Richardson	Stallings
Mfume	Ridge	Stearns
Miller (CA)	Rinaldo	Stenholm
Miller (OH)	Ritter	Stokes
Miller (WA)	Roe	Studds
Mineta	Rogers	Swift
Moakley	Ros-Lehtinen	Synar
Molinari	Rose	Tallon
Mollohan	Rostenkowski	Tanner
Montgomery	Rowland (CT)	Taylor
Moody	Rowland (GA)	Thomas (GA)
Morrison (WA)	Roybal	Torres
Mrazek	Sabo	Towns
Murphy	Saiki	Trafigant
Myers	Sangmeister	Udall
Nagle	Savage	Unsoeld
Natcher	Sawyer	Valentine
Neal (NC)	Scheuer	Vander Jagt
Nowak	Schiff	Vento
Oakar	Schneider	Visclosky
Oberstar	Schroeder	Volkmmer
Obey	Schuette	Vucanovich
Olin	Schulze	Walgren
Ortiz	Schumer	Waxman
Owens (NY)	Serrano	Weber
Owens (UT)	Sharp	Weiss
Panetta	Shaw	Weldon
Parker	Sikorski	Wheat
Parris	Sisisky	Whittaker
Pashayan	Skaggs	Whitten
Patterson	Skeen	Williams
Payne (NJ)	Skelton	Wilson
Payne (VA)	Slaughter (NY)	Wise
Pelosi	Smith (FL)	Wolf
Perkins	Smith (IA)	Wolpe
Pickett	Smith (NE)	Wyden
Pickle	Smith (NJ)	Wylie
Porter	Smith (VT)	Yates
Poshard	Smith, Robert	Yatron
Price	(OR)	Young (AK)
Pursell	Snowe	Young (FL)
Quillen	Solarz	
Rahall	Solomon	

## NAYS—72

Archer	Hancock	Penny
Armey	Hansen	Petri
Bartlett	Hefley	Rhodes
Barton	Henry	Roberts
Bereuter	Heger	Rohrabacher
Billey	Holloway	Roth
Brown (CO)	Hopkins	Roukema
Bunning	Hunter	Russo
Burton	Ireland	Sarpalius
Campbell (CA)	Johnson (CT)	Schaefer
Craig	Kyl	Sensenbrenner
Crane	Lewis (FL)	Shays
Dannemeyer	Lightfoot	Shumway
DeWine	Lukens, Donald	Shuster
Dornan (CA)	Marlenee	Slattery
Dreier	Martin (IL)	Slaughter (VA)
Fawell	McEwen	Stangeland
Fields	McMillan (NC)	Stump
Frenzel	Michel	Sundquist
Gekas	Moorhead	Tauke
Gingrich	Nielson	Thomas (CA)
Goss	Packard	Thomas (WY)
Gradison	Pallone	Upton
Hammerschmidt	Pease	Walker

## NOT VOTING—60

Baker	Frost	Murtha
Boucher	Glickman	Neal (MA)
Boxer	Hall (TX)	Nelson
Brown (CA)	Hastert	Oxley
Buechner	Hatcher	Paxon
Bustamante	Hayes (LA)	Regula
Chandler	Houghton	Robinson
Clement	Hyde	Saxton
Clinger	Jenkins	Smith (TX)
Cox	Johnston	Smith, Denny
Coyne	Kasich	(OR)
Crockett	Kennedy	Smith, Robert
Derrick	Kostmayer	(NH)
Douglas	Lewis (CA)	Stark
Downey	Machtley	Tauzin
Early	Markey	Torricelli
Fascell	Martin (NY)	Traxler
Flake	Martinez	Walsh
Flippo	McDade	Washington
Ford (MI)	Morella	Watkins
Ford (TN)	Morrison (CT)	

□ 1455

The Clerk announced the following pair:

On this vote:

Mr. Johnston for, with Mr. Douglas against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 5241, the bill just passed.

The SPEAKER pro tempore (Mr. ECKART). Is there objection to the request of the gentleman from California?

There was no objection.

## PERSONAL EXPLANATION

Mr. NELSON of Florida. Mr. Speaker, had I been present I would have voted "aye" on rollcall Nos. 229, 230, and 233, and "nay" on rollcall Nos. 231 and 232.

## PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent for rollcall 229, the Skeen amendment to the Jacobs amendment, rollcall 230, the Jacobs amendment as amended, rollcall 231, the Frenzel amendment, rollcall 232, the Penny amendment, and rollcall 233, final passage of Treasury-Postal Service-General Government Appropriations for fiscal year 1991. Had I been here, I would have cast the following votes: "aye," "aye," "nay," "nay," and "aye."

## EXPLANATION OF VOTE

Mr. BEREUTER. Mr. Speaker, I was unable to reach the Chamber in time to cast my vote on rollcall No. 231. Had I been present I would have voted "no."

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 3498

Mr. BILBRAY. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 3498.

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

There was no objection.

## REPORT ON H.R. 5268, RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS BILL, 1991

Mr. WHITTEN, from the Committee on Appropriations, submitted a privileged report (Rept. No. 101-598) on the bill (H.R. 5268) making appropriations for rural development, agriculture, and related agencies for fiscal year 1991,

which was referred to the Union Calendar and ordered to be printed.

Mrs. SMITH of Nebraska reserved all points of order on the bill.

## PERMISSION FOR COMMITTEE ON FOREIGN AFFAIRS TO HAVE UNTIL MIDNIGHT, MONDAY JULY 16, 1990, TO FILE REPORT ON H.R. 3950, FOOD AND AGRICULTURAL RESOURCES ACT OF 1990

Mr. ROYBAL. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs have until midnight, Monday, July 16, 1990, to file its report on H.R. 3950, the Food and Agricultural Resources Act of 1990.

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

There was no objection.

## REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2911

Mr. CHAPMAN. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 2911.

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

There was no objection.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5258, BALANCED BUDGET ACT 1990

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-599) on the resolution (H. Res. 433) providing for the consideration of the bill (H.R. 5258) to require that the President transmit it to Congress, that the congressional Budget Committees report, and that the Congress consider a balanced budget for each fiscal year, which was referred to the House Calendar and ordered to be printed.

## REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE JOINT RESOLUTION 268, BALANCED BUDGET CONSTITUTIONAL AMENDMENT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-600) on the resolution (H. Res. 434) providing for the consideration of the joint resolution (H.J. Res. 268) proposing an amendment to the Constitution to provide for a balanced budget and for the U.S. Government and for greater accountability in the enactment of tax legislation, which was referred to the House Calendar and ordered to be printed.

## REPORT ON RESOLUTION PROVIDING FOR THE CONSIDERATION OF H.R. 1180, HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1990

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged

report (Rept. No. 101-601) on the resolution (H. Res. 435) providing for the consideration of the bill (H.R. 1180) to amend and extend certain laws related to housing, community and neighborhood development and preservation, and related programs, and for other purposes, which was referred to the House Calendar and ordered to be printed.

#### LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I would like to inquire of the distinguished majority whip of the program for the balance of this week and next week, and I yield such time as he may consume to the gentleman from Pennsylvania [Mr. GRAY] for that purpose.

Mr. GRAY. Mr. Speaker, I say to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL], it is our expectation on Monday, July 16, that the House will meet at noon and we will proceed to go through several suspensions, approximately 11 or 12. However, the votes will be rolled over until Tuesday.

The House will meet at 10 a.m. on Tuesday, and of course any votes that are required on those suspensions will take place then. Of course, at that time, we will fill the balance of our legislative day considering House Joint Resolution 268, the balanced budget constitutional amendment which, of course, is subject to a rule.

□ 1500

On Wednesday it would be the expectation that we would meet at 10 a.m. We would consider the Agriculture appropriations for 1991 and also the Statutory Balanced Budget Act of 1990.

Then on Thursday, July 19, and on Friday, July 20, the House would meet at 10 a.m. for consideration of the Labor, Health, Human Services, and Education appropriation bill for 1991, the Equity and Excellence in Education Act, the omnibus housing authorization bill, and also the amendments to the Airport and Airway Improvement Act of 1982.

So that would be the schedule for the upcoming week.

Mr. MICHEL. And conference reports may be brought at any time.

Mr. GRAY. And conference reports may be brought up at any time.

Mr. MICHEL. And it is my understanding, for the benefit of those who are not here but who would read the RECORD tomorrow and have that information over the weekend, that a rule has been granted on the balanced budget constitutional amendment that provides for 3 hours of debate, with two amendments, the Barton amendment that would require a three-fifths

vote for revenue sharing, and then the Stenholm substitute. And as I understand it, there is a rule that would also make in order the measure the gentleman talked about coming up the following day, the Balanced Budget Act of 1990, and there would be a 1-hour debate on that proposition?

Mr. GRAY. Mr. Speaker, the gentleman is absolutely correct. The balanced budget constitutional rule has been passed out by the committee. However, the Balanced Budget Act for Wednesday requires a separate rule. It is a separate item altogether and cannot be considered with the constitutional amendment.

Mr. MICHEL. Mr. Speaker, I thank the distinguished whip for that clarification.

#### DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GRAY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday Rule be dispensed with on Wednesday next.

The SPEAKER pro tempore (Mr. RICHARDSON). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

#### HOUR OF MEETING ON TUESDAY, JULY 17, 1990

Mr. GRAY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, July 16, 1990, it adjourn to meet at 10 a.m. on Tuesday, July 17, 1990.

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

There was no objection.

#### ADJOURNMENT TO MONDAY, JULY 16, 1990

Mr. GRAY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

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

There was no objection.

#### REPORT CONCERNING NATIONAL EMERGENCY WITH RESPECT TO LIBYA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 101-215)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

(For message, see proceedings of the Senate of today, Friday, July 13, 1990.)

#### REPORT CONCERNING EMIGRATION LAWS AND POLICIES OF THE REPUBLIC OF HUNGARY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 101-216)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed.

(For message, see proceedings of the Senate of today, Friday, July 13, 1990.)

#### ANNUAL REPORT ON ACTIVITIES OF THE U.S. GOVERNMENT RELATED TO PREVENTING NUCLEAR PROLIFERATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs.

(For message, see proceedings of the Senate of today, Friday, July 13, 1990.)

#### THE DEFICIT REDUCTION ACCOUNT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 5 minutes.

Mr. WISE. Mr. Speaker, I just want to touch on a subject briefly today that I will be returning to. I think it is very, very important, as we have the budget summit and as people look at ways to both find new sources of revenue and also talk about needing to build and invest in our country's future.

I would like to call this body's attention to a proposal, a bill which I introduce and which has a number of co-sponsors in the House, called the Deficit Reduction Account or DRA. What the Deficit Reduction Account does is very simple. It says that any new revenues coming in that are earmarked specifically for the DRA would be put into a special account, in fact a trust fund account. Those revenues would then build up, and they would build up interest. Over a 5-year period it would be forbidden to spend those revenues, so you would build up a corpus, a body, a principal, and after 5 years you would retain that principal in that account, the deficit reduction account, but then the interest that comes in the sixth year and every year thereafter



ter would be earmarked for special long-term capital intensive projects.

What does that mean? What it means is that the taxpayer gets two bites at the apple. The taxpayers know the money they are paying in taxes, specifically if there is some increase in taxes, is going into a specific account to be used for deficit reduction, nothing else. But they get more for that. As they say in the Ginza knife ad, "And there's more." And the "more" is this: The "more" is that you know if you are putting your money into that account, you are investing it in those kinds of projects that are so important to our country's future, projects that often get lost or are the subject of long annual appropriation battles.

Are we talking about space stations? Are we talking about highways? Are we talking about superconducting super colliders? Are we talking about airports? Are we talking about long-term R&D that is necessary to make our country competitive? Whatever we are talking about, let me give some examples of what this account can mean.

If you put into this account \$30 billion a year in new tax revenues, first of all, that is not money that is going out to be used for new spending, but is going to be used for deficit reduction. So the taxpayer gets that advantage. But the second advantage is that you put in \$30 billion a year, and after 5 years it is \$150 billion. With interest coming in, it means that the principal is probably up now to \$175 billion, and it is generating something like \$12 to \$15 billion a year. Well, \$12 to \$15 billion earmarked for specific projects over a long period of time can mean a lot. That means, for instance, that NASA would have a guaranteed stream of funding for projects that have been agreed upon.

□ 1510

It would mean, for instance, that you would have a guaranteed stream of funding for a particular type of infrastructure development. It would mean, for instance, that in a time when we know how hard it is to raise money for the water and sewer systems that our country desperately needs, that that money would be available and in that fund, and so the taxpayer once again gets two breaks; first, knowing that the money is not there, their tax revenues are not being used for increased spending, and, second, that it is being used for capital investment purposes.

Mr. Speaker, that is what the deficit reduction account is all about, and I would hope that the budget summitters would take a look at it as they are considering new sources of revenue, as they are considering new approaches and as they are looking at ways to come out of this summit not only with deficit reduction, but also to come out of it with a program that

definitely makes our country more powerful, more strong, more competitive and indeed makes this an investment economy.

Deficit reduction account: Remember that name, the DRA, because I am going to be talking about it a lot, and I think it is something that is important to bring up today.

The SPEAKER pro tempore (Mr. RICHARDSON). Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

[Mr. ALEXANDER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### LEGISLATION TO ESTABLISH A NEW PERSONNEL SYSTEM AT THE DEFENSE LANGUAGE INSTITUTE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, it is my privilege today to be able to introduce, on behalf of the faculty and administration of the Defense Language Institute [DLI], the Department of Defense and the National Federation of Federal Employees [NFFE], legislation to establish a new personnel system [NPS] for the Defense Language Institute's [DLI] professional personnel.

At my request, representatives of the Department of Defense [DOD], the Defense Language Institute and the National Federation of Federal Employees [NFFE] provided me with drafts of legislation to establish a new personnel system at DLI and responded ably to my requests for assistance in shaping a new personnel system that brings DLI into the 1990's as a truly modern place of scholarship in the languages. The faculty, NFFE, DOD, DLI, and I can take pride in the fact that each of us strongly supports the final product of our labor on this bill, for it represents good government and labor-management cooperation in the truest sense of the words.

I want to express special thanks in particular to Josh Neiman and Alfie Khalil of NFFE, Craig Wilson of the Office of the Secretary of Defense, Col. Donald Fischer, Provost Ray Clifford, and Lt. Col. Peter Kozumplik of the Defense Language Institute and Bob Cover of the House Legislative Counsel's staff. Each of these gentlemen contributed his valuable expertise and a good deal of labor to the final draft of the legislation.

We have responded to the administrative needs of DLI, to the financial and human concerns of the faculty and the institutional concerns of the Department of Defense. Indeed, I believe that this bill also represents progress in education personnel management within the Federal Establishment.

Mr. Speaker, by now it has become a truism that the United States faces a vastly altered world, a world in which our national security requirements are changing rapidly—more rapidly than we have been able to gauge. I would

submit that the Defense Language Institute will be playing an ever more important role in the Defense Department's national security apparatus in this decade and the next. Clearly, the ability of our Defense personnel to communicate in the scores of languages our allies and potential foes speak must be bolstered just as surely as they will be required to cooperate with Central and Eastern European defense personnel.

The Defense Language Institute is a critical national asset, serving as the Department of Defense's academically accredited institute for foreign language instruction. The Department and NFFE believe the legislation is necessary to allow DLI to encourage the growth at the Institute of personnel management practiced at successful private and public educational institutions. Under this legislation, DLI would be able to structure a personnel system to resemble those of comparable educational institutions, such as colleges and universities, rather than administrative agencies of the Federal Government. It is our hope that the legislation, if enacted, will lead to greater professionalization of instruction at DLI and of the faculty themselves, with our final goal being higher student language proficiency.

Our legislation would accomplish several very important tasks. It would provide for the first time a statutory charter for the operation of the Institute, it would establish in law a personnel system for its civilian faculty and it would mandate a proper transition period from the current to the new system. The new personnel system contained within our bill sets forth tenure requirements for civilian faculty, the range of compensation of civilian faculty, conditions for the provision of assistance to faculty interested in enhancing their academic credential, the rate of nonsalary benefits and guidelines for the awarding of degrees.

We intend DLI to evaluate instructors for tenure not only on the basis of the quality of their instruction, but also their curriculum development, training, proficiency, research, and other academic activities specified in the legislation. Further, it is our intention that the system vest rank among civilian faculty specifically in person rather than in position. During the transitional year it is our intention that the DLI administration formally apprise all faculty members of the full meaning of the new personnel system in a quarterly letter.

The faculty of DLI are very anxious to implement their new personnel system in fiscal year 1991. Their current improvised personnel system is entirely inadequate by every expert's account. This legislation would enable the best and brightest to remain with DLI for many years to come, and it would attract more of the same. The only current avenue for advancement, unfortunately, has been from the classroom to the administration. It is about time we provided to the DLI faculty the chance to progress as high as their talents will take them.

I urge my colleagues to examine this legislation carefully as an essential step to support for programmatic improvements at the Defense Language Institute and as a wise investment in an increasingly important aspect of our national security, and I call for its expeditious enactment into law.

Following are explanatory notes prepared at my request by the Department of Defense on the purpose of the legislation, background on the needs it addresses, reasons for exemption from certain chapters of title 5 of the United States Code, a detailed description of the Institute itself and proposed policies to accompany the new system.

#### PURPOSE OF THE LEGISLATION

It is proposed to amend Title 10, United States Code, to formally authorize the Secretary of Defense to establish and operate an Institute for providing foreign language instruction. The proposed legislation would formally recognize the Defense Language Institute as the Secretary of Defense's school for providing foreign language instruction for military service members, and would enable the Secretary of Defense to deviate from certain personnel management practices specified in Title 5 and in regulations promulgated by the Office of Personnel Management (OPM). The Secretary of Defense could adopt personnel practices, policies and procedures for civilian faculty members similar to those used at comparable public, private and Federal educational institutions and colleges throughout the country.

The proposed changes in the personnel management system would lead to the greater professionalization of the faculty, and to the Institute's ability to recruit and retain highly qualified foreign language instructors. A consequence of the proposed changes would be an increase in the foreign language proficiency levels attained by the students assigned to the Defense Language Institute by the military services for formal language instruction. Such increases in language proficiency are required for critical intelligence and foreign liaison functions throughout the Department of Defense and the national intelligence community.

#### BACKGROUND TO THE PROBLEM

The Defense Language Institute (DLI) is an academically accredited institution of higher education operated for the Department of Defense by the Department of Army through its Training & Doctrine Command. As a part of the Federal Government, it is administered under normal military and civil service procedures. DLI currently trains approximately 5,000 students per year from all four military services. For academic and administrative purposes, it is organized into eight separate language schools with approximately 30 language departments.

Each school is headed by a Dean and each department by a chairperson. During the past decade, the increased need for military linguists has resulted in a significant increase in DLI's civilian faculty which has nearly doubled to its current workforce of approximately 900 instructional and academic support personnel. DLI recruits nationwide (and in some cases, world wide) for qualified language instructors to meet the needs of the services. The primary prerequisite to faculty hiring is language fluency, with a secondary requirement of a knowledge of foreign language teaching methodology and techniques. Due to the need for instructors in languages essential to the military program (e.g., Russian, Korean, Arabic) all instructors hired are fluent in the "target" language, but most lack both experience and professional training in techniques and problems of second language acquisition.

While in-service training classes are provided for new instructors, the language in-

struction DLI provides should be graduating a higher number of proficient military linguists. While numerous factors contribute to this shortfall, a major contributor to the problem is the civilian personnel management program as it operates under the current civil service system. DLI's faculty are currently selected, appointed, classified and administered under Federal Personnel provisions of Title 5 and Office of Personnel Management (OPM) requirements. Thus, the positions must be classified under the General Schedule, and faculty members recruited for and compensated on the GS salary range under pay administration rules. Under these rules, it is difficult to establish a professional academic atmosphere and climate. The civil service "rank-in-position" system with its prescribed titling practices provides little or no flexibility for rewarding of or recognizing individual qualifications and contributions as is done in standard academic settings. The current system also places limits on the amount of professional training which can be given to correct identified deficiencies.

#### PROPOSED SOLUTION

The proposed legislation would authorize the Secretary of Defense to prescribe regulations that would establish a college style personnel structure at DLI. He would be permitted to establish a faculty personnel system following academic models rather than the more administratively position-oriented structure for Federal employment. He could establish a flexible compensation structure comparable to two-year college systems and those of similar federal institutions. The mandate that no salary could exceed that of the entry rate at Executive Level V would be retained.

The Secretary of Defense could establish a system of providing training enabling the faculty to become fully proficient in the principles, theories and techniques of second language acquisition. A procedure for granting tenure and of terminating non-tenured personnel that would follow the example of civilian educational institutions would also be developed. He would be authorized to establish a flexible leave program which would be geared to a teaching environment, and provide means for faculty members to pursue professional level training and development.

A similar system has been authorized for other Federal institutions and programs: the U.S. Naval Academy by section 7478 of title 10; the U.S. Naval Postgraduate School by Section 7044 of title 10; and the U.S. Coast Guard by section 186 of title 14. The bill, if enacted, would permit the establishment of an educational milieu that would attract outstanding foreign language educators, and facilitate educating a cadre of well qualified linguists to provide world-wide services to the United States of America.

#### CHAPTERS REQUIRING EXEMPTION FROM TITLE V OF U.S. CODE

Chapter	Chapter title and sectional analysis	Reason for exemption
31	Authority For Employment: Covers all employees subject to Chapter 51; requires citizenship of all employees in CONUS paid from appropriated funds.	Need to be exempt from Chapter 51 (Classification): Also need to be able to continue to hire noncitizens
33	Examination, Selection and Placement: Covers competitive service procedures on subjects; Rule 6.3 allows OPM to set procedures (OPM has done this) for filling Excepted Service positions.	Need to be able to set own examination criteria and selection and placement procedures for faculty and academic support staff.

#### CHAPTERS REQUIRING EXEMPTION FROM TITLE V OF U.S. CODE—Continued

Chapter	Chapter title and sectional analysis	Reason for exemption
41	Training: Includes provisions which preclude the reimbursement to employees for training in non-government facilities which lead to an academic degree.	Need to allow for training leading to a degree—this is essential to the faculty professionalization program.
45	Incentive Awards: Establishes principles of recognizing deserving employees; directs OPM to establish regulations for Agencies to follow in giving awards (linked to 43).	Need to develop own regulations to recognize deserving employees (common to college appraisal systems).
51	Classification: Establishes 18 "GS" levels; directs OPM to set GS classification standards; OPM standards developed are applicable to both competitive and excepted service positions.	Need to develop faculty levels in lieu of GS levels; need to establish faculty level classification criteria.
53	Pay Rates and Systems: Establishes pay schedules; Subch. III covers employees, positions, etc., subject to Chapter 51 (classification).	Need to develop faculty and staff salary schedule comparable to 2 year colleges.
55	Pay Administration: Sub I: General Provisions: For civil service, establishes biweekly pay periods to cover 52 work weeks of 40 hours each. Sub II: Withholding Pay: Establishes authority to withhold pay for indebtedness to the U.S. Government and for state and local taxes.	Need to establish a monthly or bimonthly pay period to cover yearly instructional schedule. May need to support the changed pay system.
	Sub V: Premium Pay: Establishes authority for overtime pay, and compensatory time off.	Need to establish academic work environment and expectations (linked to Chapter 61).
61	Hours of Work: Establishes a 40-hour work week and requires scheduled tour of duty.	Need to allow flexibility in establishing academic tours of duty.

#### POSITION PAPER

1. Context: The Defense Language Institute (DLI) is a professionally accredited institution of higher education operated for the Department of Defense by the Department of the Army's Training & Doctrine Command. As an army entity, it is administered in accordance with normal military and civil service procedures. DLI is accredited by the Accrediting Association of Schools and Colleges. As DLI is not yet a degree-granting institution, it is recognized under the jurisdiction of the Junior commission as a specialized post-secondary institution.

2. Organization: DLI, under an Army Commandant, is organized for academic purposes into eight resident, foreign language schools with over 30 language departments under the schools. The schools are organized into language teaching departments.

a. School: A school is established to group languages with a common linguistic or cultural heritage. Where the student enrollment is high enough, schools may consist of only one language (e.g., the Korean School). The schools are organized into language-teaching departments.

b. Language-Teaching Departments: A Language Department is normally responsible for resident instruction in a single language. Multi-Language Departments are responsible for teaching lower enrollment languages which are linguistically, geographically and/or culturally linked.

c. Current Schools and Departments:  
Russian I Schools: Russian I-A Dept., Russian I-B Dept., Russian I-C Dept., Russian I-D Dept., Russian I-E Dept.

Russian II School: Russian II-A Dept., Russian II-B Dept., Russian II-C Dept., Russian II-D Dept., Russian II-E Dept.

Slavic School: Russian A Dept., Russian B Dept., Czech A Dept., Czech B Dept.

Asian School: Chinese Dept., Persian Dept., Multi-Language Dept. (Japanese, Tagalog, Thai, Vietnamese).



Korean School: Korean A Dept., Korean B Dept., Korean C Dept., Korean D Dept.

Romance School: Spanish A Dept., Spanish B Dept., Spanish C Dept., Multi-Language Dept. (Dutch, French, Italian, Portuguese).

Middle East School: Arabic A Dept., Arabic B Dept., Arabic C Dept., Multi-Language Dept. (Greek, Hebrew, Turkish).

Central European School: German A Dept., German B Dept., German C Dept., Polish.

3. Academic Operation: The administrative officers of the Institute have broad responsibilities for establishing policies, goals, and objectives. They maintain the physical plant as well as administer the budgets through a joint military and civilian staff. The faculty and academic staff are fully responsible for the detailed development and implementation of all instructional activities.

4. Faculty: The civilian faculty and academic staff are civil service appointees with salary levels established by a General Schedule grade which is not necessarily related to academic qualifications. The current full-time faculty and academic staff consists of approximately 900 civilian members. Faculty members are hired primarily for their foreign language ability. Academic and teaching qualifications are an important secondary consideration.

5. Faculty Personnel Practices: DLI civilian faculty and academic staff are currently appointed under a Schedule A excepted service authority (as contrasted to the competitive service system), following procedures established by the Office of Personnel Management (OPM). This authority has been granted to DLI because of the language fluency requirements of our positions. OPM is unable to test for qualifying proficiencies, and periodically the DLI must hire non-citizens to attain the required levels of proficiencies; non-citizens may not be hired into the competitive service. Positions are classified in accordance with published OPM standards, with the attendant prescribed General Schedule (GS) and General Merit (GM) grades ranging from GS 05 to GM 15. DLI recruits nation and world-wide, determines applicants' qualifications, and currently maintains registers of qualified candidates in 21 separate languages and dialects (inactive applicant files are maintained in 10 additional languages).

6. Problems: The existing civil service personnel system, which is centered on a rank in position concept, has not been adequate to meet DLI needs in the past. The increase in our nation's foreign language requirements have further highlighted systemic shortcomings in the system. Improved technology has made more of the world's communications available while increased military and paramilitary conflicts around the globe (as well as recent treaty initiative) have made exploitation of these communications critical to our nations security. As a result, we have seen over the last decade a doubling of foreign language enrollments and an even greater increase in student graduation requirements. The flexibility and the incentives needed to meet these challenges are not available in the current personnel system. Some basic problems associated with the current system are:

a. Classification System: As in all conventional civil service appointments, grade and duties are tied to a specific, functional position which is relatively narrowly defined. In a stable environment this causes little difficulty. However, rapidly changing existing

programs and the development of new ones demand a high degree of flexibility in assignment of duties. This flexibility is not present in the current system. The Institute has experience in testing and qualifying faculty, and should have the management authority to establish grading criteria for such positions. Current classification standards are inadequate. DLI is actively moving to become a comprehensive, multi-disciplinary center of excellence. Faculty assignment is critically important in this evolution. Recognition and reward for faculty accomplishments must be based on total performance of required duties which are not easily related to a specific grade level. In addition, as with any academic institute, appropriate, specific higher degree qualifications are essential and must be incorporated into the grading system.

b. Professionalization: Central to the success of any educational institution is a highly qualified faculty. The field of language teaching calls for expertise in two independent areas—foreign language and language-teaching methodologies. The DLI faculty and staff are eminently qualified in the former area. Over 80 percent of the faculty are native speakers of the language they teach. Because of the high language proficiency levels required of our graduates, we must continue to emphasize native speaking ability over teaching proficiency as an entry level requirement. However, recruitment of fluent foreign language speakers results in a faculty with limited formal preparation in instructional techniques. The current faculty training program has been limited to basic training in teaching methodology. Limited tuition assistance for formal education has resulted in a faculty only minimally trained in modern language-teaching methods. The Institute demands faculty with appropriate academic credentials; however current law prohibits government contribution for specific degree attainment and the advertisement of such a policy as a recruitment incentive.

7. Proposed Actions: To correct these shortcomings, the DLI Academic Personnel Management System will be restructured to align it more closely with traditional institutions of higher education and other federal academic institutions.

a. Classification and Qualification System: The first critical element of the proposed system would be a rank-in-person classification and qualification system based on the standard academic model. The goal of the proposed personnel management system is to allow the faculty to function over a wide spectrum of responsibilities from classroom instruction to staff support. A faculty member qualified by education and experience for a specific academic rank would perform the full spectrum of duties for which he/she is qualified. Given the dynamic nature of the environment, or academic support, depending on mission requirements.

b. Professionalization & Development: Correcting the deficiency in classification and qualifications will require a faculty training program. The program is three-phased: pre-service enhancement, in-service remedial, and graduate professional development. Prior to beginning teaching, every teacher will be required to pass an instructor certification program taught by the internal Faculty Training Division. Once an instructor is certified, additional in-service training will be provided by faculty trainers. This will develop or enhance specific skills, e.g., use of the classroom computers, or test-writing procedures. Finally, formal graduate

education will be required to fully qualify the faculty as professional educators. This program should provide the opportunity for faculty members to pursue degrees from accredited institutions and would include part-time, tuition-aided instruction for about 20 percent of the faculty and academic staff annually. Courses taken would lead to a Master's in Foreign Language Teaching or other appropriate graduate level degrees. Additionally, up to one percent of the faculty and academic staff per year will be fully funded to pursue graduate degrees in fields which would contribute to DLI's academic mission.

#### PROPOSED POLICY

The specific policies and procedures regarding the proposed rank-in-person structure follow:

1. Policy: This policy statement applies to all civilian members of the faculty and academic staff of the Defense Language Institute currently employed in the 1700 and 1040 series Schedule A excepted service positions.

2. Status of Civilian Members of the Faculty and Academic Staff: Civilian members of the faculty and academic staff shall be appointed by the Commandant, Defense Language Institute under provisions of the proposed law, and applicable regulations issued by the Office of Personnel Management (OPM), the Department of Defense (DOD), and the Department of the Army (DA).

3. Academic Session: The academic session is of 12-month duration. During this period, all faculty and academic staff are employed in tasks assigned by the commandant, except when absent on approved earned annual leave, leave without pay, or in a long-term training or education program.

4. Academic Ranks: Academic Ranks will be established. The ranks will be based on the educational accomplishments, professional experience, instructional experience, and other related performance and accomplishment criteria. The academic ranks that have been identified for use at the Defense Language Institute are: Assistant Instructor, Instructor, Senior Instructor, Assistant Professor, Associate Professor, Professor, Senior Administrative Faculty, Chancellor.

a. Assistant Instructor: this is a non-tenured, developmental position. The faculty member occupying this position will perform assigned tasks under close supervision and guidance by colleagues of higher academic rank and will be required to satisfactorily complete in-house training courses and university courses in order to advance to the next academic rank.

b. Instructor: This is a non-tenured or a tenured position. The faculty member occupying this position will perform assigned tasks under the supervision and guidance of colleagues of higher academic ranks. The instructor will be required to teach the language portions of any course, maintain course materials, prepare course quizzes and tests, evaluate student performance, and evaluate the basic course components.

c. Senior Instructor: This is a tenured position. The faculty member occupying this position will perform assigned tasks with minimal supervision. The senior instructor will be required to teach the language portions of any course, maintain course materials, prepare course quizzes and tests, evaluate student performance, and evaluate basic course components.

d. Assistant Professor: This is a nontenured or tenured position for both faculty and academic support personnel.

(1) Faculty Positions: The faculty member holding the rank of Assistant Professor will independently teach all levels of the foreign language courses. Duties will include the full range of instructional activities.

(2) Academic Support Positions: The academician holding the rank of Assistant Professor will work in fields such as test development, curriculum, educational technology and/or research.

e. Associate Professor: This is a nontenured or tenured position for both faculty and academic support personnel. This is the first academic rank for supervisory and/or managerial responsibility.

(1) The faculty member holding the rank of Associate Professor will independently teach all levels of the foreign language training courses. The associate professor will conduct area study classes within the assigned school and language-specific, in-house faculty training and will serve as a professional role model for other members of the faculty. In addition, the associate professor will be called upon to teach other faculty in the areas of test and curriculum development.

(2) The academician holding the rank of Associate Professor will work in fields such as tests and measurements, curriculum, instructional system design, educational technology and/or research, developing course materials, determining a course training plan, training faculty members on the use of the course materials, evaluating student progress, evaluating instruction to improve the training, and recommending changes to courses to meet needs.

f. Professor: This is normally a tenured position. The faculty member or academician occupying this position will perform all duties as described in the associate professor level and will participate in scholarly and administrative activities at a DLI level and in professional activities external to DLI. The professor is accountable for all aspects of instruction and curriculum with national recognition in a specialized field such as teaching methodology, testing, program evaluation, area studies, educational technology or education research.

g. Senior Administrative Faculty: The employee occupying this position will have the ability to administer educational systems and programs in matters relating to execution of policies, supervision of all employees (professional and non-professional), development of education philosophy, resource planning and reports, revision of courses of study to meet changing needs, procurement of instructional aids, materials and equipment, planning for use of facilities and developing facility requirements.

h. Chancellor: As the senior academic administrator of the Defense Language Institute, incumbent will have overall responsibility for establishment and review of academic programs, policies, and budgets for the largest foreign language instructional program in the Free World, generating 10 percent of all postsecondary foreign language instructional hours taught each year in the U.S. He or she must oversee development of manpower and budget requirements, resource allocations, work force planning, and contracting for services.

5. Appointment Criteria/Promotion Criteria: The criteria for initial appointment, conversion to tenure track and promotion will follow the qualification guidelines established for the aforementioned academic

rank, and placement procedures similar to other federal academic institutes.

6. Salary: The salary of all newly appointed civilian members of the faculty or academic staff will be based on their qualifications for the position being filled. The salary for all new appointees will normally be set at the entry rate for their academic rank with provisions for advanced initial-hire rates based on superior qualifications. The procedures for recommendations for yearly cost of living adjustments and salary increases for faculty and academic staff personnel will be patterned on those established for comparable federal and academic institutes.

7. Faculty and Academic Staff Professionalization: DLI's goal will be to expand its faculty and academic staff professionalization program to provide educational assistance to the faculty and academic staff in their pursuit of advanced degrees in foreign language teaching. This expansion will provide tuition assistance for courses to correct specific training weaknesses. This aid will be provided in two programs. The first will be partial tuition assistance for not more than 20 percent of the faculty and academic staff to attend courses offered in the local area which would lead to advanced degrees. The second program provides fully-funded graduate education for a highly select group of faculty and academic staff. This program would be limited to one percent of the faculty and academic staff annually. Participants would be selected based on their potential for significant teaching contributions as well as demonstrated abilities and skills. DLI would require these individuals to sign a contract agreeing to continue teaching at the Institute for three years for each year of fully-funded training. If an employee chose to depart prior to this time, he/she would be required to reimburse the government for the cost of the education.

8. Tenure of Employment: Normally, based on projected need and funding levels, new faculty and academic support personnel will be initially given a three-year non-tenured appointment. Procedures governing employee rights, benefits and entitlements during this period of time will basically follow those prescribed by the OPM for term appointments. Based on projected need and funding levels, conversion to tenure track permanent appointments will be conferred upon members of the faculty and academic staff as recognition of continuing significant contributions to the programs of the Institute. Generally the following rules apply:

a. Assistant Instructor: The initial appointment is for not more than three years. An assistant instructor not selected for higher academic rank by the end of four years of service at the Institute will be reappointed only in exceptional cases as deemed appropriate by the commandant.

b. Instructor: The initial appointment is for not more than three years; reappointment at this rank normally is with tenure. An instructor promoted from within the Institute is usually promoted with permanent tenure.

c. Senior Instructor: The appointment into this position will be from the current faculty at the Institute. There will be no initial hire into this academic rank. This category will be a permanent tenured position for those exceptional employees at the instructor level who cannot progress into the assistant professor level, but who make significant contributions in the teaching area. There will be no requirement for promotion from this rank.

d. Assistant Professor: An assistant professor promoted from within the Institute is promoted with permanent tenure. An initial appointment to civilian faculty at the rank of assistant professor is for no more than three years; reappointment at this rank normally is with tenure.

e. Associate Professor: An associate professor promoted from within the Institute is promoted with permanent tenure. An initial appointment at the associate professor rank may be with tenure. If initial appointment is without tenure, reappointment at this rank normally is with tenure.

f. Professor: A professor appointed from the Institute is promoted with permanent tenure. In the case of an initial appointment to civilian faculty at the rank of professor, the initial appointment will normally not be for more than three years; in exceptional cases, initial appointment may be made with tenure. If initial appointment is for three years, reappointment at this rank normally is with tenure.

g. Senior Administrative Faculty: Same as f, above.

h. Chancellor: Same as f, above.

9. Evaluation and Recognition: The work performance and contributions of all faculty and academic support personnel will be appraised on an annual basis. The results of the appraisal will be used as the basis for training, rewarding, reassigning, promoting and removing employees. Appraisal and recognition procedures, closely aligned to comparable academic institutes will be used.

10. Termination:

a. Reduction-in-force: A lack of federal funds, change in mission, workload, or organization, or other similar and compelling reasons may require a reduction in civilian faculty and academic staff. In such an event, and where possible, 120 days notice of separation through Reduction in Force procedures will be given to the individual(s) affected. At least 60 days notice will be given.

b. Nonreappointment: The commandant has responsibility for determining whether a civilian faculty or academic staff member's appointment will be renewed. In such case, the department or organization will notify the member affected on the following schedule:

(1) First Appointment Year of Service: If the appointment terminates during or at the end of the first year, notice of nonreappointment will be given at least 7 days in advance of termination.

(2) Second Appointment Year of Service: If the appointment terminates during or at the end of the second appointment year, notice of nonreappointment will be given at least 30 days in advance of termination.

(3) Third or fourth Appointment Year of Service: Notice of nonreappointment will be given at least 60 days in advance.

c. Separation for Cause: Any member of the faculty or academic staff may be separated for reason of misconduct or inefficiency irrespective of tenure or length of appointment. Such separation will be in accordance with applicable civil service and Department of the Army regulations.

d. Resignation: A civilian member of the faculty or academic staff is expected to give at least 60 days' notice of intention to resign.

11. Effective Date of Personnel Actions: Promotions and pay step increases will normally be effected annually. Initial appointments may be made at any time commensurate with Institution requirements.

12. Retirement, Leave, and Health and Life Insurance Benefits: Faculty and aca-



demetic staff are entitled to civil service benefits such as holidays, leave, retirement and health and life insurance on the same basis as employees of the competitive civil service. The benefits are set forth in detail in the Federal Personnel Manual and the Department of the Army regulations.

13. Academic Work Schedules: Academic work schedules, modeled after comparable work schedules in other federal institutes of higher education, will be developed.

14. Conversion: [Protection of Rights] Conversion to the Academic Personnel Management System established by law will be optional for all civilian faculty and academic staff members hired prior to the implementation of this policy. Those faculty and academic staff members who elect conversion will retain their current salary in the new structure. Members of the faculty and academic staff who do not elect conversion will retain all existing civil service rights and privileges.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### WE NEED A CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho [Mr. CRAIG] is recognized for 60 minutes.

Mr. CRAIG. Mr. Speaker, today the Committee on Rules met, and just moments ago this body heard here on the floor the chairman of the Committee on Rules asking for a rule to allow to come to the floor next Tuesday House Joint Resolution 268, a constitutional amendment providing for a federally balanced budget.

Mr. Speaker, House Joint Resolution 268 is the product of a lot of energy, effort, and time invested by myself, the gentleman from Texas [Mr. STENHOLM], the gentleman from Delaware [Mr. CARPER], and the gentleman from Oregon [Mr. SMITH]. For the last good number of years they, along with now 244 cosponsors, have moved this issue to the forefront.

Next Tuesday, following the debate on the rule and the passage of the rule, this body will for the first time since 1982 become involved in very serious and important debate on whether this body should send forth to the American people a constitutional amendment dedicated to the proposition of providing a federally balanced budget. This would be the first step in a long and difficult process that our Founding Fathers established over 200 years ago to protect the integrity of the Constitution. They recognized that at times it may be necessary to change the body of the Constitution as the nature of the country changed. They also recognized that a large cen-

tral government, if it were to agree to be that, might at some point not be fulfilling the wishes of the general populace of the country.

Mr. Speaker, I believe that the time for the latter concern has come. I believe that in fact a large central government, of which this legislative body is a part, for the last several decades has truly ignored the wishes of the American people, the wishes that we live within our means, that we fund what was truly appropriate and necessary and that we effect wise and well-founded public policy that would arrive at a balanced budget or a near balanced budget on an annual basis.

It was for that reason and for the reason that myself and the gentleman from Texas [Mr. STENHOLM], my colleague, and others recognized in the early 1980's that Congress truly had lost its will to be fiscally responsible, and we felt it necessary to begin a balanced budget movement that now brings us to the point of being able to debate this most important issue on the floor of this body next Tuesday.

Recognizing, as I said, that our Founding Fathers would make this process as difficult as possible, it will not be the 218 votes that sends this issue forth to the American people. It will take two-thirds of this body voting in the affirmative, or approximately 290 of the Members of the House, a very difficult vote to arrive at, a near impossible vote to arrive at, but when the issue becomes overwhelming, as our Founding Fathers recognized by their wise decision, and only when an issue became overwhelming, should it be allowed out for the American citizens to make a determination on whether it ought to be entered into the Constitution of this country.

Why is it important that we debate a constitutional amendment instead of a normal statute? Well, I think it is very simple. Although this body on two other occasions, actually three, but two occasions since the midseventies, has sent forth statutes requiring a federally balanced budget, and they have been passed and signed into law, those of us who are privileged to serve in this body and our ability to pass law can also change law. We can change statutory law, and that is, of course, exactly what has happened on those two occasions. Then in the early 1980's we passed a new law, a law called Gramm-Rudman-Hollings. That law was to control the expenditures of the Federal Government and to bring into balance by next year the budget of this country. And yet we know what can happen. We know that we are now nearly \$200 billion in deficit, that Gramm-Rudman, as a law, has to some extent held down spending. But we have arrived at an ultimate budget crisis, and, as a result of that, our President some weeks ago convened a summit of the legislative leaders of

this body and the other body for the purpose of seeing if we could not arrive at some compromises to continue to bring the deficit down and to solve the budget crisis we were in.

Mr. Speaker, how has all that happened if in fact two balanced budget laws and a Gramm-Rudman law to arrive at a balanced budget by the early 1990's was passed by this body? I ask my colleagues, "Why can't we be there?"

Simply because, as I stated earlier, this body has in my opinion lost its political will to be fiscally responsible. The pressures from all of the spending programs and from those who benefit from those programs has grown so great that this body collectively and by a vote of 218 simply cannot say no. They cannot on every occasion be as responsible as many would like to be, and they find it easier to borrow, they find it easier to deficit spend, to arrive at a time when next Monday, the 16th of this month, we will establish that the Federal debt will be near 3.5 trillions of dollars and that by the end of this month, for this Government to continue to operate, the leaders of this House and the leaders of the Senate will have to ask the bodies collectively to pass a new debt ceiling increase to raise the debt ceiling and the spending ability of our government to 3.5 trillions of dollars.

Mr. Speaker, I guess I could go on, but the obvious conclusion, at least to me and to a good many others, and I hope on Tuesday 290 Members, is that we must turn to the Constitution. We must turn to the superior law of this country, a law that I, nor the gentleman from Texas [Mr. STENHOLM], my colleague, can change with a vote of 218, but a law that only the people can change. Only three-fourths of the States voting in the affirmative in the ratification of a constitutional amendment can in effect change the people's law, the Constitution of this country.

So, Mr. Speaker, next Tuesday we will debate, and I hope wisely so, send out for Senate consideration and for the citizens' consideration a balanced budget amendment to our Constitution which I hope will instill a process that will bring about a reestablishment of the political will that this body had for well over 150 years, and that was to balance the budget on an annual basis or to reach rapidly to a balanced budget when it became out of balance during periods of crisis. That is the ultimate test. We simply cannot continue down the path that we have continued. We must develop the financial, fiscal integrity that this amendment, I think, would bring about, and hopefully we can accomplish that.

□ 1520

I would like now to turn to my colleague, the gentleman from Texas [Mr. STENHOLM], the primary sponsor of this bill, along with myself and the gentleman from Delaware [Mr. CARPER] and the gentleman from Oregon [Mr. SMITH] to discuss some of the ramifications of House Joint Resolution 268 and what we believe can be accomplished by the consideration and the passage of this legislation.

Mr. Speaker, I yield to my colleague, the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I thank my friend, the gentleman from Idaho, for yielding to me and I thank him for taking this time today and for giving the two of us, and I hope other of our colleagues will soon join us in which we can begin the debate on this very, very important issue. Amending the Constitution of the United States is a very serious proposition. It is one which should have ample time.

I would point out now that the rule under which we will be operating is a fair rule. It provides for 3 hours of general debate. It provides for 1 hour on the amendment of our colleague, the gentleman from Texas [Mr. BARTON], his substitute amendment. The basic difference there is that the gentleman from Texas [Mr. BARTON] would require a three-fifths vote to increase taxes, but that is an issue that has substantial support in the House and in the country. Therefore, it is deserving of our consideration and a vote in this body, and then 1 hour on the substitute that I in fact will then offer.

Mr. Speaker, this is a fair rule. I think one of the positions or one of the considerations that we are going to be taking on Tuesday, and we want to start this today, and that is debating the various criticisms that some have made of the approach that we have, talking about perhaps a change of wording or inference. These are all valid considerations and considerations that the gentleman from Idaho [Mr. CRAIG], and I, and Congressman CARPER, and Congressman SMITH of Oregon, and many other Members have been taking into consideration for quite some time.

The first point that I would make for the consideration of our colleagues is next Monday we are going to receive the news of how big this year's debt has now grown to and what the new estimate of the deficit for fiscal year 1991, that we are in the process of passing appropriation bills will be.

I have noticed very few, if any, cuts have been noted by this body in any appropriation bill that has come forward as yet, but all of us know, and in fairness to the Appropriations Committee, they are pointing out that it might be a little premature since there is a summit going on.

Well, let me point out here, and the gentleman has already mentioned the fact that perhaps on Wednesday we are going to get a chance to vote on another statute. I say another statute because in 1978 we passed one. In 1979, we passed a statute. We have the Gramm-Rudman law. We have passed more statutes in this body, and we ignore them. We can because there apparently is no penalty for the Congress ignoring the law. That is one of the primary reasons why the gentleman from Idaho and I proposed that we have an amendment to the Constitution. We think that there should be a penalty imposed upon the Congress for not living within our means, and we also believe that the President should be brought honestly into the process, both of which will be accomplished under our amendment.

Let me go a little further. Let me remind our colleagues that we have several difficult votes and each of us is going to be building our own legislative record based on how we vote.

I mentioned the new debt limit. Sometime between now and the middle of August we must increase our national debt to \$3.5 trillion.

Now, we either do that or the U.S. Government literally comes to its knees, because we can no longer pay our debt.

Now, that is really not the kind of an issue that ought to make or break political campaigns. We have already spent the money, but it is interesting when I listen to some of our colleagues who intend to vote no on the debt limit, to vote no on the constitutional amendment and to vote no on any summit agreement, but still they are in favor of balancing the budget.

Now, another interesting little scenario that we would like to see debated by those who suggest that we should not be amending the Constitution for this purpose, and I would openly and honestly over and over again admit my own careful consideration and concerns along this line that we have had for quite some time, but we have come to the conclusion now that this is the time. Many of our colleagues as I have been discussing, personally, with as many of the 20 or 30 remaining undecided Members in this body, we have decided and discussed with them the concerns about whether or not we ought to amend the Constitution, and I have a simple question. If not amend the Constitution, if not now, when? And if not this, why? What is your proposal of how to get us off high center with business as usual that is going to show something over a \$200 billion deficit this year, when last year when we went home we voted through smoke and mirrors, and we all were doing it, we knew it deep in our hearts. We told the American people that this year's deficit was going to be \$100 billion. Now, shock upon shock, it

is going to be over \$200 billion. So what do we do? We borrow some more money and the debt goes on.

The American people in poll after poll say, "We wish you would stop doing that," and we all get up and make speeches as the gentleman and I could be accused of making today saying that we ought to do something about it.

Well, next Tuesday you are going to have a chance to vote, 435 of us in this body are going to get an opportunity to establish the first step in the game plan of dealing with our national debt.

Now, that is the first step. It is not meant to be the end result. Nothing in the Constitution should ever be construed as saying that is the end result. Our Constitution has been a guiding light, the direction for our country to follow. That is what we have tried to do with this amendment, keep it simple, but put a few extra tools in to force the Congress to do something positive about reducing our deficit.

In the amendment I will offer, we have agreed with our summiteers, the Members of this body on both sides of the aisle that have been involved in this debate, or are being involved in this private debate as yet among our leaders, and that includes the House and the Senate as well as the President. We have listened to them and said that 1995 is a good date. We realize that if we were to do it, as I understand the statute on which we are going to vote on Wednesday, the President says we should do it in 1992. That is ridiculous. The President could not do it. This Congress could not do it in 1992, but by 1995 it is not ridiculous.

What we propose to do is to do it under statute, law by law, beginning with the summit.

Now, the point I am trying to make here that I want our colleagues to listen to and to come on this floor prepared either today or next Tuesday and debate with us is if you do not believe that a constitutional amendment is a proper tool to be implemented or allow the American people to decide whether it is to be implemented or not, what is your plan?

You cannot get there by saying, no, no, no. You cannot get there by saying, "I'm not going to raise taxes. I'm not going to cut spending. I'm not going to raise the debt limit." That dog will not hunt.

Now, how can you get there? We are proposing, the gentleman from Idaho and I are saying that as a proper first step you put a constitutional restraint to be in effect in 1995, that tells at least 290 of us who will go on record voting for this amendment, that tells us we had better get serious this year, when our leaders from the President on down, House and Senate, bipartisanship say, "Here is our recommendation of how we make the first year in-



stallment," 290 of us who have voted affirmatively to establish a constitutional amendment have gone on record publicly that we are serious and we know we cannot duck, at least 218 of us, cannot duck the responsibility of making some tough choices.

□ 1530

Let us assume for a moment that we fail, that there are 146 Members of this body that say, "No, we do not believe that a constitutional amendment and a constitutional restraint is appropriate at this time," my question to my colleagues is: Where do you propose to get the 218 votes? What plan do you have?

I remember the last real decent plan we had on this floor addressing deficit reduction. It was named the Leath-Slaterry-MacKay; MARVIN LEATH of Texas, JIM SLATTERY of Kansas, Buddy MacKay of Florida. They brought a legitimate deficit reduction plan to this floor that had the excitement of what we thought was the majority of this House until it came time to stand up and put our little card in the box and hit the "yes" button, and then all of a sudden we found there were only 56 of us that were around to cast that vote.

My point here is that if one does not like this plan for starters, it is going to be incumbent upon you to come up with something. I hope it is going to be better than what I have heard is in the statute. We have got all the statutes, we have got all the laws that we have passed that we need on the books. What we need is a little extra help.

At this point, I yield back for a moment to my colleague from Idaho and stand ready to participate further in the discussion a little later.

Mr. CRAIG. Mr. Speaker, I thank my colleague from Texas for those comments and responses and, of course, the leadership that he has assumed in this most valuable effort.

I will have to say that while my colleague was debating here for just a moment I was reading an article that I am now going to make reference to that have read on several occasions that I found extremely valuable to place what we are attempting to do in perspective, because what happens oftentimes here within our committees, on the floor of the House is that we become embroiled in Government programs, Government ideas and what Government is doing for people, the citizens of this country, instead of what Government might be doing to them in the sense of overspending which creates certain dynamics in the economy that ultimately result in inflation and high interest rates.

In the December 18 *Fortune* magazine they have an article called *How Can America Triumph?* *Fortune* magazine commissioned an econometric group out of St. Louis to study spend-

ing habits of the U.S. Government and determine what might happen if we just continue along, in other words, as they referred to it, muddling through. And that is by having deficits and deficits growing and raising a few more taxes and tinkering with the revenue base and maybe tapping a few special types of revenue so that we do not deal with individual tax increases, but, generally speaking, to maintain the course that we have held for the last decade termed muddling through, or to choose a new course, to choose a course that would bring us into balance with our Federal budget.

Interestingly enough, to my colleague from Texas, we choose 1995 in our amendment. This article chooses 1996, and says that what would happen if the Federal Government were to balance its budget by 1996.

Several things happen that I find very interesting in that we tend to lose track of or we tend to lose the perspective for when we get buried into seeing whether this program or that program meets a certain constituency need or provides for a certain level of concern or care for a certain segment of the American public.

Let me quote from this article some interesting statistics. Remember, now, that this is based on the fact that we would balance the Federal budget by 1996. It is an unbiased study. It just simply draws conclusions based on how most economists would agree the economy of this country might respond if, in fact, we were to do what is termed by some to be the impossible, and that is to balance the Federal budget.

First of all, productivity would rise gradually to 1.8 percent by the turn of the century. That is the productivity of the economy. And what would that result in? Interestingly enough, by the turn of the century, and you and I determined years ago that that was a long way off, it is less than 10 years off at this point, that by the turn of the century if we were to balance the Federal budget by 1996, that in 1982 constant dollars we would reach a GMP of \$7.3 trillion. What does that mean? That means an extra \$1 trillion in the economy of the United States and for the consuming public to have to spend, to invest, to use, \$1 trillion extra dollars than we normally would have if we stayed on the constant course that we are on, if we merely balanced the budget by 1996.

The national debt would fall as a percent of GNP from 42 to 12.9 percent, and here is the thing that I think is most interesting, because this hits CHARLIE STENHOLM of Texas and LARRY GRAIG of Idaho right where it hurts; it hits us right where we have to make the votes, and that is on the budget. Believe it or not, if we continue on this course, by the year 1996, it is projected that the Treasury's inter-

est on debt will be a staggering \$625 billion, \$625 billion on an annual basis. It is now about \$160 billion. But if we balanced the budget, that by 1996, the interest that we have to pay on money borrowed will have dropped to \$105 billion, a net total difference of \$520 billion that could ultimately be used, interestingly enough, for other Government programs or, more importantly enough, might not have to be pulled out of the general economy of this country and could be allowed to stay right there for all of you taxpayers to be able to keep for yourselves and for your children and for your families to invest, to buy homes, to buy automobiles, to do anything you wanted with instead of having to be asked to pay it in taxes to the Federal Government for the purposes of paying interest on the national debt.

In my opinion, that says an awful lot about a balanced budget. If we are to compete as a country in the rest of the world, if we are truly to be competitive, but more importantly, if the citizens, the workers of this country are to be competitive in the competition with Eastern and Western Europe and the Pacific Rim, then to balance the Federal budget would allow the gross private investment to rise by 15 to 20 percent, and ultimately to outdistance, to outdistance the Japanese ability to invest by 23 percent and, of course, the bottom line is the next point that I would like to make.

Remember now, Mr. Speaker, this is only if we balance the budget by 1996. I say that lightly, and I do not mean it lightly. I know my colleague from Texas and I know that without a balanced budget amendment to the Constitution that the pressures applied on us daily here in this Chamber would make it impossible to arrive at that. But if we were to do that, real annual per capita disposable income would grow to \$17,000 on the average per household, and that is 11 percent higher than if we just muddle through under current levels of Federal expenditures.

With more money, consumers would spend better than \$500 billion a year more by the year 2008 than under the current muddle through scenario. That is one opinion. But it is the opinion of a collective group of economists who put their best heads together and say that if this were true and if this were true this is what could happen.

Why I used those figures is because we will hear an awful lot of debate on July 17, next Tuesday, as we debate a balanced budget amendment to the Constitution, debate that will ultimately say that if we have to do this, what will happen to this program of Government, what could happen to the expenditure level in this program, will we have to cut defense even more, might we have to cut social programs,

would we have to cut discretionary programs.

In other words, I think most of the debate in opposition to a constitutional amendment for a balanced budget will be focused on what happens to governments and what happens to Government programs. Very little debate will be focused on what happens to the American consumer and what might happen to the American taxpayer if we continue to muddle through, if we continue to deficit spend at \$150 billion to \$200 billion annually and mount a Federal debt that my colleague from Texas reminded us would be nearing \$3.5 trillion by the end of this fiscal year.

I think it is time we say what will happen to the American consumer if we do balance the budget, what kind of opportunities will we provide in the economy, the kind of productivity and the growth that relates to an opportunity, a future, the ability to compete with our counterparts around the world.

□ 1540

In other words, the idea to ensure by our actions here that the future will in fact be a good deal brighter, that the private economy of this country will remain productive, that mothers and fathers alike will be able to turn to their children with the kind of assurance that there will be as bright a future for them as the future that those parents had an opportunity to be a part of when they were once children of that age.

You see, we really ought to be talking about the private sector, and we really ought to be talking about the impact upon the private sector that we inflict here on a daily basis by increased levels of deficit spending.

So come the 17th, next Tuesday, I am certainly one who is going to try to mix that debate between the kind of impact it will have on Federal programs, programs of important value to an awful lot of people, but what kind of impact it will have on the public sector, the private sector of our economy, if in fact we fail to balance the budget by 1995, or, as this study shows, by 1996.

Now I would be happy to yield once again to my colleague the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Speaker, I want to amplify on the point the gentleman has just been making, because one of the concerns that has been expressed to me just today by our colleagues who are still undecided is the concern that since our deficit has grown so large, that maybe we are going too fast to reduce it by 1995. You have talked about 1996.

But here I asked our colleagues to consider the fact that by being concerned that in a \$1,200,000,000,000 budget, that we cannot reduce in

growth over the next 4 years \$300 billion collectively or \$75 billion a year, or whatever the number is going to be, without doing damage to our economy, you will have to come to this floor and argue that every dime that we are spending in all aspects of our growth are being productively spent.

Now, nobody will come to the floor and suggest that we cannot make some cuts in spending without touching anything in the economy. The point the gentleman was making is growth in some of the positive things are going to be there we hope to work good things for the economy. But to argue that we cannot make cuts, as time and time again our colleague from Minnesota [Mr. PENNY] has offered 2-percent cuts, and this body cannot make a 2-percent cut.

Mr. CRAIG. If my colleague will yield, this afternoon on the floor of the House the gentleman from Minnesota [Mr. PENNY] offered an amendment for a 2-percent cut in an appropriation bill.

Mr. STENHOLM. And we lost.

Mr. CRAIG. And we lost.

Mr. STENHOLM. Now let me talk a little bit about procedure, because one of the things in the time I will control on Tuesday that I am going to ask of our colleagues, and I have already spoken to enough I think that are going to be willing to participate in this, and that is we want to get some honest debate.

To those that vote no, I think it behooves you to come up with some discussion of where we ought to go and how we ought to do it and why you have a better plan. I hope we will be able to participate in that.

To those that are going to come on the floor next Tuesday and suggest that this is a terrible way to legislate an amendment to the Constitution because this bill that is before us has never, never been considered by the Judiciary Committee, let me say for the record right now the reason it was not considered, the reason why we have many Members legitimately concerned about whether the authors of the amendment have chosen the proper words, the reason we have not had subcommittee markup and the kind of deliberation on bills that we all agree should take place, is the committee refused to schedule the bill.

We did not want to have a discharge petition. We wanted to have the Judiciary Committee consider this in the regular legislative process. The Judiciary Committee in its wisdom chose not to do that.

We are also going to hear that all of the witnesses that testified in the hearings that were held this week, of those, 90 percent were opposed to it.

Well, if I was the chairman of the committee and I selected the witnesses, which I certainly would do if I was opposed to it, and I say that not in

a disrespectful way, because I do not have a disrespectful bone in my body for any Member of this House. But it needs to be clear that were Mr. CRAIG and I able to solicit Nobel Prize winners on economics, we could have a series of witnesses that would have testified and had a different story. That is the purpose of what we will be into in the debate in this House.

I do not want people to get the idea that we have by any stretch of the imagination tried to bypass the normal procedure. Here I would add my personal appreciation to the Speaker of the House, our entire leadership, this side of the aisle as well as that. We can truly say this is a bipartisan action. I believe the gentleman from Idaho [Mr. CRAIG], who has worked so hard and has been such a pleasure in fact to work with on this over the last I do not know how many years now, 6 I believe, that we have been working on this, we have finally gotten to the point where we can say honestly to our colleagues we are going to get an up and down vote, unhindered, on a pure expression of the wishes of the House of Representatives. That is what we are doing.

One other point on procedure. I think it is very incumbent on all of us, all Members as we deliberate, and many are not concerned about some of the tough votes we are going to have to cast. If you choose to vote no on the balanced budget amendment, already begin to ask yourselves the question and answer it, how are you going to vote when it comes time to waive the provisions of Gramm-Rudman? Are you going to be prepared to let sequestration take its due toll, which is what the law says, \$100 billion plus sequestration? Are you going to be prepared to do that? If not, why not?

When it comes time for the increase of the debt limit, if you have voted against all of the spending cuts that we have had a chance to vote on, and if you voted for all of the appropriation bills, how are you going to vote not to pay the bill?

When it comes time when our leaders, and I do hope they come forward with a package, and they come up with first installment, and the gentleman from California [Mr. PANETTA], the chairman of the Committee on the Budget, and the gentleman from Minnesota [Mr. FRENZEL], the ranking member, and other members of this deliberation going on in the summit, they are making every effort to come up with a real summit package that is in fact going to make the first year installment and is going to set in stage those other installments that will make it possible once we pass this amendment and the States ratify it and it becomes law, make it possible for us to make it actually be in effect. When we get to that point and we get



those tough decisions cast to us, how are you going to vote?

I have had Members tell me already, "I am going to vote no on your amendment, CHARLIE, because I do not think it is the thing to do. I am going to vote against the deficit increase in the debt limit. I am not going to support that summit."

Well, that is business as usual. That is one of the things that we sincerely ask each Member of the House, to take a good look at our amendment, not what you have heard about it. It is very simple. It is meant to be that way. Take a look at it. Take a good hard look at it.

Those of you that are still undecided, take a good look. Not just at that amendment, but take a good look at the decisions that we have got ahead of us and see if you do not see the same wisdom in it that the gentleman from Idaho [Mr. CRAIG] and myself have.

One other point I would make here, too, that I think needs to be made. This is not just a House of Representatives effort. We have some tremendous effort that has gone on in the Senate. Senator STROM THURMOND, Senator PAUL SIMON, Senator JOE BIDEN, Senator DeCONCINI, 11 to 3 on a vote out of the Senate Judiciary Committee after hearings and the kind of deliberation that we should have had in the House have come to the conclusion that their version, which is very, very close, only a few differences, only a few differences that would be very conferenceable, are there.

So it is not something we are springing on anybody. Certainly Mr. CRAIG and I would challenge anyone to say that we have sprung it. We have been talking about this for at least 6 years. We have been modifying, we have been listening to our colleagues, we have had some excellent suggestions of how to make it more constitutional.

The gentleman from Delaware [Mr. CARPER], who has been a very, very constructive player in getting the amendment to the level at which it is today so we can look forward to next Tuesday and having the kind of open and honest discussion, also perhaps on the next Monday when we will have another special order as we are taking today, we want to have it thoroughly deliberated. We want some open and honest debate, because we are looking for solutions.

□ 1550

I believe that this is a tool. It is not the answer, but it is a very, very important tool for the Congress of the United States and the President of the United States to add to their arsenal of being able to deal with our fiscal matters of this country.

Mr. CRAIG. I thank my colleague for these comments and certainly wish

to associate with them, because I think they are extremely well thought out and come directly to the point.

Let me close this special order with a couple of comments. For those who read the RECORD or might be observing this afternoon, my colleague, CHARLIE STENHOLM and I have talked about the process and the procedure and the purpose for proposing a balanced budget amendment to the Constitution. But the one thing we have not talked about, that I think is fundamentally important in closing out this discussion, is that we are only proposing. The Congress of the United States may only propose to the citizens of this country an amendment. It will be the citizens of this country with three-fourths vote of the State legislatures of this country that would make a decision over whether a balanced budget amendment would in fact be placed inside of the Constitution.

I guess the wording I would want the RECORD to show is that those who vote for a balanced budget amendment proposal next Tuesday, July 17, will be saying we want the American people to have an opportunity to openly and thoroughly debate the budget processes and the fiscal policies of this country, because we think it is important. In fact, we believe it critically important to our strength and our survival as a nation. For those who would vote against a balanced budget amendment proposal they would be saying to the citizens of this country we do not think you ought have a right to debate this issue. We do not think that every legislature in the country over the next 2 years or 3 years ought to have a right to openly and thoroughly debate this amendment and decide whether the Constitution ought to have this provision within.

I think it is incumbent upon this body not to interfere with the right of the citizens to participate in this process, that in fact we should be forthcoming, to send to them the very best recommendation we can craft, and we think, my colleague from Texas and I believe that we have that in House Joint Resolution 268. But we also recognize that we are not perfect. We recognize that it would have to be passed by the Senate or a version passed by the Senate, and a conference committee then would debate it and make final changes or considerations in it.

But most importantly, I am one who firmly believes that it is the right of the citizens of this country to be direct participants in the process, and the only way we can allow them to be that is for them to become engaged in a debate that I believe is fundamental to the survival of the economy and, therefore, to the survival of this country, and that is a debate on a constitutional amendment for a balanced budget that would begin if this body and the other one were to send forth

to the legislatures of this country an amendment of this nature.

As my colleague mentioned, next Monday we will have again another special order to continue the discussion, and on Tuesday of the coming week, July 17, we will be debating a balanced budget amendment to the Constitution of this country. I hope that my colleagues will all join and participate, and that we can accomplish the 290 votes necessary to send this issue forth to the citizens who have time and time again asked for the right to become involved in the debate and to participate in the decisionmaking process.

Mr. Speaker, I yield back the balance of my time.

#### LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CLEMENT (at the request of Mr. GEPHARDT) for today on account of official business.

Mr. FORD of Michigan (at the request of Mr. GEPHARDT) for today on account of medical reasons.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McEWEN) to revise and extend their remarks and include extraneous material:)

Mr. UPTON, for 5 minutes, on July 17.

(The following Members (at the request of Mr. STENHOLM) to revise and extend their remarks and include extraneous material:)

Mr. WISE, for 5 minutes, today.

Mr. ALEXANDER, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. STENHOLM, for 60 minutes, on July 16.

Mr. DYMALLY, for 60 minutes, on July 25.

(The following Members (at the request of Mr. GUARINI) to revise and extend their remarks and include extraneous material:)

Mr. OWENS of New York, for 60 minutes each day, on July 23, 24, 25, 26, 27, 30, 31, and August 1, 2, and 3.

Mr. RICHARDSON, for 60 minutes, on July 16.

#### EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. McEWEN) and to include extraneous matter:)

Mr. SPENCE.

Mr. COUGHLIN.  
Mr. HORTON.  
Mr. SUNDQUIST.  
Mr. FISH.  
Mr. SOLOMON in two instances.  
Mr. BEREUTER.  
Mr. INHOFE.

(The following Members (at the request of Mr. STENHOLM) and to include extraneous matter:)

Mr. TRAXLER.  
Mr. CLAY.  
Mr. VENTO.  
Mr. MILLER of California.  
Mr. CARDIN.  
Ms. OAKAR.  
Mr. DINGELL.  
Mr. NELSON of Florida.  
Mrs. SCHROEDER.

#### SENATE JOINT RESOLUTION

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 318. Joint resolution providing for the appointment of Ira Michael Heyman of California as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on House Administration.

#### ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2844. An act to improve the ability of the Secretary of the Interior to properly manage certain resources of the National Park System.

#### ADJOURNMENT

Mr. GUARINI. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 56 minutes p.m.), under its previous order, the House adjourned until Monday, July 16, 1990, at 12 noon.

#### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3555. A letter from the Secretary of Education, transmitting a copy of Final Regulations—Foreign Language Materials Acquisition Program, Library Literacy Program, Library Services and Construction Act Basic Grants to Indian Tribes and Hawaiian Natives Program, and Library Services and Construction Act Special Projects Grants to Indian Tribes and Hawaiian Natives Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3556. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting notification of an award under the Witness Protection Program, pursuant to 22

U.S.C. 2708(h); to the Committee on Foreign Affairs.

3557. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting notification of an award under the Witness Security Program, pursuant to 22 U.S.C. 2708(h); to the Committee on Foreign Affairs.

3558. A letter from the Secretary of Agriculture, transmitting a report on the evaluation of the reorganization recommendations contained in the 1986 report of the National Commission on Agricultural Trade and Export Policy, and the views and recommendations of the Private Sector Advisory Committee; jointly to the Committees on Agriculture and Foreign Affairs.

3559. A letter from the Administrator, Office of Federal Procurement Policy; and Acting Director, Office of Government Ethics, transmitting a draft of proposed legislation to provide for Governmentwide procurement ethics reform, and for other purposes; jointly to the Committees on Government Operations, the Judiciary, Armed Services, and Energy and Commerce.

#### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WHITTEN: Committee on Appropriations. H.R. 5268. A bill making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1991, and for other purposes (Rept. 101-598). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. H. Res. 433. A resolution providing for the consideration of H.R. 5258, a bill to require that the President transmit to Congress, that the congressional Budget Committees report, and that the Congress consider a balanced budget for each fiscal year. (Rept. 101-599). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. H. Res. 434. A resolution providing for the consideration of H.J. Res. 268, a bill proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation. (Rept. 101-600). Referred to the House Calendar.

Ms. SLAUGHTER of New York: Committee on Rules. H. Res. 435. A resolution providing for the consideration of H.R. 1180, a bill to amend and extend certain laws relating to housing, community and neighborhood development and preservation, and related programs, and for other purposes. (Rept. 101-601). Referred to the House Calendar.

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 5131. A bill to amend the Federal Aviation Act of 1958 to extend the civil penalty assessment demonstration program, and for other purposes; with an amendment (Rept. 101-602). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOAKLEY: Committee on Rules. H.R. 5258. A bill to require that the President transmit to Congress, that the congressional Budget Committees report, and that the Congress consider a balanced budget for each fiscal year. (Rept. 101-603, Pt. 1). Ordered to be printed.

#### SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of Rule X the following action was taken by the Speaker:

H.R. 3664. Referral to the Committee on Ways and Means extended for a period ending not later than July 18, 1990.

#### PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. VENTO (for himself, Mr. RIDGE, Mr. FRANK, Mr. KLECZKA, Mr. LAFALCE, Ms. OAKAR, Mr. BARNARD, Mr. LEHMAN of California, Mr. NELSON of Florida, Mr. FLAKE, Mrs. SAIKI, Mr. PRICE, Ms. PELOSI, Mr. ENGEL, Mr. SMITH of Florida, Mrs. LOWEY of New York, Mrs. LLOYD, Mr. TORRICELLI, Mr. AUCOIN, Mr. JOHNSON of South Dakota, Mr. CRAIG, Mr. McEWEN, Mr. BATES, Mr. DYSON, Mr. SERRANO, Mr. McCRERY, Mr. HANSEN, Mr. QUILLLEN, Mrs. VUCANOVICH, Mr. THOMAS of Wyoming, Mr. FORD of Tennessee, Mr. GORDON, Mr. VISCLOSKEY, Mr. HASTERT, Mr. SCHIFF, Mr. STARK, Mr. LANCASTER, Mr. FEIGHAN, Mr. MRAZEK, Mr. DORGAN of North Dakota, Mr. PARKER, Mr. NAGLE, Mr. BRYANT, Mr. PORTER, Mr. SMITH of Vermont, Mrs. MORELLA, Mr. SLATTERY, and Mr. BUECHNER):

H.R. 5266. A bill to provide for safety and soundness of the Mutual Mortgage Insurance Fund, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. MARKEY (for himself and Mr. RINALDO):

H.R. 5267. A bill to amend the Communications Act of 1934 to provide increased consumer protection and to promote increased competition in the cable television and related markets, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WHITTEN:

H.R. 5268. A bill making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1991, and for other purposes.

By Mr. BROOKS (for himself and Mr. HUGHES):

H.R. 5269. A bill to control crime; referred to the Committee on the Judiciary, and concurrently to the Committees on Armed Services, Education and Labor, Energy and Commerce, and Ways and Means for a period ending not later than 3 calendar days following the date on which the Committee on the Judiciary files its report in the House.

By Mr. BURTON of Indiana:

H.R. 5270. A bill to amend the Internal Revenue Code of 1984 to provide a refundable income tax credit for the recycling of hazardous waste; to the Committee on Ways and Means.

By Mr. FRANK:

H.R. 5271. A bill to authorize appropriations under the Legal Services Corporation Act; to the Committee on the Judiciary.



By Mr. HOYER:

H.R. 5272. A bill to amend the Public Buildings Act of 1959 to establish a demonstration program to promote Federal leasing of space in buildings offered by small business concerns owned and controlled by socially and economically disadvantaged individuals; to the Committee on Public Works and Transportation.

By Mr. LEACH of Iowa:

H.R. 5273. A bill regarding the establishment of a free trade area between the United States and the European Community; to the Committee on Ways and Means.

By Mr. MARKEY:

H.R. 5274. A bill to authorize the city of Malden, MA, to retain and use certain urban renewal land disposition proceeds; to the Committee on Banking, Finance and Urban Affairs.

By Mr. OWENS of New York:

H.R. 5275. A bill to amend the Congressional Award Act to temporarily extend the Congressional Awards Board, and to otherwise revise such Act; to the Committee on Education and Labor.

By Mr. PANETTA:

H.R. 5276. A bill to amend title 10, United States Code, to provide a statutory charter for the operation of the Defense Language Institute and to establish a personnel system for the civilian faculty at that Institute; jointly to the Committee on Armed Services and Post Office and Civil Service.

By Mr. SUNDQUIST:

H.R. 5277. A bill to redirect Federal fiscal resources to State and locally determined uses; to the Committee on Government Operations.

By Mrs. UNSOELD (for herself, Mr. Dicks, Mr. SWIFT, Mr. MILLER of Washington, Mr. McDERMOTT, Mr. DeFAZIO, Mr. WYDEN, and Mr. AuCoin):

H.R. 5278. A bill to require the completion of studies identified by the Pacific Northwest Outer Continental Shelf Task Force, and agreed to by the Secretary of the Interior and the President, regarding areas of the outer continental shelf off the coast of Oregon and Washington; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. PASHAYAN:

H.J. Res. 622. Joint resolution proposing an amendment to the Constitution of the United States requiring a balanced budget; to the Committee on the Judiciary.

By Mr. GAYDOS:

H. Con. Res. 351. Concurrent resolution expressing the sense of the Congress that American workers, farmers, and businesses should not finance the savings and loan bailout through tax increases; to the Committee on Ways and Means.

## MEMORIALS

Under clause 4 of rule XXII,

471. The SPEAKER presented a memorial of the Assembly of the State of New York, relative to African-American Middle Passage and Slavery; to the Committee on House Administration.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Ms. SLAUGHTER of New York introduced a bill (H.R. 5279) to authorize issuance of a certificate of documentation for employment in the coastwise trade of the

United States and the Great Lakes trade for the vessel *Hell's-a-Poppin'*; to the Committee on Merchant Marine and Fisheries.

## ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 84: Mr. MAZZOLI.  
H.R. 496: Mr. HERTZEL, Mr. SERRANO, Mr. DWYER of New Jersey, and Mr. BURTON of Indiana.  
H.R. 931: Mr. MINETA.  
H.R. 1875: Mr. FORD of Tennessee.  
H.R. 2025: Mr. DWYER of New Jersey.  
H.R. 2098: Mr. SKEEN, Mr. MARTINEZ, and Mr. JAMES.  
H.R. 2121: Mr. OWENS of New York.  
H.R. 2270: Mr. BOSCO.  
H.R. 2319: Mr. HAMILTON.  
H.R. 2353: Mr. WYLIE and Mr. LEHMAN of California.  
H.R. 2460: Mr. SOLARZ and Mr. BOSCO.  
H.R. 2648: Mr. CONYERS.  
H.R. 2926: Mr. MANTON, Mr. BOUCHER, Mr. WALSH, Mr. CLARKE, Mr. BUSTAMANTE, Mrs. LOWEY of New York, Mr. BROOMFIELD, Mr. McDERMOTT, and Mr. PRICE.  
H.R. 3053: Ms. LONG.  
H.R. 3483: Mr. CONYERS.  
H.R. 3546: Mr. SOLARZ.  
H.R. 3603: Mr. PANETTA, Mr. PAYNE of New Jersey, Mr. BUSTAMANTE, Mrs. BOXER, Mr. HOCHBRUECKNER, Mr. LaFALCE, Mr. BROWN of California, Mr. DWYER of New Jersey, Mr. BATEMAN, Mrs. ROUKEMA, Mr. BALLENGER, and Mr. SANGMEISTER.  
H.R. 3677: Mr. LEWIS of Georgia, Mr. SAXTON, Mr. McMILLEN of Maryland, and Mr. MANTON.  
H.R. 3719: Mr. SOLARZ.  
H.R. 3751: Mr. CROCKETT, Mr. KASTENMEIER, and Mr. EVANS.  
H.R. 3936: Mr. BOSCO and Mr. CONTE.  
H.R. 4095: Mr. PEASE, Ms. SNOWE, Mr. MADIGAN, Mr. BROWN of California, Mr. LEWIS of Florida, Mr. RAVENEL, Mr. SMITH of New Jersey, Mr. TORRICELLI, Ms. LONG, Mr. SAXTON, and Mr. WEISS.  
H.R. 4287: Mr. MONTGOMERY, Mr. MCCREY, Mr. JOHNSON of South Dakota, Mr. BUECHNER, Mr. BOUCHER, Mr. BARTLETT, Mr. ATKINS, Mr. McCURDY, Mr. MATSUI, Mr. BROWN of Colorado, Mr. RHODES, Mr. KLECZKA, Mr. JAMES, Mr. HOLLOWAY, Mr. SKELTON, Mr. PASHAYAN, and Mr. BAKER.  
H.R. 4427: Mr. COX, Mr. HERGER, Mrs. MEYERS of Kansas, Mr. KOLBE, and Mr. ROHRBACHER.  
H.R. 4529: Ms. PELOSI, Mr. SERRANO, Ms. KAPTUR, and Mr. CONDIT.  
H.R. 4532: Mr. RAVENEL, Mr. ROSE, Mr. GEJDENSON, Ms. PELOSI, Mr. FAUNTROY, Mr. FASCELL, Mr. DeFAZIO, Mr. MILLER of California, Mr. PALLONE, Mr. KLECZKA, Mr. LEWIS of Georgia, Mrs. JOHNSON of Connecticut, Mr. MARKEY, Mr. BROWN of California, Mr. FRANK, Mr. BEILENSON, Mr. KENNEDY, Mr. WEISS, and Mr. OWENS of Utah.  
H.R. 4649: Mr. ACKERMAN, Mrs. COLLINS, Mr. PENNY, Mr. BRYANT, Mr. PALLONE, Mr. AuCoin, and Mr. CAMPBELL of Colorado.  
H.R. 4652: Mr. HORTON and Mr. MURTHA.  
H.R. 4669: Mrs. LOWEY of New York, and Mr. OWENS of New York.  
H.R. 4690: Mr. JOHNSON of South Dakota, Mr. HAYES of Illinois, Mrs. BOXER, Mr. CALAHAN, and Mr. JAMES.  
H.R. 4824: Mr. COURTER.  
H.R. 4848: Mr. OXLEY, Mr. DORNAN of California, Mr. PAXOS, Mr. GRANT, Mr. PARRIS, Mr. WATKINS, Mr. HYDE, Mr. GINGRICH, Mr. SMITH of Florida, Mr. LEWIS of

Florida, Mr. DENNY SMITH, Mr. GILMAN, Mrs. JOHNSON of Connecticut, Mr. HUNTER, Mr. DANNEMEYER, Mr. MYERS of Indiana, Mr. SHAW, Mr. INHOPE, Mr. HERGER, Mr. IRELAND, Mr. HENRY, Mr. SKEEN, Mrs. BENTLEY, Mrs. MARTIN of Illinois, and Mr. PACKARD.

H.R. 4875: Mr. LEWIS of Florida, Mr. JOHNSTON of Florida, and Mr. MCCOLLUM.

H.R. 4879: Mr. PALLONE, Mr. MINETA, Mr. LANCASTER, and Mr. JOHNSON of South Dakota.

H.R. 4880: Mr. MILLER of Washington.

H.R. 4897: Mr. BEREUTER.

H.R. 4915: Mr. NOWAK.

H.R. 4958: Mr. WALSH.

H.R. 4993: Mr. SCHUETTE.

H.R. 5007: Mr. PURSELL, Mr. CONTE, Mr. COURTER, Mr. KOLBE, Mr. HANSEN, Mr. DORNAN of California, Mr. ROBINSON, Mr. HEFLEY, Mr. NIELSON of Utah, Mr. PARRIS, Mr. ROWLAND of Connecticut, Mr. ARMEY, Mr. HANCOCK, Mr. McEWEN, Mr. McDADDE, and Mr. MCCOLLUM.

H.R. 5098: Mr. WALGREN, Mr. SABO, Mr. BUSTAMANTE, Mr. JOHNSON of South Dakota, Mr. MRAZEK, Mr. LANCASTER, and Mr. SMITH of New Jersey.

H.R. 5101: Mr. LANCASTER.

H.R. 5127: Mr. GEREN of Texas, Mr. SPRATT, Mr. CONDIT, Mr. DERRICK, Mr. YATES, Mr. FLIPPO, Mr. MARKEY, Mr. EDWARDS of California, Mr. LEHMAN of California, Mr. JOHNSTON of Florida, Mr. CLAY, Mr. MATSUI, and Mr. HEFNER.

H.R. 5129: Mr. FOGLETTA, Mr. MORRISON of Connecticut, Mr. SOLARZ, and Mr. LIPINSKI.

H.R. 5163: Mr. NEAL of North Carolina.

H.R. 5174: Ms. PELOSI and Mr. BROWN of California.

H.R. 5188: Mr. FAUNTROY.

H.R. 5260: Mr. JONES of Georgia and Mr. MORRISON of Connecticut.

H.J. Res. 374: Ms. SCHNEIDER and Mr. LOWERY of California.

H.J. Res. 468: Mr. LANCASTER, Mr. MACHTELEY, Mr. NELSON of Florida, Mr. ROE, Mr. FASCELL, Mr. WHEAT, Mr. FEIGHAN, Mr. PICKETT, Mr. YOUNG of Alaska, Mr. TOWNS, Mr. SPENCE, Mr. DeWINE, Mr. STEARNS, Mr. LEWIS of Georgia, Mr. BROWN of California, Mr. KLECZKA, Mr. CLINGER, Mr. SUNDQUIST, Mr. KILDEE, Mr. SKEEN, Mr. SHAW, and Mr. CLEMENT.

H.J. Res. 507: Mr. SMITH of Texas, Mrs. ROUKEMA, Mr. YOUNG of Florida, Mr. TALLON, and Mr. McDADDE.

H.J. Res. 509: Mr. WALGREN, Mr. TAUZIN, Mr. HAMMERSCHMIDT, Mr. YOUNG of Florida, Mrs. JOHNSON of Connecticut, Mr. TRAFICANT, Ms. SNOWE, and Mr. TALLON.

H.J. Res. 524: Mr. TOWNS, Mr. FORD of Tennessee, and Mr. CLAY.

H.J. Res. 554: Mr. JACOBS, Mr. FISH, Mr. YOUNG of Florida, Mr. IRELAND, Mr. FORD of Tennessee, Mr. VOLKMER, Mr. McDADDE, Mr. SOLOMON, Mr. KLECZKA, Mr. MILLER of Washington, Mr. BOEHLERT, Mr. RANGEL, Mr. HEFNER, Mr. BEVILL, Mr. PETRI, Mr. SMITH of Vermont, and Mr. WEISS.

H.J. Res. 557: Mr. GEJDENSON, Mr. VALENTINE, Mr. KILDEE, Mrs. COLLINS, Mr. LEWIS of Georgia, Mrs. LOWEY of New York, Mr. ERDREICH, Mr. JONTZ, Mr. OWENS of Utah, Mr. THOMAS of Wyoming, and Mr. NEAL of North Carolina.

H.J. Res. 562: Mr. STOKES, Mr. MCCOLLUM, Mr. FALEOMAVAEGA, Mr. FAZIO, Mrs. COLLINS, Mr. TOWNS, Mr. GALLO, and Mr. APPELEGATE.

H.J. Res. 571: Mr. ROE, Mrs. PATTERSON, Mr. TALLON, Mr. APPELEGATE, Mr. BORSKI, Mr. SHAW, and Mr. GALLO.

H.J. Res. 613: Mr. HUGHES, Mr. DORNAN of California, Mr. HORTON, Mr. McGRATH, Mr.

RICHARDSON, Mr. McDERMOTT, Mr. GORDON, Mr. KANJORSKI, Mr. KOLTER, and Mr. WOLF.

H.J. Res. 616: Mrs. JOHNSON of Connecticut, Mr. RANGEL, Mr. SPENCE, Mr. HASTERT, Mr. HUGHES, Mr. SCHEUER, Mr. TALLON, Mr. YOUNG of Alaska, Mr. TAUZIN, Mr. SCHULZE, and Mr. DWYER of New Jersey.

H. Con. Res. 304: Mrs. MEYERS of Kansas, Mr. SKAGGS, Mr. BONIOR, Mr. LEWIS of Georgia, Mr. DIXON, Mr. OWENS of New York, and Mr. WAXMAN.

H. Res. 349: Mr. FISH.

H. Res. 407: Mr. SHARP, Ms. OAKAR, Mr. TANNER, and Mr. SMITH of New Jersey.

H.R. 2911: Mr. CHAPMAN.  
H.R. 3498: Mr. BILBRAY.

### DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

### PETITIONS, ETC.

Under clause 1 of rule XXII,  
210. The SPEAKER presented a petition of the Thurston County Commissioners, Olympia, WA, relative to reductions in defense spending; which was referred to the Committee on Armed Services.



## EXTENSIONS OF REMARKS

TRIBUTE TO LEONARD J.  
"POOCH" MILLER

## HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. FISH. Mr. Speaker, June 26 was the 85th birthday of a man so many of us in this body have grown to love and admire, Leonard J. Miller.

"Pooch," as he is affectionately known to us, has been a waiter in the House Members dining room for 23 years. I always look forward to seeing Pooch because he is such a pleasant man to be around. He always makes you feel at home with a smile or a few kind words.

Pooch's career spans several decades. Before he came to the Hill, he worked at Harvey's, one of Washington's best known restaurants, for 36 years, climaxing his career as maitre'd.

Before entering the restaurant business Pooch attended school in North Carolina. He started at John C. Smith College in Charlotte in 1924 but the next year he won a scholarship to the Agriculture and Technical College in the same city. At that school he excelled in baseball, basketball, and football.

The fact that Pooch is still working at an age when most people are well into retirement is a testament to his love of this institution and his enjoyment of life. He certainly is an inspiration to all of us.

If there is one thing Members on both sides of the aisle can agree on, it is that Leonard J. Miller is No. 1 with us. Happy birthday, Pooch. We hope you'll be with us here on the Hill another 20 years.

SIDONIA PALACE OF WINDHAM,  
NY: MODEL OF COMMUNITY  
JOURNALISM

## HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. SOLOMON. Mr. Speaker, the national media are under so much scrutiny these days that we forget the thousands of men and women in the field of community journalism who perform a vital service for towns and villages all over this country.

Today, I would like to pay tribute to one of them, Sidonia Palace, editor of the Windham Journal in Greene County, NY.

For 25 years, Sidonia Palace has been providing people in such communities as Windham, Hunter, Tannersville, Haines Falls, Lexington, Jewett, and Ashland with information about events of importance in their daily lives.

The quality of the Windham Journal has always reflected the character of its editor.

She is equally known for her graciousness and integrity. Such qualities have inspired her family and friends to arrange a testimonial dinner in her honor on Monday, July 23. Such a testimonial is certainly appropriate.

Mr. Speaker, many Members from rural districts like mine know editors like Sidonia Palace, a delight to work with, and a pillar of her community.

I ask you to join me today with our own salute to Sidonia Palace, editor of the Windham Journal.

BAY PORT FISH SANDWICH  
WEEKEND

## HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. TRAXLER. Mr. Speaker, I invite my colleagues to join me in paying tribute to one of Michigan's oldest fishing villages, Bay Port. First named Geneva on the Switzerland—1851—and subsequently Wild Fowl Port, Bay Port is today the largest fresh water commercial fishing port in the world. Located on the "thumb" of the Michigan "mitten," this friendly town of 550 has, for the past 12 years, offered its famous, uniquely distinctive culinary delight, "The Bay Port Fish Sandwich" to friends, neighbors, and tourists alike—many, in fact, voyaging from our good neighbor to the north, Canada.

To this thumb area, northeast of Bay City on the Saginaw Bay, each year thousands will soon begin their annual trek to Bay Port in anticipation of their amazing fish sandwiches. Beneath the whir of helicopters waiting to transport these mouthwatering delights across States and nations alike are the many Bay Port volunteers, only one of them is entrusted to safeguard the special recipe for these scrumptious sandwiches.

To commemorate this annual event, I ask that the text of this proclamation to published in its entirety:

Whereas, the village of Bay Port, Michigan, is celebrating the 13th Annual Bay Port Fish Sandwich Festival on August 4 and 5, 1990; and,

Whereas, since 1978, the greatest event of the Thumb is the selling of 10,000 original fish sandwiches; and

Whereas, the awesome spectacle of tourists and helicopters alike are about to descend on this tiny village of 550; and

Now, therefore, be it Proclaimed that August 4 and 5 be known as "Bay Port Fish Sandwich Weekend," the advent of which deserves both national and international attention.

VIOLENCE IN THE OCCUPIED  
TERRITORIES

## HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. DINGELL. Mr. Speaker, the U.S. Government and almost all Americans believe that the State of Israel has the right to exist as an independent, sovereign, and peaceful democratic nation. Israel plays a pivotal role in the Middle East and should continue to work with its Arab neighbors to bring about a just and lasting peace. The United States should continue to support Israel in this objective and should encourage that country to employ means in both maintaining its independence and in working toward a prosperous and stable region.

However, Mr. Speaker, we must not forget that the struggle for freedom and liberty is a battle still being waged today. It can be plainly seen in the bloody fighting in the occupied territories of the West Bank, the Gaza Strip, the Golan Heights, and East Jerusalem.

In 1989 alone, the "intifada" claimed the lives of 432 Palestinians, of which over 300 were killed by Israeli security forces. Unfortunately, the terrible violence continues in the region with no end in sight. This can be witnessed by the brutal act of an Israeli civilian who mercilessly killed seven Arab workers on May 20.

The United States has a compelling interest in promoting the peace process in the Middle East as we annually provide billions of dollars in economic and military aid into the region. Yet, for all the money we send to Israel and the other countries in the Middle East, a policy discouraging violence in the occupied territories has not yet materialized.

It is undisputed that Palestinians in the territories are being systematically denied their human rights. They may be held in prison by the Israeli Defense Forces [IDF] for up to 2 weeks before the International Committee of the Red Cross is allowed access, and sometimes that access is delayed even beyond the 14-day wait. Palestinians may be "detained" for alleged security reasons, but often formal charges are not made or the arrest is based on "secret" evidence that is not made available to the detainees or their counsel. By their own figures, the IDF was holding over 9,000 Palestinians in their prison facilities as of January 1.

The Israelis also have used what they call "administrative detention" for alleged security reasons, holding Palestinians without a formal charge. They claim that those detained have engaged in activities deemed a threat to Israeli security. Even those engaged in nonviolent activities have been detained as a challenge to the security of Israeli occupation.

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

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Most orders for detention are for 6 months, with many renewed a second or even a third time.

Even worse, military commanders are often the ones responsible for ordering administrative detention. The Israelis do provide the detainee the opportunity to appeal the order, but the appeal goes before a military judge, and the detention orders are rarely overturned.

A Palestinian in the occupied territories can be arrested by a soldier if "suspected" of having committed a crime. The arresting soldier need have a warrant. Without a warrant a detainee can be held for 96 hours. Without formal charges, individuals may be held for up to 18 days, usually without access to counsel. If it is believed that communication with their lawyers may frustrate the investigation, access may be denied indefinitely.

Schools and universities in the West Bank and Gaza have been closed, denying youth the right to an education.

The sanctity of the home is routinely violated. To enter a home, military authorities do not need a search warrant when in pursuit of what are called security objectives.

In 1989, the homes of 88 Arabs were demolished under the order of the military commander, again for "security" purposes, and an additional 82 homes were sealed. The Israelis have made it illegal for these Palestinians to rebuild their own homes.

The only press the Arabs of the occupied territories have is in East Jerusalem, where all publications that relate to the security and public order of Israel and the occupied territories must be submitted to the military for censorship before being released.

A month ago at least 58 Palestinian children aged 1 to 3 were injured when Israeli troops fired tear gas into the crowded waiting room of a United Nations maternity clinic in the Gaza Strip. The officer responsible for this brutal act was sentenced to a 10-day prison term, to be later suspended after a plea for leniency.

These and other violations of the basic rights of the Arabs in the occupied territories continue.

There are some 5 million Palestinians in the world today, of which 2 million are still registered as refugees with the United Nations Relief and Works Agency, an agency created in 1949 to provide assistance to Palestinian refugees. Those that are not refugees suffer as well, living in constant fear of soldiers or radicals.

Unfortunately, fear is the common denominator in this conflict, with no immunity for anyone. On May 30, an anti-Israeli group carried out an intolerable sneak attack from several pleasure boats, using prepared forces to slaughter civilians laying on the beaches south of Tel Aviv. This outrageous episode, intended to inflict needless death and injury upon innocent people, was thankfully suppressed before the intended slaughter could be carried out. The culpability of terrorist Abu Abbas has led to a suspension of the dialogue between the United States and the Palestine Liberation Organization until the PLO condemns the violence and disassociates itself from the perpetrators.

I condemn the violence that is destroying this region and the hatred that is feeding on

this violence. The longer the United States allows this terrible situation to exist, the dimmer the prospects for peace in the occupied territories and the Middle East.

The United States has a responsibility to promote peace and to use all available means to open the dialogue between the parties involved. An important first step is to recognize the present intolerable situation in the occupied territories. It may very well be that the United States will have to reevaluate its policy options for all players in this conflict if future progress is not made in dealing with the violence in the occupied territories.

#### SPECIAL COUNSEL REQUEST

#### HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mrs. SCHROEDER. Mr. Speaker, a majority of the majority of the House Judiciary Committee have sent a letter today to the Attorney General of the United States requesting that he seek application for a special counsel in the \$1 billion Silverado thrift failure.

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, July 11, 1990.

Hon. RICHARD THORNBURGH,  
Attorney General of the United States,  
Department of Justice,  
Washington, DC.

DEAR MR. ATTORNEY GENERAL: The failure of the Silverado Banking, Savings & Loan Association is expected to cost the American taxpayers upwards of one billion dollars. The case has criminal implications that should be aggressively investigated, but the potential for political, financial, and personal conflicts of interest on the part of Department of Justice officials, including yourself and the U.S. Attorney in Denver, raise serious questions about the Department's ability to conduct a fair and vigorous investigation.

Therefore, the undersigned, constituting a majority of the majority of the House Judiciary Committee, respectfully request that you apply for appointment of an independent counsel to investigate the Silverado collapse.

The Ethics in Government Act, 28 USC 591 *et seq* provides that the Attorney General may conduct an investigation and apply for an independent counsel concerning alleged violations of law if the Attorney General concludes that an investigation by him or other Department of Justice officials may result in a "personal, financial, or political conflict of interest."

The government officials involved in and potential targets of the Silverado investigation present several clear personal, financial, or political conflicts of interest:

Larry Mizel is the chairman of MDC Holdings, which held \$14 million in Silverado junk bonds and six million dollars in preferred stock in Silverado, and which reportedly unloaded on Silverado, with the cooperation of its management, real estate that was rapidly diminishing in value. Mr. Mizel and a member of his family contributed a total of three thousand dollars to the 1986 congressional campaign of Michael Norton, the present U.S. Attorney in Denver making decisions affecting the Silverado case. Furthermore, Mr. Mizel reportedly raised one

million dollars for the Reagan-Bush ticket at a single luncheon in Denver in 1984.

Neil Bush, the President's son, was a director of Silverado from August 22, 1985 to August 8, 1988, when he resigned from the board, shortly after his father was nominated for President and four months before Silverado was seized by federal authorities. According to Office of Thrift Supervision (OTS) documents quoted in the *Rocky Mountain News* and *Denver Post* July 10, 1990, during Mr. Bush's service on the Silverado board he "led Silverado to the point of committing a violation of one of the most important [federal] regulations aimed at eliminating insider abuse." The OTS further stated that "Bush's conduct was one of the worst kinds of conflict of interest."

Ken Good, A Bush business partner and creditor, and Silverado borrower and preferred shareholder, defaulted on Silverado loans that will ultimately cost the taxpayers upwards of \$30 million. In 1984, Mr. Good reportedly "lent" Mr. Bush \$100,000 for a risky commodity investment with the understanding that the loan would be repaid only if the investment was profitable. Mr. Bush failed to disclose that the \$100,000 loan on his conflict-of-interest form required of S&L directors. When the investment went bad, the loan was forgiven by Mr. Good. The *Washington Post* reported July 10, 1990, that Mr. Bush "has decided to report that six-year-old payment as income on his 1990 tax return."

Second, in November, 1986, Mr. Bush presented to the Silverado board Mr. Good's application for a \$900,000 line of credit without advising the board that the money would be used for a joint Bush-Good oil venture. Mr. Bush "had a substantial business interest in the line of credit," according to OTS documents.

Third, in 1986, during a period in which Silverado released Mr. Good, in exchange for \$3 million cash, from upwards of \$11.5 million in collateral because of his financial difficulties, Mr. Bush failed to advise Silverado that Mr. Good had agreed to invest some \$3 million in JNB Exploration, Inc., Mr. Bush's oil company, according to OTS documents.

Finally, after Mr. Good had defaulted on his loans from Silverado and after Silverado had been seized by federal authorities, Mr. Good reportedly contributed \$100,000 to the Republican National Committee Eagles Club.

Bill Walters, another Bush business partner and creditor, and Silverado borrower and preferred shareholder, reportedly unloaded on Silverado, with the cooperation, of its management, real estate that was rapidly diminishing in value. In 1983, Mr. Walters had invested \$150,000 in JNB Exploration. (Mr. Bush, by comparison, only invested \$100, while drawing a \$75,000 a year salary.) In 1984, Cherry Creek National Bank, which Mr. Walters owned, extended to JNB Exploration a \$1.75 million line of credit. The line of credit, upon which JNB drew \$1.25 million, remained open through August 1988, when Mr. Bush resigned from the Silverado board.

After joining the Silverado board, Mr. Bush voted to approve six separate Silverado loans to Mr. Walters totalling \$106 million, all of which are now in default. According to OTS reports, Mr. Bush "increased the risk to Silverado's financial soundness" in voting to approve these loans.

Finally, in December 1989, one year after Silverado was seized by federal authorities, Mr. Walters and Mr. Mizel co-chaired a Re-



publican Party fundraiser in Denver at which President George Bush was the guest of honor. Neil Bush shared the head table with his father.

Former Federal Home Loan Bank Board of Topeka president and Principal Supervisory Agent Kermit Mowbray testified before the Housing Banking Committee June 19, 1990, that he delayed closing Silverado until after the 1988 elections because "someone in Washington" made a telephone call requesting that the closure be delayed.

Secretary of the Treasury Nicholas Brady, whose department oversees OTS, which is investigating certain aspects of Neil Bush's conduct in the Silverado matter, is on record ("This Week With David Brinkley," ABC, June 24, 1990) stating that "I happen to know Neil Bush" and that although "I can't imagine that he broke the law . . . the facts will have to come out." Secretary Brady's personal acquaintance with Neil Bush and his father, the President, coupled with his prejudgment of the case hardly give the public the confidence that the fact will indeed come out.

OTS officials testified before the House Banking Committee May 22, 1990, that federal bank examiners had made 12 referrals to Department of Justice officials of possible criminal activity at Silverado. The criminal referrals dated back to 1986, when Mr. Bush was on the Silverado board and two years before the thrift was seized. Yet there is no information that the Department took serious action on these referrals.

The Denver FBI Agent-in-Charge and the Denver U.S. Attorney have been quoted in the Wall Street Journal, June 26, 1990, and the Washington Post, June 23, 1990, as being understaffed and swamped with savings and loan scandal cases.

Given these circumstances and conflicts of interest, it would be very difficult for the Department of Justice to conduct the thorough and impartial investigation this matter demands.

Criminal statutes that may have been violated by Silverado officers, directors, investors, and borrowers include (1) Bribery, Graft, and Conflicts of Interest 18 USC 215, Receipt of commissions or gifts for procuring loans; (2) Conspiracy, 18 USC 371, Conspiracy to commit offense or to defraud United States; (3) Embezzlement and Theft, 18 USC 657, Lending, credit and insurance institutions; (4) Fraud and False Statements, 18 USC 1001, Statements or entries generally; 1006, Federal credit institution entries, reports and transactions; 1008, Federal Savings and Loan Insurance Corporation transactions; and 1014, Loan and credit applications generally; (5) Mail Fraud, 18 USC 1341, Frauds and swindles; 1343, Fraud by wire, radio, or television; and 1344, Bank fraud; (6) Racketeer Influenced and Corrupt Organizations, 18 USC 1962, Prohibited activities.

Certainly, when the potential targets of a criminal investigation of a one billion dollar thrift failure include the President's son, a major campaign contributor to a Department of Justice official, and a major campaign fundraiser for the current and previous President, we have a case in which Congress, in passing the 28 USC 591(c) "catch-all" provision, intended that you should seek appointment of an independent counsel.

This is a request under 28 USC 592 (g).

Sincerely,

ROMANO MAZZOLI,  
EDWARD F. FEIGHAN,  
LAWRENCE J. SMITH,

HARLEY O. STAGGERS, Jr.,  
BOB KASTENMIER,  
DON EDWARDS,  
RICK BOUCHER,  
PATRICIA SCHROEDER,  
JOHN CONYERS, Jr.,  
JOHN BRYANT,  
GEORGE CROCKETT,  
BRUCE MORRISON.

MAYOR JOHN COYNE

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Ms. OAKAR. Mr. Speaker, I rise today to pay tribute to one of Ohio's most outstanding public officials, Mayor John M. Coyne who has served the city of Brooklyn, OH, for 50 years.

During the past five decades, John M. Coyne, a most efficient and effective administrator, has served the residents of Brooklyn as mayor for 43 years, treasurer for 2 years and clerk-auditor for 6 years.

Throughout his 50 years of public service, John M. Coyne has received many honors and awards, one of which was the recognition by Ohio's 117th General Assembly honoring him as the longest serving mayor in the United States. He has enjoyed being honored with the "Ernest J. Bohn Award," the "1983 Irish Man of the Year" and the "1984 Irish Good Fellowship Club Award."

This year, Mayor Coyne was reelected to his fifth consecutive term as chairman of the Cuyahoga County Democratic Party.

Since taking office 50 years ago, Mayor Coyne has led his community with pride and dignity. His numerous accomplishments are clearly recognized by his peers within the Cuyahoga County Mayors and Managers Association. Under his direction he successfully implemented many firsts in civic programs and initiatives, one being the first adopted universal seatbelt ordinance and making Brooklyn, OH, the "Home of the Seat Belt Law."

Mayor Coyne, a registered public accountant, directed the community of Brooklyn to the solid financial status it now enjoys—a city with one of the lowest tax rates in Cuyahoga County, but with the very best in city services. Mayor Coyne has directed the growth of this fine community with its present full-time complement of police, fire, and emergency medical personnel as well as a full time Service Department responsible for weekly refuse collection, groundskeeping and routine road and sewer maintenance. This year the city of Brooklyn proudly takes its place as the first community in Cuyahoga County to implement a mandatory curbside recycling program.

The residents, especially the senior citizens of Brooklyn, OH are proud to boast of their outstanding services. They are provided with snow removal, sidewalk and driveway, during the winter months and are assisted with lawn maintenance at a minimal cost during the summer months.

A \$1.9 million community senior center serves as a focal point for the city's senior service department and other community activities.

Additionally, families in the suburban community are fortunate to have access to the finest in recreational facilities, a \$6 million recreation center houses an indoor rink, exercise facilities, racquetball courts, a recently added indoor-outdoor swimming pool natatorium, cardiovascular room, steam room, sauna, and whirlpool.

It is worthy to note that all of these capital improvements were paid for with cash and the city's only debt is a \$975,000 note which will be retired during the 1991 fiscal year.

During 1989, John Coyne came up against the National Rifle Association and found himself successful in passing two measures dealing with weapons. One of the measures deals with possession of weapons and the other with a transaction permit and waiting period of 7 days.

He has also worked for the children of Brooklyn through such educational incentive programs as ROCK [Reward Our City's Kids] which rewards students for maintaining a B grade point average.

His most recent project is one which will provide the Brooklyn branch of the Cuyahoga County Library with a toy library section. This program will be the first of its kind operated in a public facility in this area. The concept of toy library will serve as a toy lending learning program for children, including those with special needs, to play with educational and developmentally appropriate toys in a structured setting.

It is clear to those of us in Cuyahoga County, why, during his 50 years of public service and the past 43 years as mayor, John M. Coyne has only been opposed three times, all unsuccessfully.

He is a devoted and loving husband to the first lady of Brooklyn, OH, Jean (Ruth) and a caring, compassionate, and protective father to his four children, Jack, Ed, Penny, and Jim. In addition, he and Jean have nine grandchildren and one great-grandchild.

The residents of Brooklyn, OH, are proud of their leader, Mayor John M. Coyne and I along with my fellow public officials in Cuyahoga County recognize him as a role model for public service. Under his direction within the Democratic Party, John Coyne has helped groom many of the newly elected public officials in our county and I am proud to call him a good Democrat, a good public servant, and a good friend.

ELIMINATE WASTEFUL  
SPENDING NOW

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. HUBBARD. Mr. Speaker, I would like to share with my colleagues an excellent letter I received last week from William R. Black, president of Ray Black & Son, Inc., of Paducah, KY.

Bill Black, one of my most prominent and talented constituents and who served on the University of Kentucky board of trustees for 18 years, has eloquently expressed his concern about wasteful Government expenditures

responsible for the Federal deficit. He has pointed out that the General Accounting Office and the Grace Commission have both issued reports about wasteful spending and have detailed solutions for eliminating the deficit.

Unfortunately, Congress has failed to listen to either report. Those reports should be given further consideration by us in Congress.

I urge my colleagues to read and consider his thought-provoking letter. It follows in its entirety:

RAY BLACK & SON, INC.,  
Paducah, KY, July 2, 1990.

Rep. CARROLL HUBBARD, JR.,  
U.S. House of Representatives, U.S. Capitol,  
Washington, DC.

DEAR CARROLL: Late last year, the General Accounting Office, which is the investigating agency of the Congress, issued its *GAO Financial Integrity Act Report*. This report exposes the massive government waste which is responsible for the federal deficit.

In an interview with reporter Terrence Smith of the CBS Evening News with Dan Rather, the Comptroller General of the United States estimated that the waste uncovered by this report totaled \$180 billion! That is enough government waste to eliminate the deficit!

Can we get Congress to enact some recommendations contained in this report and help eliminate the federal deficit?

It is shocking that as Congress continues to raid the surplus from the Social Security Trust Fund and while many Congressmen are calling for increases in taxes, this report, which is a detailed road map for eliminating the deficit, remains untouched. The massive federal deficit is a grave threat to each American's financial security. It is discouraging that Congress has failed to enact the recommendations contained in the GAO Report and in the similar Grace Commission Report of a few years ago.

The Grace Commission specifically warned Congress of the Savings and Loan Crisis long before it occurred. If it had enacted the full Grace Commission Report, it not only would have prevented the S&L crisis, but would have eliminated the government waste responsible for the federal deficit. This GAO Report is a second chance to at least help eliminate the waste responsible for the deficit.

I don't agree with everything in the report, but we should eliminate all of the waste possible before asking the taxpayers for additional money.

Sincerely,

WILLIAM R. BLACK.

REMARKS BY HON. STENY H.  
HOYER

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. CARDIN. Mr. Speaker, I recently returned from the Copenhagen Conference on the Human Dimension of the U.S. Commission on Security and Cooperation in Europe. My good friend STENY HOYER, as vice chairman of the U.S. delegation and co-chairman of the Helsinki Commission, delivered an excellent speech at the plenary session of the conference that I would like to share with my colleagues.

REMARKS BY HON. STENY H. HOYER

Mr. Chairman, it is now five years since I first became an active participant in the Helsinki process. It is a special pleasure for me to attend this conference—which is being held in the birthplace of my father—and to see how far we have come together.

When I was appointed to the U.S. Commission on Security and Cooperation in Europe in 1985, there were serious questions in the United States about the viability of the Helsinki process. Had the process emphasized security at the expense of human rights? Was it perhaps time to reconsider the Helsinki process in the absence of tangible progress on human rights questions?

By the time the first meeting on the human dimension took place in Paris last June, the general health of the CSCE had improved greatly. The growing commitment of the member states to Helsinki principles enabled us to extend our reach beyond anything we had achieved before. At that meeting I had the honor of introducing on behalf of the American delegation a proposal regarding free elections and political pluralism. Since then only one year has passed, but multi-party elections have now been held throughout Eastern Europe. The groundwork has been laid for institutionalizing free elections as a fundamental right. That is a momentous, tangible contribution of the CSCE to the corpus of rights laid out in our international documents.

Today, we are at the second of three scheduled meetings discussing human rights. The situation has changed at such a pace that one can hardly pick up a newspaper without seeing references to the significance of the Helsinki process. In fact, analyzing the recent Bush-Gorbachev summit, the impending unification of Germany, and the search for new European security arrangements, one American commentator described the CSCE as "the sexiest new acronym" in international diplomacy. What that really means is that the press may finally begin to give CSCE the attention it genuinely deserves.

Of course, we here know that the CSCE is not new. Now, however, in the wake of the revolutionary changes which have transformed our world, we must hold true to the powerful ideals of those CSCE principles which have inspired and guided our work since the beginning: The preservation and enhancement of individual human freedom; respect for the sovereignty of all states; and military security and cooperation among states. They now appear tantalizingly within our reach.

The final act refers to the "common purposes" of all the signatories; it recognizes the "indivisibility" of European security and its link to peace in the world generally; it establishes principles to be applied "equally and unreservedly." The uniqueness of the final act is not in the rights it describes, for those rights were previously set down in different ways and in many different places. What is singular in the final act is the concept of balance. Our late teacher and master in this work, academician and human rights advocate Dr. Andrei Sakharov once said, "Peace, progress, human rights—these three goals are insolubly linked to one another. It is impossible to achieve one of these goals if the other two are ignored."

It is critical that we maintain the balance to which Sakharov referred in this period of rapid change. I believe that within CSCE a consensus has emerged by which we all recognize unreservedly the dignity of man. The importance of human rights, both in their

abstract sense and as a crucial determinant governing the relationship between state and society, has emerged as the guiding principle upon which political pluralism and the eradication of social injustice are to take place. Rarely have leaders in public life been given the chance to achieve so much change. The people of Europe have given us a great opportunity, and we must now nurture, support and guide as best we can. It is a profound and awesome mandate which they have given us.

One of the most fundamental of these rights contained in our documents is freedom of movement. It is extremely gratifying to observe the vast improvements in the implementation of Helsinki principles in the past year. As an American representative it is reassuring to read that Foreign Minister Shevardnadze and Secretary Baker seem agreed that the emigration of Soviet Jews in fact will not be affected by the peripheral question of settlement in the occupied territories. The notion that people have the right to leave their country—irrespective of their final destination—has clearly sunk deep roots among the governments of participating CSCE states.

Still, the dramatic improvements we have seen—progress for which some here in this very room can claim credit—portend an era of increasingly difficult and complex tasks for all of us. Now, human rights abuses are becoming more subtle and more difficult to eradicate. We must not allow the complexity of the problems to stifle debate or thwart our desire to achieve all that is possible and all that CSCE holds out to us.

Barriers remain which continue to divide our communities, no matter where we live, regardless of our political and economic systems. We are no less vulnerable to such barriers in the United States than in the Soviet Union, no freer of them in France or Germany than in Romania or Hungary. That unmistakable and universal threat to each and every participation state of the CSCE should make the eradication of such divisive obstacles our first priority.

I am speaking, of course, of the alarming spread of intolerance, prejudice and racism in our countries. They are like weeds whose continued presence and tenacious survival can strangle the fragile democratic order we have been laboring to cultivate throughout the CSCE. If we allow their roots to spread, we stand a good chance of forfeiting the progress we have made.

It took my country too many years to answer the command of racial equality contained in the fourteenth amendment to our constitution. It was not sufficient that the Constitution proclaimed all equal before the law. A plethora of laws to implement those words eventually had to be enacted. An independent judiciary had to give force and meaning to the intent of these laws. And societal attitudes had to change. The road which the Rev. Martin Luther King, Jr. travelled from Montgomery, Alabama to Oslo was long and difficult. As a champion of basic human rights for millions of Americans, he won grudging admiration even of his enemies by the strength and serenity with which he held his convictions. Those convictions were a simple yet compelling plea for compassion, for justice, and for respect for the dignity that is inherent in all individuals regardless of race, sex or nationality. Inspired by Reverend King's example, Americans are still working to achieve these goals.

People on this continent are no different. We were all deeply saddened and greatly



disturbed by outbreaks of ethnic and communal violence in the Balkans, the Caucasus and, most recently, in Central Asia. In France, President Francois Mitterand reminded his people of the need to be clear in these matters—as individuals, as nations, and as a community of nations we will not abide intolerance and prejudice. Whether the focus of hatred is the color of one's skin, one's religion, national origin or political views, we must not allow any individual or group to be demeaned or excluded because of prejudice. Not a single one.

In this regard, Mr. Chairman, we cannot ignore what is currently transpiring in Bucharest. The peaceful demonstrations in University Square represented an attempt by many who felt out of the political process in Romania to find a voice. Over the course of seven weeks, they called for a return to the ideals of the December Revolution: Unity, tolerance, mutual respect, and the right to free expression and honest competition for public support of political views.

President Iliescu and his government must use the mandate they won in the elections to open a genuine dialogue with the opposition, healing the profound divisions in Romanian society rather than furthering the dangerous polarization which they regrettably have encouraged.

It is a paradoxical and often frustrating virtue of democracy that it allows free expression to prejudice as well as to nobility of thought and feeling. However, that free rein brings with it a responsibility on the part of government to assure that individuals and minorities do not suffer tyranny at the hands of the majority. Particularly we in the legislatures, where diversity of opinion and the power of persuasion are the tools of our trade, bear a special responsibility to foster a climate of tolerance.

In a December 1989 Berlin speech, Secretary of State James Baker called upon parliamentarians to take part more directly in CSCE processes. The United States Helsinki Commission, composed mainly of Members of the U.S. Congress, already has developed an ongoing relationship with a body in the Soviet Congress of People's Deputies which has been beneficial to both sides. I welcome the growing interest in CSCE exhibited in European Parliaments, especially the new Parliaments of Eastern Europe. We on Capitol Hill look forward to working and consulting with other CSCE Commissions in European legislatures.

Our colleagues in the judicial branches must use laws to shore up freedom and expand discourse. A well-functioning judiciary guarantees that the burden of proof lies with those who would limit freedom—not those who would exercise it.

The CSCE as an institution must also take a stand. Human dignity, tolerance, mutual respect—let these enduring and fundamental values be our standards as we enter the 1990's, a decade in which the number of participating CSCE states will grow. Lithuania, Latvia, Estonia and Albania have all expressed an interest in participating in the CSCE. We welcome their request to join in our ongoing search for security and cooperation among states and in developing policies which guarantee the rights of communities and individuals.

Increasingly, the CSCE will have to address the relationship between the protection of individual and minority rights. Let us pay particular attention to the right to pursue mutually acceptable and fair procedures for resolving peacefully conflicts or disputes between any combination of states, peoples, minorities and individuals.

Particularly in this last area, the CSCE can serve as a source of values and also as an agent of conflict resolution. I urge that this meeting and the CSCE summit later this year consider creating a permanent CSCE Conflict Resolution Council to work with states and peoples.

This council should supplement, not replace, existing conflict resolution institutions. It might mediate internal problems with the concurrence of the state in question, and could be particularly useful in disputes between ethnic groups.

In a speech to a plenary meeting in Vienna in November 1988, I proposed a "zero option" in human rights, envisioning zero prisoners of conscience, zero jamming of broadcasts, zero cases of thwarted family reunification, and other violations of human rights. The violations I then had in mind were the kind that states have the power to control and thus are susceptible to changes in official policy. Happily, we have seen much progress in this regard.

The problem of renewed ethnic antagonisms which now confronts us is different. It is grounded less in the actions of states, through they can be a part, and more in the feelings of individuals and peoples. Feelings, or course, cannot be legislated. Therefore it is unrealistic to propose a "zero option" for national animosities, but we must do everything in our power to foster a better climate. We absolutely must insist on "zero tolerance" for any nationally-based expression of violence.

We all know of the bitterness of many ethnic disputes that have so often and so tragically disrupted peace and cost so many lives. The antiquity and the intensity of these hostilities have caused many to throw up their hands in frustration. Governments and the institutions of government have seemed unable to cope.

On one level, such cynicism may be understandable at the end of the 20th century. But I say, Mr. Chairman, if this be wisdom, then let me not grow wise too quickly. If the revolutions of 1989 have taught us anything, it is two lessons: The dizzying changeability of events and the enduring nobility of the human spirit. Many of the popular leaders now in power in Europe have pointed to Helsinki ideals as the inspiration in their long struggle for democracy and human rights. I want to believe that the Helsinki process will be an equally brilliant beacon shining over progress on nationality relations.

At this dawn of a new age, let us have faith in ourselves and in our ability to overcome the legacy of the past. That is the mission of the CSCE and of all who labor in its vineyards.

#### SOME REPUBLICANS PLACE POLITICS ABOVE RIGHTS OF FEDERAL WORKERS

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. CLAY. Mr. Speaker, the following editorial appeared in the June 28, 1990, issue of the St. Louis Post-Dispatch. The editorial contends, and I agree, that opposition by some Republicans to reform the Hatch Act is motivated by political concerns that Federal em-

ployees may be more inclined to support Democratic candidates. Therefore, rather than reform the Hatch Act to afford Federal and postal employees basic first amendment rights, President Bush and 35 Republican Senators prefer using current law to silence those employees.

In vetoing H.R. 20, the Hatch Act reform bill, President Bush stated that the Hatch Act was essential to government integrity. To forbid the free discourse of political views by any segment of our society because one believes those views may differ from his own is to demonstrate an essential disrespect for the most basic principle of republican government. To then justify such an action by contending that one is protecting government integrity is to achieve an Orwellian level of hypocrisy rarely accomplished by American politicians. I commend the following editorial to my colleagues.

#### POLITICS SCUTTLED HATCH ACT REVISIONS

If Missouri Sens. John Danforth and Christopher Bond had shown respect for the political rights of federal employees and voted to override President Bush's veto of revisions of the Hatch Act, the bill would have become law. Instead, Mr. Bush's record of vetoes sustained by Congress remains intact, and the 3 million federal workers who are denied participation in the system that directly affects their lives must remain second-class political citizens.

When the Senate first voted to loosen the restrictions imposed by the Hatch Act, the bill received 67 votes—just enough to override a presidential veto. But after the House voted overwhelmingly last Wednesday to make the bill law over the president's objections, the Senate could come up with just 65 votes—all 55 Democrats plus 10 Republicans.

Sen. Danforth, who had voted against the original bill, once again sided with Mr. Bush; Sen. Bond, who had not voted when the bill first passed, also cast a negative vote, as did three GOP senators who originally favored the legislation.

Why did the White House put such pressure on Republicans to deny basic political rights to federal workers? With so many of them under a merit system, the protections needed 51 years ago, when the Hatch Act was passed and patronage was widespread, are unnecessary now.

The behavior the bill would have allowed—letting federal employees solicit money from co-workers, hold office in political organizations and attend political meetings, all on their own time—are reasonable. Far from politicizing the federal workforce, it would have given workers rights that no one should have to sign away in exchange for a government paycheck.

The real concern appears to be political. As Senate Minority Leader Bob Dole of Kansas put it, unions of federal workers "want to give more money to Democrats, elect more Democrats." If the only way Republicans like Sens. Dole, Danforth and Bond can avoid that is to forbid federal employees from taking part in politics at all, it doesn't say much for what their party has to offer.

## LEARNING IS VALID AS A WAR ON DRUGS

### HON. JAMES M. INHOFE

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Friday, July 13, 1990*

Mr. INHOFE. Mr. Speaker, I know the statistics, I see the problem in my district; I read the reports to the Select Committee on Narcotics Abuse and Control; I know there is a problem of drug abuse among young people, and that is why I am an enthusiastic supporter of the Department of Education's Learning To Live Drug Free: A Curriculum Model for Prevention. Secretary Cavazos should be congratulated for producing such a well devised strategy to combat drug abuse among the young.

I think Learning To Live Drug Free is one of the best attempts to deal with drug education for the following reasons:

First, Learning To Live Drug Free is divided into four experience levels: Kindergarten through third grade, fourth through sixth grade, seventh through eighth grade, ninth through 12th grade. These distinctions allow the curriculum to be tailored to a particular maturity and experience level. Each section can be upgraded or modified with techniques and programs schools have already found effective.

Second, Learning To Live Drug Free's philosophy is extremely well thought out. For example:

The tone of the curriculum is positive because the prime premise is that most youth do not do drugs. Young people respond directly to attitudes, and a positive attitude provides the best framework in which a young person can learn.

One of the primary purposes is to "enhance the development of life skills that keep youth from using drugs." This encourages, in the young, a willingness to help themselves, instead of having help forced on them.

The curriculum "explains the susceptibility to drugs at various ages, and it provides the rationale for lessons and activities so that teachers and others will understand the importance of presenting specific information and helping build specific skills at various age levels."

The curriculum emphasizes "general accepted values—such as being honest, setting goals, helping friends, and exercising self-discipline—which encourage students to be caring productive citizens."

Third, the curriculum uses wide and varied methods to teach students how to live drug free. This technique demonstrates that living drug free is important in every aspect of life, and not just in isolated instances. It also allows for a number of different avenues to reach a student, because no one formula reaches everyone.

Fourth, the guidelines for presentation of the curriculum emphasize:

"Students should not be separated or grouped according to whether they may be using drugs." Learning To Live Drug Free is not an attempt to preach to a student who is on drugs, but a way to teach the student how to get off drugs, and stay clean.

## EXTENSIONS OF REMARKS

That the "information about drugs not be sensationalized," and that it must be accurate. Students, even the youngest, know when you are lying to them; they will not respect anyone who lies to them.

That "students help themselves and their communities by staying drug free." This encourages individual and societal responsibility, and a sense of duty.

Again, I want to congratulate Secretary Cavazos on the outstanding accomplishment of such a useful and needed drug abuse education guide.

### ADMINISTRATION INITIATIVES TO ENHANCE DEMAND SIDE ANTIDRUG PROGRAMS

### HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Friday, July 13, 1990*

Mr. COUGHLIN. Mr. Speaker, I rise to commend Education Secretary Lauro Cavazos upon the release yesterday of a model drug use prevention and education curriculum to be distributed nationwide for use in kindergarten through grade 12.

"Learning To Live Drug Free: A Curriculum Model for Prevention" provides a flexible framework designed to accommodate various different drug education strategies and techniques. It includes lesson plans for every age group, information for teachers and tips on how parents can work with the community to reinforce the prevention message taught in the classroom. The Department of Education will revise and update the curriculum materials as more is learned about what techniques are most effective in teaching our children to resist the use of illicit drugs.

The curriculum model is a critical component of the Department's ongoing efforts to ensure that antidrug education is an effective, integral part of the educational process for children of all ages. It sends a strong, unequivocal message that use of illicit drugs is both wrong and harmful.

"Learning To Live Drug Free" will be disseminated to superintendents and principals in every public school in the Nation as well as to the 1,500 largest private schools. This curriculum model is an invaluable resource and it is my sincere hope that it will be given the careful attention it deserves.

The Department of Education continues to be in the forefront of Federal demand reduction activities. As one who has long stressed the importance of antidrug education in preventing substance abuse among our Nation's youth, I am delighted that Secretary Cavazos has made drug prevention and education not only a departmental priority but a personal priority as well.

Further evidence of the President's commitment to create effective demand reduction programs is seen with last month's release by the Office of National Drug Control Policy [ONDCP] of "Understanding Drug Treatment" which explores the policy issues concerning drug addiction and treatment and provides the latest research findings and recommendations as to what works and what does not work in

*July 13, 1990*

treatment. Learning what treatment methods are most effective is essential if we are to increase the overall success rate of the treatment system. The fact is that good treatment program do work and the administration has proven their dedication to improving them through release of the ONDCP publication.

If the President's budget request is approved by the Congress, \$2.7 billion will be spent on our Nation's treatment, education, community, and workplace efforts in fiscal year 1991. The President's request almost doubles spending since 1989 in many of these important areas. The administration should be commended for their considerable efforts to improve drug prevention and treatment programs nationwide.

### TRIBUTE TO DR. FRANCIS P. MCQUADE

### HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Friday, July 13, 1990*

Mr. PAYNE of New Jersey. Mr. Speaker, the secular world measures a man by the fruits of his labor while in the spiritual domain his worth is based on the contents of his character. Occasionally God blesses the world with individuals who are inspirational leaders in both secular and spiritual affairs. Dr. Francis P. McQuade was bequeathed with extraordinary natural pedagogical talent. There are great natural singers, great natural athletes, and great natural teachers. Dr. Francis P. McQuade is a scholar who has a special undefinable gift to pass his wisdom on to others. In the classroom he has a certain charisma that opens the minds of the emulous hordes of aspirant leaders—so-called law students—who are dumped at his doorsteps each fall. Dr. McQuade has taught law at Seton Hall University School of Law for the past 33 years. Moreover, he taught philosophy at Fordham University for 15 years before deciding to practice the finer points of the Socratic method on some of New Jersey's finest young men and women. The sacrifices he made cannot be paid for in gold or words of praise. The thousands of students who passed through Dr. McQuade's classroom were each given the opportunity to drink deep from his wisdom and spirit. For Dr. McQuade teaching rewarded itself—the joy of sharing knowledge with and developing moral character within the youth was the only reward he sought. These brief words of official praise seek to commemorate the tremendous contributions that Dr. Francis P. McQuade has made to legal education in New Jersey. These contributions were duly recognized by Seton Hall University which recently awarded its highest honor to Dr. McQuade, the Bishop Bernard McQuaid Founder's Medal for Distinguished University Service. Dr. McQuade was also recently appointed as Seton Hall University School of Law's first official professor of law emeritus in residence.

Distinguished service as a professor was not enough to satiate Dr. McQuade's strong desire to serve the public. He also served as Essex County highway right of way commis-



sioner and as county counsel of Essex County for two terms. Dr. McQuade rose to national leadership positions during his tenure as county counsel. He was elected president of the New Jersey County Counsels Association and also elected national president of the National Association of County Civil Attorneys.

Dr. McQuade's dedication to public service was only surpassed by his dedication to Christian service. He is a recipient of the Archdiocese of Newark's Caritas Medal. He has been a member of the Holy See Permanent Observer Mission to the United Nations for many years. For his work as a representative on the Legal Committee of the U.N. General Assembly he was invested as a papal Knight of St. Sylvester I, Pope, by His Eminence, Agostino Cardinal Casaroli, Vatican Secretary of State.

On a personal note, I am proud of my many years of association with Frank McQuade. He is a good friend who always has had time to listen and to contribute to community activities. I have been informed that he is officially retiring from some of his activities in order to devote more time to higher priorities. He has worked with us on municipal and county Democratic committees for 30 years. He still has a lot of work to do and we are delighted that he'll have more time to help out in the future.

## INTRODUCING THE PACIFIC NORTHWEST COAST PROTECTION ACT

**HON. JOLENE UNSOELD**

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mrs. UNSOELD. Mr. Speaker, today I am joined by Congressmen DICKS, AU COIN, McDERMOTT, SWIFT, MILLER, DEFazio, and WYDEN in introducing the Pacific Northwest Coast Protection Act. The purpose of this legislation is to put into law the President's newly announced policy to delay Outer Continental Shelf [OCS] oil and gas leasing off the coast of Washington and Oregon and to further protect the coast from OCS preleasing activities.

Mr. Speaker, the coast of Washington is one of the Nation's most spectacular and biologically diverse coastlines. From the undeveloped wilderness of the northern coast to the estuaries and areas offshore Grays Harbor, Willapa Bay, and the Columbia River, coastal Washington possesses rich and vast and highly valued resources.

In the State of Washington there is bipartisan support among Federal, State, and local officials for permanent protection of our coast from oil and gas development. The Washington State Association of Counties adopted a resolution urging the President to prevent any and all oil exploration off our coast and the Washington legislature has passed a law barring oil and gas leasing in State waters. The Pacific Northwest Outer Continental Task Force, formed to advise the President on lease sale 132, also recommended that the lease sale be removed from the next 5-year leasing plan and that a long list of studies be completed before any further leasing activities.

The reasons for these actions are clear. Outside of Alaska, the coast of Washington and Oregon is the most ecologically sensitive and highest in marine productivity of any lease sale and it ranks extremely low in potential oil reserves.

Just last month the President announced he would heed the advice of local citizens and officials and give up his immediate plans to drill for oil off our coast, allowing for additional environmental studies. While northwesterners generally applauded this apparent change in policy, many were puzzled by what it actually meant. Does this mean permanent protection, or merely that we are postponing leasing decisions into the future? Is this decision binding? Is it enforceable? And finally, doesn't this decision actually allow the preleasing process, which can include seismic exploration with explosives, to go forward?

This last question is particularly important to Washington's dungeness crab fishermen who are still smarting from a previous incident with the seismic survey vessel that snagged the marker buoys of an estimated 10 percent of the crab pots on the Washington coast. The pots were carried away—lost to fishermen.

Questions are also being asked about these additional environmental studies. Why do we need more studies? According to the Department of the Interior, over \$15.5 million worth of studies have already been funded to collect environmental data relevant to this area. And how do we know if the Department of the Interior actually considers any new data? In Bristol Bay, AK, for example, the administration proceeded with the lease sale despite its own studies showing the high fisheries resource values.

Mr. Speaker, the legislation we are introducing will resolve these unanswered questions. It is consistent with the President's decision that there there will be no oil and gas leasing activities until after the year 2000. And when enacted, this will be the law and not subject to change.

Our bill goes further, making clear that all OCS activities, including preleasing steps such as the "industry request for interest [RFI]," are put on hold. I realize that this may depart somewhat from President's decision, but if we need to conduct more studies why proceed with costly preleasing activities before we have a full assessment of the environmental data. Allowing the preleasing process actually begins the leasing process. It also raises suspicion that with industry interest, future OCS activities are inevitable.

Mr. Speaker, I want to emphasize that this bill enjoys bipartisan State and local support and our two congressional delegations are united in the effort to ensure protection of our coastline. In particular, Congressmen DICKS and AU COIN have played key roles in establishing the Pacific Northwest Outer Continental Shelf Task Force. This task force gives the States an opportunity to participate in future leasing decisions and should be considered as a model for other areas of the country where controversial lease sales occur.

Finally, Mr. Speaker, I know the issue of limiting offshore oil and gas development raises concerns over our growing dependence on foreign oil. I believe we should do our part for national energy planning, but anyone who

knows the Northwest knows we have not flatly opposed energy development. One need only look to the impacts of Columbia River dams on our salmon and steelhead runs and the historic contributions the Hanford Reservation has made on our national energy and defense needs to understand that we are willing to participate in essential energy efforts.

However, we can never support an energy program that ignores, our legitimate economic, environmental, and community interests. If we are truly concerned about our energy security, let's commit ourselves to the development of a balanced national energy program, and restructure the OCS leasing program within the context of such a policy.

## THE V-22 "OSPREY" PROGRAM

**HON. ROBERT A. BORSKI**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. BORSKI. Mr. Speaker, I rise today in support of the V-22 *Osprey* Program.

Last year, after Defense Secretary Cheney cancelled the program, Congress restored research and development funding for the V-22 *Osprey*. This year, we should maintain that level of funding and provide production funds for the *Osprey*.

Secretary Cheney admits that the V-22 is an "excellent aircraft," but that the United States cannot afford to build it. I say that we cannot afford not to build it.

The Institute for Defense Analysis, in a study that Congress mandated last year, concluded that the V-22 would be more effective than the alternatives selected by the Defense Department: the CH-53 and the CH-60 helicopters. However, the Pentagon is still not convinced.

I believe that the V-22 *Osprey* is a cost-effective, versatile aircraft that will enhance our national security and increase American economic competitiveness.

The V-22 is the best vehicle for its prime mission: to carry more marines into combat, farther, faster, and safer. But the V-22 can do much more than that.

The V-22 is capable of a wide variety of military missions because of its unique ability to take off vertically like a helicopter and fly at high speeds like a conventional airplane.

The *Osprey* could be utilized by the Navy for antisubmarine warfare, by the Air Force for search and rescue and by the Army to evacuate wounded soldiers.

The V-22 could also quickly deploy around the world or be used to fight terrorism or help in the war on drugs.

The V-22 revolutionary tiltrotor technology also makes it one of the most important recent advances in domestic aviation. Development of this technology could be a big boost to the U.S. commercial aviation industry.

Tiltrotor aircraft could be used to relieve congestion at airports around the country as commuters and short distance travelers would be diverted to heliports. This would definitely help our overworked air transport system.

Additional domestic uses for tiltrotor technology include disaster assistance, overnight delivery services, and even oilspill response.

The technology provided by developing the V-22 could also help reduce the U.S. trade deficit. We could build it for the domestic air industry and for export.

If we do not build tiltrotor aircraft, someone else will. If that happens, we will be in the position of paying others for technology we developed.

The V-22 is an important, cost-effective aircraft for both military and domestic use. I urge all of my colleagues to support the *Osprey* Program.

## ENTERPRISE ZONES

### HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. SUNDQUIST. Mr. Speaker, Robert Kennedy once observed that "to fight poverty without the power of free enterprise is to wage war with a single platoon while great armies are left to stand on the side." It seems to me that, too often, Government has been content to leave those great armies in the barracks, while engaging the foe with a lone, though well-funded, platoon of Government programs. There is a better way.

I have recently joined my colleague, Mr. RANGEL of New York, to introduce legislation to mobilize the armies of free enterprise through creation of enterprise zones in distressed urban areas, as well as in rural areas which have not shared fully in our Nation's economic growth. Our bill, H.R. 4993, would encourage private investment and job creation in areas where both are solely needed.

H.R. 4993 would designate enterprise zones in particularly distressed areas of our cities and in depressed rural communities. Through Federal tax incentives and credits, we would reward investors and employers who do business in the zones. Importantly, we would emphasize the role of small businesses, the prime generators of jobs.

We propose to offer tax incentives for small, start-up ventures that will make them more attractive to investors. What's more, Federal tax incentives would act as a catalyst for matching State and local programs, as well as private initiatives. All of our efforts are aimed at reinforcing neighborhoods and communities. As we encourage new development and new business ventures, we want also to support and assist businesses already in the neighborhood.

H.R. 4993 aims for these goals with four major provisions:

First, the creation of up to 50 enterprise zones, to be selected on a competitive basis, in areas where the median household income falls below 80 percent of the surrounding communities, or where the population has fallen dramatically over the past 20 years;

Second, no capital gains taxes on tangible assets in enterprise zones, as an incentive for investment and improvements;

Third, investors in qualifying small business ventures are given an up-front deduction of

\$50,000 per year of new equity, with a \$250,000 lifetime limit, thus providing an important source of seed capital for new ventures; and

Fourth, a 5-percent tax credit is applied to part of the wages earned by employees of firms in the enterprise zone, providing an added incentive for prospective workers to get off welfare and take advantage of new job opportunities.

To those who argue that enterprise zones will simply reshuffle existing jobs, rather than creating new ones, I would point out that the tax cuts we enacted in 1981 and again in 1986 resulted in the creation of 20 million new jobs. The incentives in our enterprise zone bill would target job growth to areas that most need it. In addition, we have fine tuned this proposal to ensure that it will not lead to abuses or create uneconomic tax shelters.

Finally, and I believe most persuasively, the enterprise zone program would bring the market economy into play, mobilizing the armies of free enterprise in our depressed rural counties and our distressed inner cities. When dozens of newly-free nations around the world are turning to the American economic model, what better time for us to put our own successful free market incentives to work in those areas of our Nation where we most need them.

I strongly urge my colleagues to support H.R. 4993.

## NEW HAMPSHIRE GOVERNOR JUDD GREGG DECLARES CAP- TIVE NATIONS WEEK.

### HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. SOLOMON. Mr. Speaker, under the leave to extend my remarks in the RECORD, I include the following:

## A PROCLAMATION: CAPTIVE NATIONS WEEK— JULY 15-21, 1990

Whereas, the past year has been a historic one for the cause of freedom and the establishment of new democracies in the nations of our world; and

Whereas, still, injustices do persist and the desire for religious and political freedom that united our forefathers over two hundred years ago stirs today in the hearts of many subjugated liberty-loving people; and

Whereas, Freedom is a God-given right which should be the destiny of all mankind and whose denial should not be allowed by free men; and

Whereas, 32 years ago, the United States Congress authorized the President to issue a proclamation emphasizing the existence of captive nations throughout the world; and

Whereas, the fate of people enslaved under these communistic regimes is shaped by the free world's commitment to counter these aggressive systems; and

Whereas, the citizens of New Hampshire, in conjunction with millions of countrymen, long for the day when all freedom-loving citizens of the world will once again enjoy liberties which are basic to the right of self-government and the dignity of human beings; and

Whereas, Captive Nations Week, the third week of July, is a time for the citizens of this nation to stand together in solidarity with the captive and oppressed peoples throughout the world;

Now, Therefore, I Judd Gregg, Governor of the State of New Hampshire, do hereby proclaim July 15-21, 1990 as Captive Nations Week in New Hampshire, and ask all citizens to the cognizant of the important freedoms and preservation of human dignity proclaimed herein.

Given at the Executive Chambers in Concord, this 20th day of June in the year of Our Lord, one thousand nine hundred and ninety, and of the independence of the United States of America, two hundred and fourteen.

JUDD GREGG,

Governor of New Hampshire.

## MICHIGAN FARMER MAGAZINE RECOGNIZES NEED FOR IN- FRASTRUCTURE

### HON. BOB TRAXLER

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. TRAXLER. Mr. Speaker, the July 1 issue of Michigan Farmer in an article by Dick Lehnert recognized one of the points that I have been trying to bring home to our colleagues: The need we have to redirect spending to meet our infrastructure needs.

I recommend this article to everyone, and ask that it be reprinted in the RECORD at this point.

## SPENDING THE PEACE DIVIDEND

(By Dick Lehnert)

Lee Iacocca tells us that American cars have recovered from the disease of shoddiness and are now, once again, as good as any the competition can make. That's good news, if true, but my growing concern is where I'll drive a fine car, American or Japanese.

Most of you probably noticed that the rural roads pretty thoroughly went to ruin this spring. Wherever thin strips of gravel are laid willy-nilly over largely undrained clay bases, it stretches credibility to call them roads. Some springs are worse than others, and we pay for it dearly. The collective bills for tie-rods and front-end alignments paid by us long-suffering ruralists would darn near pave those roads.

Not only are the roads bad, but often I drive out of my way because only about one road in three has a workable bridge over the small river that crosses my path from home to office.

On some fronts, we are not progressing in this country; we are falling behind. Our forefathers could drive across rivers we can't cross today because we didn't repair or rebuild what they built.

In modern language, we call it the "decay-ing infrastructure."

## COST OF DECAY

Infrastructure is not just roads. In the words of Bay City (eight district) Congressman Bob Traxler, it is "the underlying base of essential elements necessary to build and maintain a strong nation. Physical infrastructure is our public works—our highways, buildings, public transit systems, railroads, airports solid waste facilities, sewer and



water systems built by the government at public expense for public use."

Besides the physical infrastructure, there is also the human infrastructure—those institutions like schools that support "the ability of a country's citizens to become self-sufficient members of the society in which they live."

Traxler wrote an article on the subject in the March 5 issue of the Northeast Midwest Economic Review.

In the article, Traxler argues that this country has allowed its infrastructure to decay, for numerous reasons and that this has cost us in reduced prosperity. Not only do we not have the employment that goes with public works projects, we do not have the results. Our goods and services move more slowly over deteriorated bridges and highways and through clogged airports, adding to labor costs, causing delays, reducing competitiveness.

He quotes David Anschauer, senior economist at the Federal Reserve Bank of Chicago, who sees a correlation between infrastructure investment and economic growth. Of seven nations (U.S., United Kingdom, Canada, Italy, France, West Germany and Japan), the U.S. had the lowest rate of investment in public projects and the lowest rate of productivity growth.

"The United States has been investing less than 1% of output in infrastructure projects," Traxler wrote, "and more than 5% of GNP in military projects. Japan, by contrast, reverses these priorities. It invests only 1% of GNP in its military, and more than 5% of public output in public facilities. The result: Japan's productivity rate has been triple that of the United States."

#### PEACE DIVIDEND

All of this sets the stage for Traxler's argument that we should spend much of the "peace dividend" on fixing the infrastructure of this nation—not just the physical but the social as well. Just as we cannot afford to have lousy bridges, we cannot afford to have illiterate, drug-addicted, criminal-minded citizens.

Traxler's view is not punitive. Just as we would not put a bridge in prison because it rusted away, he would not build prisons for people who have rusted away for lack of investment in their formation and maintenance. He advocates education and prevention. "We must work to restore the foundations of community and family support that have always made our country strong," he said.

"The pressing need for this effort comes when the world situation permits us to shift funds away from unproductive military spending," he writes.

"I believe now is the time to begin to rebuild America's infrastructure—both physical and human. It is clear that the dramatic changes taking place in the Soviet Union and Eastern Europe today will permit us to reduce our military presence in Western Europe and in the Pacific."

Traxler says some of the savings must go to deficit reduction. And some of the savings must be redirected in ways that don't allow recession to result from the downsizing of the military establishment. The human power now devoted to military uses should be absorbed in the work of rebuilding infrastructure.

"Defense expenditures economically benefit only limited sections of the country," Traxler wrote. "Public works, on the other hand, reach every state, city and village in this nation. They increase demand for contractors, pipe manufacturers, cement pro-

ducers, steel and heavy equipment manufacturers and truck manufacturers. Public works also provide well-paying jobs to various types of skilled and unskilled workers. The economic spinoff from all this activity is very positive for national and local businesses."

How much should be spent? A doubling of public works spending from about \$45 billion annually to \$90 billion would make a large impact.

Charles Bartsch, a policy analyst at the Northeast-Midwest Institute, says: "Many in Congress feel that the military could sustain even greater cuts (than the 2% per year proposed in the administration budget) without jeopardizing national security. Shrinking the Pentagon budget by 5% annually until 2000 would reduce defense spending by more than \$730 billion during that time."

That amount could provide, on average, \$45 billion a year for infrastructure and \$28 billion a year for deficit reduction. Not a bad split.

#### TRIBUTE TO FRED F. LETTIERI

##### HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. McDADE. Mr. Speaker, Fred F. Lettieri of Scranton, PA, my first district administrator upon being elected to Congress in 1962, is being honored by the community on July 20, 1990, for his 18 years of service in meeting the needs of the elderly and low-income citizens of Lackawanna County.

As the executive director of the Scranton-Lackawanna Human Development Agency, Inc., Fred has directed the agency in its mission to provide employment, education, training, and direct human services to those less fortunate. Under the direction of the Private Industry Council, Fred has worked long and hard to involve the educational and business community in opening employment opportunities for the disadvantaged and unemployed.

Fred Lettieri was born and raised in Old Forge, PA. His parents, the late Furey and Matilda Lettieri, owned and operated "Lettieri's Restaurant & Pizza" on Main Street, which is remembered by many as the first local restaurant to offer white pizza.

He was graduated from Old Forge High School, where his achievements on the basketball court earned him a full athletic scholarship to the University of Scranton where he was awarded a bachelor of science degree in economics and business from the university in 1955.

His first jobs after college included school-teaching, working as an accountant, and various positions in sales and marketing.

In 1962, Fred accepted a position as my district administrator, serving on my personal staff for 10 years. Responding to the questions, problems and needs of individuals, officials and organizations in northeastern Pennsylvania, Fred gained valuable experience in making Federal and State-funded programs available to meet local needs. Employment, housing, welfare, health care, and education problems among constituents were the focus of his efforts during this period.

Since his hiring as executive director of the Scranton-Lackawanna Human Development Agency in October 1972, Fred has overseen the agency's growth as one of the area's largest, most diverse human service organizations. It is the only local agency dedicated exclusively to the needs of Lackawanna County's low income and disadvantaged, and Fred directed the agency's successful expansion in child care and Head Start programming; employment and jobs training services for adults, youth, the elderly and handicapped; energy assistance and conservation programs; food and shelter services; and even economic and neighborhood development programs; incorporating State, Federal and local resources to assist the poor in meeting their basic needs while attaining self-sufficiency.

Fred's efforts have been recognized in consistently high ratings and evaluations by funding sources, and in various achievement awards, including awards from the Pennsylvania Director's Association for Community Action, Catholic Social Services of Lackawanna County, and a recent appointment by DCA Secretary Karen Miller to the Commonwealth Weatherization & Energy Conservation Policy Council. He has also been appointed to the boards of the Economic Opportunity Council's Housing Development Corp., Economic Development Council of Northeastern Pennsylvania, and National Youth Sports Program Advisory Council—University of Scranton. He is also a member of the Scranton-Lackawanna Labor Management Committee, Supported Employment Task Force, Job Center Task Force, and Job Service Employer Advisory Council.

His commitment to the area and area youth extends to his civic and volunteer activities; serving on the boards of the Lackawanna Chapter of the Arthritis Foundation, Boy Scouts of America Forest Lakes Council, and Steamtown Foundation.

Fred and his wife, the former Wanda Kachur of Scranton, are the parents of three children; Fred, Jr., a reporter with WNEP-TV channel 16; Judith, law clerk for Judge James Walsh; and Maria, a student at Wilkes College.

I know that my colleagues join me in congratulating Fred and Wanda Lettieri upon the occasion of this community salute and wish them and their family the very best wishes in the years ahead.

#### FHA PROTECTION AND HOMEOWNERSHIP PRESERVATION ACT OF 1990

##### HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. VENTO. Mr. Speaker, today Congressman RIDGE, I and 45 of our colleagues are introducing The FHA Protection and Homeownership Preservation Act of 1990. This legislation is a responsible answer to the actuarial review of the Federal Housing Administration's Mutual Mortgage Insurance Fund that was released this summer. The FHA Protection and Homeownership Preservation Act of 1990 will

maintain the actuarial soundness of the insurance fund, while maintaining the operating principal of the FHA—enhancing homeownership opportunities for moderate and lower income families.

Our Nation stands alone in our success to provide affordable housing opportunities for American families. The reason for this unprecedented success of homeownership in our Nation flows to the genius of the FHA program of providing a low down payment with a national insurance basis. This program spreads the risk broadly and provides the opportunity for homeownership to millions of American families.

The success of the FHA program is well documented. In a statement before the Housing Subcommittee, HUD witnesses testified that 6.5 million homes are insured through the FHA insurance fund. There are 690,000 families who used FHA insurance to buy a home last year; 450,000 of them were first-time homebuyers. According to the General Accounting Office over 40 percent of the first-time homebuyers, who used FHA, made down payments of less than 5 percent.

Historically, the FHA has succeeded—not only in terms of providing homeownership opportunities, but also in terms of the insurance fund's actuarial soundness. During the 1970's and into the early 1980's the FHA built a solid surplus capable of weathering any economic storm. However, as with so many other programs, FHA was victimized by the budget scorekeeping pea and shell game. Prior to 1983 the FHA insurance fund was on a pay-as-you-go system. That year, the Reagan administration budget gurus found a way to use the FHA to mask the size of the deficit. Rather than an annual premium, the FHA insurance fund was changed to an up-front premium which was stored at Treasury rather than being immediately deposited in the FHA. This change made it easier for OMB to reduce the Federal deficit, but it certainly did not help FHA home purchasers by increasing their home mortgage loans and raising the price of homeownership at the critical time of purchase.

This summer the Department of Housing and Urban Development released an actuarial review of the Federal Housing Administration's Mutual Mortgage Insurance Fund conducted by Price Waterhouse. This analysis determined that in the 1980's the insurance fund did experience a serious depletion of this built-up surplus because of poor management and inefficient premiums. These losses are most disturbing and could jeopardize the FHA insurance fund in the future.

In 1989, Congress enacted strong new laws to stop the managerial abuses that have occurred. It is now time for Congress to develop a policy that will once again attain the actuarial soundness of the FHA insurance fund while preserving the historic FHA role as an affordable means of homeownership for moderate and lower income families. This is what the Vento-Ridge proposal is designed to accomplish.

The FHA Safety and Soundness Act implements needed reforms to attain an adequate capital ratio for the FHA insurance fund. The bill requires that the FHA insurance fund attain the Price Waterhouse recommended

capital ratio of 1.25 percent in 24 months. In addition, the bill requires an even stronger 2 percent capital ratio by the year 2000.

To accomplish that goal, the FHA Protection and Homeownership Preservation Act takes several steps. First, the legislation reestablishes a pay-as-you-go funding system by reducing the up front premium and replacing it with an additional premium that is payable through life of the loan. This pay-as-you-go system provides a steady flow of funds into the FHA insurance fund to counteract the depletion of the fund and reduces by nearly two-thirds the increased mortgage amount attributed to the up front FHA insurance fee.

The Vento-Ridge bill eliminates the ongoing practice of paying distributive shares out while the FHA insurance fund is not actuarially sound. Distributive shares are similar to stock dividends and should not be paid at a time when the fund is losing money. This commonsense step saves the FHA Insurance fund an estimated \$140 to \$150 million each year.

In addition, our bill will restrict the amount that the FHA rebates on unearned premiums and saves another \$500 million over the next 5 years. The bill also provides better oversight for Congress and the administration by requiring annual audits of the fund and authorizing the Secretary of HUD to raise the premiums when the insurance fund is inadequate.

In achieving the goal of actuarial safety and soundness, the Vento-Ridge bill does not sacrifice homeownership opportunity for American families, especially first time homebuyers. The Vento-Ridge bill does not significantly increase the amount of up front cash that families will require to buy a home. The Vento-Ridge bill continues the successful FHA philosophy of balancing the risk and cost through a national insurance pool. That philosophy has been successful in opening the door of homeownership to millions of American families.

I would be remiss if I did not bring to my colleagues' attention the only other alternative on this issue before the Congress. Last month the Senate adopted a last-minute amendment. The Senate proposal would drastically alter the successful FHA philosophy and place the heaviest cost burden on those who are least able to pay. This amendment, which the administration strongly supported, turns the FHA program on its head. Under the administration proposal, the FHA will provide the most assistance to those most able to pay and will penalize the most, those for whom the FHA is primarily intended.

Rather than restoring the FHA to a pay-as-you-go system, the administration continues, solely for budget gimmickry purposes, a higher up front premium than the Vento-Ridge bill. Added to that is a regressive risk based premium system. As a result, down payments will have to be increased by 40 to 50 percent, doubling the down payment required by the Vento-Ridge bill. The bottom line is a program that is stratified on the basis of up front cash and that effectively locks out over 100,000 potential home buyers from purchasing a home each year. I need not remind my colleagues that most of these 100,000 home buyers will be the first time home buyers who most need our help.

Mr. Speaker, it is essential that Congress reiterates its support for homeownership. The FHA Protection and Homeownership Preservation Act accomplishes that goal. I urge my colleagues to join with Congressman RIDGE and I to cosponsor this legislation and save the FHA.

GSA ADMINISTRATOR RICHARD  
G. AUSTIN

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. HORTON. Mr. Speaker, I rise to commend the General Services Administration and its recently confirmed Administrator, Richard G. Austin.

GSA recently announced the completion of the transition from the Government's 27-year-old Federal Telecommunications System to the new state-of-the-art FTS 2000 long distance network. This changeover took place last week, 2 weeks ahead of schedule. Even more impressive, the original plan for the network called for a completion schedule of 36 months before the system would be fully operational. But, as a result of the competition mandated in awarding this contract, the expertise of the contractors, and the excellent work of the GSA led Inter-Agency Council on FTS 2000, it took only 18 months to make this system a reality.

Mr. Speaker, FTS 2000 was a tremendous undertaking by GSA. The estimated value of the contract over its life could be as much as \$25 billion. Due to the devotion and expertise of the individuals at GSA the contract was completed and awarded without a hitch.

FTS 2000 will completely transform the way the Federal Government does business. It will allow Federal workers across the Nation to exchange data and information instantaneously at a great savings to the Government and to the general public.

Mr. Speaker, I applaud the leadership of Administrator Austin and the expertise and professionalism of all of those at GSA who participated in this endeavour.

THE CABLE TELEVISION CONSUMER PROTECTION AND COMPETITION ACT OF 1990

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. MARKEY. Mr. Speaker, today I am pleased to join with my colleague Mr. RINALDO, the ranking minority member of the subcommittee, in introducing the Cable Television Consumer Protection and Competition Act of 1990. To a large degree, this legislation reflects consensus reached during various conversations and negotiations of the past few weeks between and among Members of Congress, State and local representatives, consumer representatives, and industry representatives. The bill incorporates the provisions of



the amendment in the nature of a substitute to the committee print adopted by the subcommittee on June 27, 1990.

Over the past several months, I repeatedly have expressed concern about the practices and prices of some operators that have become unreasonable or even abusive of the interests of consumers. Two GAO cable rate surveys requested by the subcommittee have confirmed that some cable operators have betrayed the trust placed in them by the Congress in 1984. I have pledged that in any cable legislation, my principal intent would be to rein in these sorts of renegades in the cable industry.

The legislation we are introducing today would take steps to protect consumers from the excesses of renegade operators. Specifically, it would require cable operators to offer a basic service tier, or broadcast basic tier, consisting, at a minimum, of local broadcast signals and PEG access programming. The Federal Communications Commission [FCC] would establish a formula for determining the maximum price cable operators could charge for this tier.

The bill also mandates the Commission to protect the cable subscribing public by preventing cable operators from charging unreasonable or abusive rates. It directs the FCC to develop the means to identify and to reduce, in individual cases, unreasonable or abusive cable rates. A franchising authority or other relevant State or local government entity would be authorized to file a complaint with the Commission, alleging that a rate is unreasonable or abusive. The FCC would consider the complaint in a fair and expedited proceeding. I believe that this legislation is a balanced and responsible approach that affords consumers true protection, while not burdening the cable marketplace with cumbersome regulation.

A principal goal of this legislation is to encourage competition from alternative and new technologies, especially wireless cable and direct broadcast satellites. In order to do this, the legislation contains three provisions that facilitate access to programming for multichannel video providers.

First, vertically integrated cable programming services would be prohibited from unreasonably refusing to deal with any multichannel video system operator with respect to the provision of video programming. The bill, however, permits exclusive contracts for programming services as long as they do not significantly impede competition. Because this provision is designed to spur competition, the prohibition would sunset after 9 years or earlier if the FCC determines that a competitive market for the delivery of video programming exists.

Second, the legislation would require any person who encrypts any satellite delivered programming to make such programming available for private viewing by home satellite antenna users, to establish reasonable and nondiscriminatory financial and character criteria for dealing with programming distributors, and to establish nondiscriminatory price, terms, and conditions for distribution of such programming.

Finally, cable operators would be prohibited from coercing programmers to provide exclusivity for video programming against other

multichannel video system operators as a condition of carriage on a cable system.

We also are moving forward today to legislate a solution to the must carry problem, to ensure that local broadcasting and public television survive and flourish in this growing era of cable television. Under the legislation, cable operators would be required to carry public television stations pursuant to the agreement reached by the cable industry and the public television community. Cable operators also would be obligated to reserve approximately 25 percent of their systems' channel capacity for carriage of local commercial broadcast stations, a requirement consistent with the Commission's earlier rules.

In addition, we are moving ahead today to fill the existing gap in the Federal Communications Act with regard to foreign ownership restrictions on our communications media. The same restrictions that we apply to our telephone and broadcasting systems would be extended to cable, wireless cable, and DBS systems.

Other key provisions in the legislation would require the FCC to establish minimum customer service and technical standards, to collect financial information from cable systems on an annual basis, and to determine whether limitations on horizontal and vertical integration in the video programming marketplace are necessary or appropriate. Further, the Commission would be required to submit to Congress reports concerning diversity, competition, and the future of the video programming marketplace and to initiate a rulemaking to determine whether leased access, common carrier, public interest, or other requirements on DBS systems are appropriate. The Commission also would be required to establish a formula to determine the maximum rate a cable operator could charge for leased access. Finally, the legislation would impose antitrafficking rules for cable systems.

I want to thank and commend my colleagues on the Subcommittee on Telecommunications and Finance, especially Mr. TAUZIN, Mr. COOPER, Mr. BOUCHER, Mr. ECKART, Mr. SWIFT, Mr. BRYANT, Mr. SYNAR, Mr. RICHARDSON, and Mrs. COLLINS, for their leadership on these important public policy issues. In addition, I particularly want to thank Mr. RINALDO for his hard work and the cooperation he brought to the process of developing this legislation. I also want to thank the full committee chairman, Mr. DINGELL, for his active involvement and support. The progress we have made during the past few weeks on this bill would not have been possible without his significant contributions.

I am confident that the provisions embodied in this legislation would protect consumers from unreasonable or abusive rates, ignite competition in the video marketplace, and promote the public interest in securing diversity in video programming under fair and effective governmental oversight. It is my expectation that our continuing efforts in the days and weeks to come will enable us to pass into law a bill that reflects a spirit of bipartisan cooperation. I urge my colleagues to support this important legislation.

## RECOGNITION OF COL. WILLIAM WYRICK AND TASK FORCE SMITH

### HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. SPENCE. Mr. Speaker, we are beginning to hear and read a lot these days about the Korean war. It's as if modern historians are just discovering this terrible war which resulted in the death of some 54,000 Americans. Had the United States abandoned South Korea 40 years ago, there is no question that all of Asia would have been under the threat of Communist subversion.

One of the true heroes of those early days in the summer of 1950, when North Korean aggressors blatantly violated every precept of peace and decency, was a constituent of mine, William Wyrick. He was a member of an Army unit known as Task Force Smith. Now retired, as an Army colonel, in 1950 he was a very young man who, with a handful of colleagues, stopped 20,000 well-armed North Korean troops until help arrived and a front could be established.

Mr. Speaker, thank God for men like Colonel Wyrick, who in the desperate hours stepped forth to protect and defend freedom. Colonel Wyrick is not only a great American, but it is safe to say that he is a first American, since he is an Osage Indian.

I commend to my colleagues' attention the following article, printed in the State newspaper, which details Colonel Wyrick's courageous exploits.

[From the Columbia, SC, State, July 5, 1990]

#### KOREAN WAR VETERAN PROUD TO REMEMBER

(By Michael Sponhour)

From occupied Japan to Vietnam, William Wyrick's 30-year career in the U.S. Army gave him a front seat for much of America's military history this century.

But it is an obscure battle in an often overlooked war that means the most to Wyrick, who retired as a colonel in 1973 and lives in Columbia.

Only serious students of military history remember a little unit called Task Force Smith—406 soldiers who saw the first American ground action in the Korean War.

It was this undermanned and poorly equipped force that held off 20,000 invading North Korean troops and a host of Soviet-made tanks 40 years ago today.

Although forced to retreat with heavy losses after the seven-hour battle, Task Force Smith has been credited by historians with stemming the communist advance as U.S. troops raced to shore up undefended areas in the rear.

"In our history, maybe only the Minutemen at Concord Bridge would compare with what we were called upon to do and what we accomplished," said Wyrick, 65, a burly Osage Indian born in Skiatook, Okla.

The South Koreans remember. They built a large bronze statue at the battle site, and each year U.S. and Korean dignitaries attend a ceremony honoring Task Force Smith.

Wyrick and about two dozen veterans of that fight will gather today in Washington

D.C., where Gen. Carl Vuono, the Army chief of staff, and a representative of the South Korean Embassy will honor them.

But for Wyrick, the story of Task Force Smith is also one of irresponsible postwar budget-slashing that put thousands of weapons marked "combat unserviceable" in the hands of American boys.

The radios often didn't work. Trucks and jeeps were worn out. The guns were mostly leftovers from World War II. Ammunition was short.

"We want the American people to know about us, and we feel strongly that it should never happen again," Wyrick said as he sat in the den of his Spring Valley home.

"You have no idea how awful it was over there in the summer of 1950. We were working with equipment in very poor shape, limited ammunition; yet we still got the job done."

North Korean forces had poured over the 38th parallel on June 25, 1950, determined to reunite a country divided in the postwar settlement between the United States and Josef Stalin's expansionist Soviet Union.

South Korea saw its capital occupied in three days, and most of the peninsula was overrun in six weeks.

President Truman immediately authorized U.S. air and naval aid to the embattled south. The U.N. Security Council approved armed intervention in the struggle, a move the Soviet Union's representative could have vetoed had been present for the vote.

But the war and diplomatic wrangling were little more than radio news to the 1st Battalion of the 21st Infantry Regiment, a hot-shot unit based in southern Japan. In war games, the battalion had won recognition as the best unit in the Far East. Wyrick commanded one of the battalion's rifle companies.

On the evening of June 30, the orders came—the regiment was headed to Korea. Artillery from another unit was attached to the 1st Battalion to create Task Force Smith, named after its commander, Lt. Col. Brad Smith.

After arriving in Korea, the troops boarded a train—a first-class passenger coach—and headed north toward Taejon. Commandeered trucks took them an additional 80 miles north to Osan. The bumpy road was jammed with retreating refugees.

Blessed with a "beautiful little defensive position" that allowed them to cover both the main road and the rail line, Wyrick's troops dug in on July 4 and waited.

Though the training in Japan had made them confident and eager, Task Force Smith was hardly at full strength. Fully staffed, Wyrick's unit would have had 42 soldiers. Instead, it had 18.

Early the next morning, 33 tanks rumbled down the road. Task Force Smith opened fire, beginning America's ground involvement in the war.

"They probably hit each tank, we hit them with everything we had," Wyrick said. "We had the original bazooka from World War II. Unfortunately, they wouldn't penetrate those tanks."

The bazookas did halt a few tanks by blowing their tracks off. So the tanks just sat in the middle of the road, shooting at the U.S. forces, who could do nothing further to stop them, Wyrick said.

In an hour, a North Korean truck convoy, later estimated to be six miles long, came down the road. Packed like sardines, 40 to 50 soldiers per truck, the battle-tested North Koreans outnumbered the Americans 50 to 1.

After raking the column with machine gun and mortar fire, Task Force Smith nearly was surrounded and out of ammunition. An artillery barrage would have devastated the enemy column, but the tanks had cut communication lines to the rear, Wyrick said.

The U.S. forces were ordered to retreat as best they could. For Wyrick, who was separated from his unit, that meant scrambling across a rain-slickened rice paddy as he was harassed by a North Korean machine gun nest 100 yards away.

"I can still see that thing, I can still feel the bullets hitting around me," he said. "I was scared. You can't take cover because if you fall off that dike into the rice paddy, you can't move at all."

According to the official U.S. Army history of the war, about 250 members of Task Force Smith made it to the rear. It is estimated that the North Koreans suffered 42 killed and 85 wounded.

The North Koreans never achieved their goal of capturing Pusan—the coastal town that for a while would be the last Allied outpost on the peninsula.

Dramatic maneuvers dominated the next year of war. U.N. forces rallied under the leadership of Gen. Douglas MacArthur, whose bold amphibious landing at Inchon threatened communist supply lines and forced them to retreat.

Wyrick assumed command of a company shortly after the fight at Osan. They would get within 11 miles of the Chinese border at the Yalu River before Chinese troops poured into the fight Nov. 26. Later, he became a liaison officer, running messages between units in the rear.

By next summer, Korea was host to a military stalemate, where blood was spilled to take a hill or a few feet of ground.

A truce ended the war July 27, 1953, and established a 2½-mile-wide demilitarized zone at the 1950 border. U.S. forces suffered 54,000 dead and 103,000 wounded. A total of 2.4 million soldiers and 4.4 million civilians on both sides were wounded or killed.

No peace treaty was ever signed. No memorial was ever built in the United States, although fund-raising efforts for one began in 1985. Numerous television documentaries recounting battles from Pearl Harbor to the Tet Offensive have aired. For the Korean War, there are "M\*A\*S\*H" reruns.

America has tried to forget the first war to end in something less than a clear triumph. Yet, had North Korea succeeded, the entire peninsula would have been under the heel of one of the most isolated and dictatorial regimes in the world.

"At the time (the truce) was upsetting to me. I felt then we should have wiped them out," Wyrick said. "But looking back, I think we did win. We kept South Korea from going communist."

As the United States again prepares to scale back defense spending, Wyrick worries the frustrating experience of Task Force Smith will be repeated.

"They're getting ready to do it again, and that's for the birds," he said sternly: "I realize the threat is diminishing and we need less, but whatever we retain must be a complete fighting unit with the proper weapons."

## CLIFFORD MCCARTHY'S 65 YEARS IN GOVERNMENT SERVICE APPRECIATED

### HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. BENNETT. Mr. Speaker, Clifford J. McCarthy, a materials expeditor at the Naval Aviation Depot in Jacksonville, FL, retired June 30, 1990. His has been an exceptional career.

On November 11, 1989, he completed 65 years of combined Government service—30 years in the Armed Forces and 35 years as a Federal employee at the NADEP.

Born in 1907, McCarthy began his career in 1923 with the 1st Cavalry Regiment—Teddy Roosevelt's Rough Riders of San Juan Hill fame. During his 3 years with the Rough Riders, he saw duty along the Rio Grande from Marfa, TX, to Brownsville, TX, and participated in the making of the movie, "Teddy Roosevelt's Rough Riders." He also witnessed the making of the movie, "Wings," a story of World War I.

When McCarthy's tour of duty with the 1st Cavalry was up in 1926, he joined the Navy and saw duty with the Great White Fleet. Over the next 20-plus years, the young sailor traveled the world with such duty assignments as China and the Panama Canal Zone and, as a crewmember of the U.S.S. *Yorktown*, distinctly remembers December 7, 1941. In 1953, then Chief Machinist Mate McCarthy hung up his chief's hat and retired after 30 years of military service. A few months later, he was back at work, this time as a civilian employee of the Naval Air Rework Facility—forerunner of the Naval Aviation Depot—Jacksonville. And here he stayed. "Mac," as he is known to all who know him, did retire in 1977 when the mandatory retirement age was 70, but when the law was abolished a short time later, he was back on the job.

McCarthy's age at final retirement was 83. Capt. D.C. Wynne, the commanding officer of the Naval Aviation Depot wrote me of McCarthy's career: "His 30 years in the military and more than 35 years as a civil servant gives him an unprecedented 65 years plus of Federal service". Surely his long and faithful service to the Government is an inspiration to everyone. Congratulations.

## ISRAEL BONDS HONORS MILWAUKEE'S JOSEPH ZILBER

### HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. KLECZKA. Mr. Speaker, I would like to inform my congressional colleagues of a very special tribute to Mr. Joseph J. Zilber occurring in Milwaukee on Saturday, August 5, 1990. On that evening, the Development Corp. for Israel-State of Israel Bonds will kick off their year-long, worldwide celebration of



their 40th anniversary by honoring Mr. Zilber's own 40 years of support for Israel bonds.

Through his top-level investments of State of Israel securities, Mr. Joseph Zilber has strongly promoted Israeli economic growth and helped to make the Zionist dream of a Jewish state in the Holy Land a reality. Just like the State of Israel bonds themselves, he has contributed to the social, cultural, and economic development of Israel since 1950, only 2 years after its birth.

The business skills Mr. Zilber applied to the benefit of Israel were developed over many years in Milwaukee. At the helm of Townner Realty Inc., a firm which he founded in 1949, Mr. Zilber excelled in the real estate development and construction, expanding his holdings cross the country.

As a member of the Housing Subcommittee, I am particularly impressed with Mr. Zilber's record in providing homes in Milwaukee; over the past 40 years, his firm has built 3,000 manufactured houses, 2,000 prefabricated homes, and thousands of other homes, apartments, condominiums, and senior citizen public housing towers. He also has played a leading role in the renovation and restoration of classic buildings in downtown Milwaukee, including the historic Riverside Theater.

In addition to his work on behalf of State of Israel bonds, Joseph Zilber and his lovely wife, Vera, have worked for many other worthy causes. The Zilbers have established a scholarship fund in their name at Marquette University, which has awarded over 140 scholarships to date. Mr. Zilber has also served on the Greater Milwaukee Committee and the Mt. Sinai Hospital Board of Directors.

In recognition of his accomplishments and good works, he has received the Judas L. Magnes Gold Medal Award from the American Friends of Hebrew University, the Lampighter Award from the Greater Milwaukee Convention and Visitors Bureau, and the Distinguished Law Alumnus Award from Marquette University's Law Alumni Association.

Mr. Speaker, the State of Wisconsin and the city of Milwaukee are fortunate in having Mr. Joseph Zilber as a resident, and I am grateful to count him as a friend. His commitment, generosity, and hard work are a shining example to the rest of our citizens.

#### CONGRATULATIONS TO SPIEGEL

##### HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. FAWELL. Mr. Speaker, I rise to congratulate Spiegel, Inc. Today is the ground breaking for their new corporate headquarters.

I can't think of a better location for the new headquarters than in the heart of the 13th Congressional District.

Spiegel is a name that for 125 years has been synonymous with Chicagoland. Like the Wrigley Building, State Street, and the ubiquitous 60609 ZIP CODE it made famous, Spiegel is one of a kind uniquely Chicagoland.

Spiegel stands as an example of excellence for all companies. With a reputation for outstanding service nationwide, Spiegel is well known:

As a leader in its industry, setting high standards for other retailers to follow, and promoting the value and talents of American fashion designers.

As a merchant meeting the needs of its 5 million-plus customers with fine products and a deserved reputation for outstanding service.

As a generous corporate citizen providing ongoing support for charitable causes and the less fortunate in Chicago and across the country.

And as a major contributor to the economy—a \$1.7 billion company with more than 5,500 employees.

Today's ground breaking of Spiegel's new corporate headquarters is the result of 125 years of sound business accomplishments. When the time capsule is unearthed in 2015, I'm sure we'll find Spiegel even more dedicated to the guiding principles which have brought it to where it is today.

Congratulations to Jack Shea and all Spiegel employees on achieving this next step toward a rewarding and prosperous future.

#### THE PASSING OF SENATOR GENE LEVY

##### HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. GILMAN. Mr. Speaker, I deeply regret to inform our colleagues of the passing of an outstanding public servant in the mid-Hudson Valley of New York.

State Senator Eugene Levy dedicated over a quarter century of his life to public service, first as a councilman from the town of Ramapo, followed by 16 years as a member of the New York State Assembly, and more recently, over the past 6 years, as our State senator, representing the 38th Senate District of New York.

In all of these public capacities, Senator Levy earned the utmost respect and everlasting admiration of all political persuasions for his humanitarian concerns, for his humility, and for his extensive knowledge and respect for the rule of law.

Gene and I became fast friends when we served together in the State assembly two decades ago. Over the years we have worked closely together on many important issues and projects on behalf of our region.

Along with the multitude of his admiring constituents, his many friends and colleagues, I will long feel the loss of this outstanding public servant.

Our heartfelt sympathies go out to his devoted wife, Geraldine, to this son Billy, and to his entire family.

#### TRIBUTE TO NAOMI BYRD

##### HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. FEIGHAN. Mr. Speaker, I rise today to pay tribute to a truly special teacher and one of my constituents, Naomi Byrd. Naomi has

just retired after 28 years of dedicated service in the city of Cleveland Public Schools System.

Since the early 1960's—at both Anton Grdina and Riverside Elementary Schools—Naomi has motivated class after class of students. Her commitment to education and community service has left each class with a greater interest and a more positive attitude toward school. Her teaching abilities were even able to give confidence to children who might otherwise have become frustrated.

One of Naomi's favorite times of the year has always been the Right to Read Month, when she can encourage youngsters to read even more. She joined other teachers, parents and students in organizing the annual Balloon Launch, a celebration of Right to Read Month. Each year, due in large part to Naomi's hard work, the Balloon Launch was a huge success. Naomi was also instrumental in bringing in celebrity readers to read stories, and to discuss their career and life experiences with the students.

Next September, the students and teachers at Anton Grdina Elementary School will notice something missing. That something will be Naomi Byrd. I wish her the best of luck and thank her for all that she has given to better the future of our young children.

#### TO COMMEMORATE THE 20TH ANNIVERSARY OF ACORN

##### HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. HAYES of Illinois. Mr. Speaker, I am honored to rise today to commemorate the 20th anniversary of the founding of the Association of Community Organizations for Reform Now [ACORN].

As you know, ACORN unyieldingly advocates for a stronger local neighborhood voice in and power over the economic, political and social institutions that dominate the lives of families of low and moderate incomes. In the 20 years since it was founded in Arkansas, ACORN has highlighted the concerns of poor people to Federal, State, and local government as well as corporate America.

ACORN in a word is empowerment—empowerment for those who often do not have a voice in this prosperous country of ours, and who are certainly often shut out of this Nation's power structure.

Mr. Speaker, I have the privilege this weekend to offer welcoming remarks at ACORN's 1990 national convention in Chicago. I'd like to take this brief moment today to thank ACORN for its outstanding work on issues that are of such importance to me and to this Nation.

ACORN's grassroots activism is exemplary, and I know from personal experience that without the leadership and support of ACORN, many of this Nation's poor would suffer from even higher utility rates, more inadequate housing and higher taxes. I certainly realize, as a representative of the people, how important ACORN's role has been in developing policies effecting those that suffer in this

Nation. ACORN clearly has improved the quality of life for the poor in this country.

Community organization and unity is the key, and I stand today to express my pride in ACORN's accomplishments and again congratulate it on its 20th anniversary.

#### VIETNAM VETERANS DEDICATE MICHIGAN MEMORIAL

#### HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. SCHUETTE. Mr. Speaker, I have the privilege today of announcing the dedication of the Michigan Vietnam Veterans Memorial, by the Vietnam Veterans of America, chapter 438. The memorial will be dedicated on July 15, 1990, at Island Park in Mount Pleasant, MI, to honor those brave men and women who sacrificed so much for our freedom during the Vietnam war.

Veterans have served this Nation proudly and with dignity to assure us the basic freedoms that many in this country take for granted. They have given more than most Americans will ever be called upon to give for their country. The veterans of this Nation, through their courage and sacrifice have taught us about patriotism, perseverance, and character.

As Mr. William Sublett, president of the Vietnam Veterans of America, chapter 438, stated, this memorial represents a "coming out, a statement of life, inner strength, and love of country." To the people of Mount Pleasant, MI, the memorial represents the long overdue welcome home the veterans deserve.

Let this memorial be acknowledgement of our infinite gratitude to our veterans, and a reminder of our commitment to bring home, as quickly as possible, those American soldiers who still remain captive. As Americans there should be nothing more intolerable or revolting to us than the thought of our citizens being deprived of those freedoms which this Nation called upon them to defend.

The Michigan Vietnam Veterans Memorial consists of a footbridge that spans the Chipewewa River, a flag gallery, and a memorial garden with 16 plaques inscribed with 2,705 names of Michigan military personnel who died on the battlefield or in captivity in Vietnam, and those who continue to be held captive. There is also a flag gallery housing 11 flags.

Mr. Speaker, and my colleagues in the House, please join me today in celebrating the dedication of this long overdue memorial to the Vietnam Veterans of Michigan, and to the men and women throughout this great country who fought so bravely to defend the ideals of this Nation.

#### HARRIS LAUDS GROUP'S CONTRIBUTION TO DEBATE ON PROVISION ON HEALTH CARE AND COST CONTAINMENT

#### HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. HARRIS. Mr. Speaker, I rise today to discuss an issue that is dear to the heart of most Americans—the cost of health care. Recently the Gallup organization did a survey, sponsored by the Federation of American Health Systems, about the prospect of Medicare cuts to lower the Federal deficit.

The results are worth highlighting again. By a margin of 88 percent to 8 percent, Americans 18 or older oppose substantial cuts in Medicare to reduce the Federal deficit. In addition, the survey suggested most Americans would be willing to spend more than 11 percent of the gross national product for health care services.

I suggest that most Americans are willing to pay for our health care services, as long as they believe they are paying a fair price. It is for this reason that so many Americans support the Medicare system, which provides health insurance for senior citizens aged 65 and older.

One of the most obvious ways to ensure that our health dollars are being wisely spent is to encourage patients to seek the least costly health provider while still ensuring quality care. This careful shopping will lower the average cost per service. Another way to save dollars is to treat patients in an outpatient or ambulatory setting. Routine, regular preventive health care can be much less expensive than acute care, where dramatic medical efforts are necessary to stabilize the patient.

Mr. Speaker, I know all health care professionals share the concern of the general public about this issue of balancing cost containment with access to quality health care. I would especially like to commend the Academy of Ambulatory Foot Surgery for their efforts in promoting outpatient services, supporting the development of new medical technology and techniques and stressing continuing professional education for its members. Under the leadership of my good friend, Dr. Stanford Rosen, this professional organization has come to play a leading role on this important issue, leading by example, not by rhetoric. We need more such contributions to the continuing debate on the provision and proper regulation of health care.

#### NATIONAL ENDOWMENT FOR THE ARTS

#### HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. WEISS. Mr. Speaker, yesterday, noted choreographer Bella Lewitzky filed suit in a Federal court in Los Angeles, challenging the National Endowment for the Arts' [NEA] requirement that her dance company sign a

pledge that it won't use Federal funds to create "obscene" art. The New School of Social Research filed a similar suit in May. Ms. Lewitzky's case says the congressionally mandated grant restriction is too vague and has a chilling effect on the artist. It also says the required pledge "improperly reposes in the NEA, rather than in a judicial officer, the authority to determine what may be considered obscene" and permits the determination of obscenity to be made without due process.

Not only does this conformity pledge tread in murky legal waters, but it also causes artists to self-censor their works. A nation that has long distrusted loyalty oaths should not jump to establish conformity oaths. As Justice Thurgood Marshall once put it, the problem with "a sword of Damocles is that it hands—not that it drops."

In light of the many urgent problems facing our country, it is ironic, or should I say dangerous, that Congress has been expending such an extraordinary amount of energy deciding how to maim an agency that has a near perfect track record, and has exponentially improved and expanded arts in America. This week, in fact, the NEA received the U.S. News & World Report's 1990 Excellence Award for culture.

The NEA has greatly contributed to the growth of art in America. For example, before the NEA, 37 dance troupes performed for a national audience of 1 million. Now, 250 entertain 32 million each year. John F. Kennedy realized the importance of support of art in America:

"I see little of more importance to the future of our country and our civilization than full recognition and support of the artist."

As the NEA reauthorization bill approaches the floor of the House, let those insightful words of John F. Kennedy ring clearly in the Halls of Congress.

Perhaps these Halls should resonate with the knelling of liberty bells as well. Because, not only do we need to be reminded of the importance of supporting our Nation's artists, but also the importance of artists' constitutional right to express themselves. As long as Government funding is conditioned on the political palatability of artists' works, we are sacrificing their first amendment rights. The Supreme Court has repeatedly held that:

The Government may not deny a benefit to a person on a basis that infringes his constitutionally protected interests—especially freedom of speech.

As long as the Government's sword of Damocles hangs closely over an artist's paintbrush, baton, pen, or chisel, we are depriving artists of one of their basic freedoms.

I urge my colleagues to support a reauthorization of the National Endowment for the Arts that will maintain the effective structure of this agency, uphold the integrity of the U.S. Constitution and enable America to fulfill its creative potential.



THE LINDSAY MUSEUM  
CELEBRATES NATURAL LIFE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, July 13, 1990

Mr. MILLER of California. Mr. Speaker, the Lindsay Museum in Walnut Creek, CA is the oldest and largest wildlife rehabilitation center in the United States. Since its opening in 1955, the museum has cared for numerous orphaned and injured wild animals, and last year released 8,000 back to their natural habitats. Their excellence in wildlife rehabilitation and public educational programs has earned

the Lindsay Museum the highest honor a museum can receive, accreditation by the American Association of Museums.

The Lindsay Museum has been educating children for generations about the need to be responsible stewards of the environment and to keep a balance with nature. The museum formally educates more than 22,000 children and this year anticipates reaching at least 35,000 children. Over 60 docents and 400 volunteers contributed more than 76,000 hours of service to the museum and gave 800 tours to schoolchildren in Contra Costa County.

The challenge of living with nature is even greater now than when the museum first opened, and the need for a new facility is urgent. The residents of the San Francisco Bay Area are indeed fortunate to have such a

fine facility in their community and the museum deserves strong public support in their capitol campaign efforts to complete the construction of a new 25,000 square-foot museum.

Mr. Speaker, this year the Lindsay Museum will celebrate 35 years of wildlife protection by joining in the fight to save the endangered peregrine falcon from extinction. On July 17, the museum will release two pairs of peregrine chicks to nearby Mount Diablo State Park. I am very proud of the Lindsay Museum's achievements, and I ask that my fellow colleagues in the House of Representatives join me in saluting the years of dedication and commitment the museum has given to our environment and the children and adults of Contra Costa County.

TIME TO PASS CERTIFICATES

Mr. Speaker, I am pleased to announce that the Lindsay Museum has been awarded the highest honor a museum can receive, accreditation by the American Association of Museums. This is a great achievement for the museum and for the community. The museum has been educating children for generations about the need to be responsible stewards of the environment and to keep a balance with nature. The museum formally educates more than 22,000 children and this year anticipates reaching at least 35,000 children. Over 60 docents and 400 volunteers contributed more than 76,000 hours of service to the museum and gave 800 tours to schoolchildren in Contra Costa County.

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HOUSE MEMBERS TO COMMUNICATE WITH CONSTITUENTS

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TO KNOW OF ALEXANDER

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